

## **Department of Management Sciences**

The so-called management sciences here is an interdisciplinary science which aims at revealing and applying the basic laws of various management activities, in order to optimize the utilization of limited resources under the help of modern science and technology. There are three divisions in the Department, namely management science, engineering, business administration and macro-management and policy, respectively. Research proposals should be submitted to one of these divisions according to the contents contained.

In accordance with NSFC strategy of “supporting basic research, upholding free exploration and playing a guiding role”, the Department is working for promoting the original creativity in China’s management researches through selecting, supporting and managing innovative research projects. Proposals which lay stress on the combination of theory and practice and intercrossing of multiple disciplines will be supported with priority.

During the past 20 years, noticeable progress has been made by Chinese scientists in applying and further developing the associated knowledge and skills to solve management problems encountered in reality. Central and local governments, general society and various communities have paid much attention in management sciences, which is verified by the constant increase of the number of management researchers and their study outputs with significant influence on China’s social and economic development.

However, there still exist a number of problems to be solved in the future. For example, many researches simply follow oversea mainstreams without their own creative ideas, there are few research results having influence in the international academic circles, the academic and practical circles are not closely connected, consequently theoretical researches cannot well reflect the management practice, some management experiences which have been shown effective in solving China’s problems are not well summarized and formulated, some research proposals are mediocre and are lacking insights, some scholars cannot use scientific methodology to carry out their research projects, and basic data collection and database construction are not satisfactory. All of these are blocking the development of China’s management sciences.

The Department encourages researches in which the theoretical frontiers of management sciences can be introduced and further developed, research methods are internationalized, research cases are localized, and research results are useful in solving practical problems and best published in both domestic and international journals and/or conferences. Research projects supported by the Department should further develop some theories and/or creatively solve real management problems in China through applying the

advanced theory.

The Department periodically organizes experts to evaluate all research projects completed. Scientists with good records in completing projects will be given priority for funding when they apply for new projects. All evaluation results have been published on the Department's website.

Please note that proposals belonging to pure social science will not be considered by the Department because another organization (the National Social Science Foundation) supports all social science researches in China. Submission of a proposal to these two organizations simultaneously is not allowed.

In 2007, the Department will accept and process applications in three directions separately. The number of projects to be granted will be the same as that in 2006 and the average amount per project will be increased to 200 thousand (See below).

### Funding for General Program Projects in Recent Years

Unit: 10,000 yuan

Scientific division		FY 2005			FY 2006		
		Projects granted	Funds	Rate (%)	Projects granted	Funds	Rate (%)
<b>Division I</b>	Management science and Engineering	122+4*	2074	15.13	145+5*	2680	14.33
<b>Division II</b>	Business administration	139*	2286	13.29	156	2784	11.66
<b>Division III</b>	Macro-management and Policy	161+1*	2688	11.92	168	3009	9.06
<b>Total</b>		422+5*	7048	13.19	469+5*	8473	11.18
<b>Average amount per project</b>		16.51(16.61**)			17.88 (17.99**)		

Notes: \* The number of projects of Small Fund for Exploratory Studies for one year.

\*\* Average amount for individual projects (not including Small Fund for Exploratory Studies projects)

## Division I of Management Science

In the management science and engineering, the Division mainly supports research projects associated with fundamental theories, methods and techniques in the field of management science. They include the history of management science, general management theory, operations management, decision-making and game theory, organization theory, management psychology and behavior, management system

engineering, industrial engineering, information technology management, technology and theory of internet management, forecast, prediction and evaluation methods, quantitative economic analysis, financial engineering, complexity science, knowledge management and others.

The Division will strengthen its support to the research on basic theory and frontier areas, especially from Chinese management experience, culture and philosophy.

In 2006, the Division received 1,047 proposals in management science and engineering (an increase of 25.39% compared with that in the previous year), including 784 for Free Application (an increase of 23.50%), 248 for Young Scientists Fund (an increase of 29.84%), and 15 for the Fund for Less Developed Regions (an increase of 50%). Financial engineering is the research area with most applications, 114 applications in 2006 (70 in 2005), which is an increase of 62.86%. Research areas which enjoyed more than average increase in applications include decision-making (59.52%), management system engineering (55.36%), management psychology and behavior (48.28%), MIS & DSS (42.03%) and knowledge management (26.32%). Applications increased less in the following areas: technology and theory of internet management, game theory, and forecast theory and technology. Applications were reduced in general management theory, complexity science, etc.

Finally, 150 projects were funded, in which 111 were for Free Application, 37 for Young Scientists Fund (including 5 projects of Small Fund for Exploratory Studies) and 2 for Less Developed Regions. The success rate is 14.33%. The average amount per project is 178.8 thousand yuan.

Through the analysis on the applications of recently years, the Division shares the same with the Department. Many proposals still follow and apply the theory and methods of their peers in the West. Few of them have their original ideas and innovation potentials on basic theory, methodology and technology. But peer reviewers pointed out that the quality of proposals are better than those in the past few years, and proposals having insufficient technology route, scientific methods and issues, etc., are reduced.

The Division stresses on basic research and originality. It also encourages finding new problems, exploring new theories and inventing new techniques and new methods. Research should conform to the standards widely accepted in international academic circles, address the utilization of integrated scientific methodology and aim at the research frontiers so as to achieve innovation in various aspects. Proposals that have good background in conducting international collaboration are encouraged.

## **Division II of Management Science**

In business administration, the Division mainly supports basic research and some applied

basic researches in business administration and nonprofit organization management. These researches are generally conducted at micro-level, referring to the theories, methods and techniques. The main funding areas include strategy management, enterprise culture, corporate governance, human resources management, enterprise finance management (including accounting theories and methods and auditing management), marketing, operation management, quality engineering, logistic and supply chain management, service management, technology management and technology innovation, technology economics, project management, information management and e-business, non-profit organization management, and so on.

In 2006, 1,338 proposals were received in business administration. There were 1,028 proposals for Free Application (an increase of 25.7%), 284 for Young Scientists Fund (an increase of 38.5%) and 26 for the Fund for Less Developed Regions (an increase of 44.4%). Finally, 156 projects were funded, in which 118 were for Free Application, 35 for Young Scientists Fund and 3 for the Fund for Less Developed Regions. The success rate is 11.66%, 1.71% less than that in the previous year and the average funding is 178.5 thousand yuan per project.

In 2006, compared to other areas, the following fields witnessed more applications and projects funded: enterprise financial management, marketing, strategy management, and logistic and supply chain management, etc., showing that these areas have powerful research ability. The quality and quantity of proposals in R&D management and technology innovation were better than that in 2005 and the funding rate was increased obviously. In product management, quality management, service management and e-commerce areas, proposals were also increased and had original ideas and innovation potentials, but were still weak in theory. It is relatively weak in non-profit organization management and project management, the research results can't satisfy the needs of China's social economic development, although the number of applications were increased.

The quality of proposals in business administration is better than that in the past years, especial the quality of proposals for Young Scientists Fund. But there are some proposals which do not belong to business administration, are in low quality and can't provide enough information about what to be studied. This brings problems for reviewers in the evaluation. In order to ensure the efficiency of evaluation, the Division will screen these proposals out.

In 2007, the Division still aims to the original innovation and frontiers of basic science. High attention has been paid to proposals which are original and innovative in effectively combining cases and positive studies as well as scenario observation and analysis. Applicants are encouraged to cooperate with scientists and institutions in other countries. The funded projects are expected to find new management laws and develop new theories and methods with Chinese features. Proposals with fundamental data collection and investigation will be encouraged.

In order to improve the research quality, the Division will continue to support the frontier issues in the following areas: business theory, business strategy, enterprise finance management, marketing and human resources management. Priority will be given to researches on operations management, service management, quality management and engineering, non-profit organization management and e-commerce, risk and safety management in large-project, non-profit organization management, and so on.

## **Division III of Management Science**

### **Macro-management and Policy**

The Division finances research in the field of macro-management and policy, and the emergency research program which supports researches that give timely studies on some difficult and urgent management related problems in current social and economy development in China.

The following research areas are covered by the Division: macro-economy management and policy, financial management and policy, public administration and policies, agriculture economics management, science and technology management and policies, library-information-archive management, natural resources and environment management, etc. The Division addresses applied basic researches which are originated from the real macro-problems existing in China, aiming at providing assistance to the country's macro-decision-making and training research talents, and promoting innovative researches for the disciplinary development.

In 2006, the Division received 1,855 proposals (1,404 for Free Application, 361 for Young Scientists Fund and 90 for the Fund for Less Developed Regions), which is 36.5% more than that in the previous year. In 2006, proposals increased fast in such focus topics as science and technology management and policies, public administration, public administration and policies, urban and rural development, etc. Proposals increased a little in the following areas: macro economic management, industry policy and management, and finance, which is in accordance with the Division's funding policy and development trend, that is to stress the public administration and public policy instead of macro-economic management. It shows that applicants take great care of China's reform progress and apply the management theories and methods to analyze the emerging issues during the reform.

Finally, 168 projects were funded, in which 120 were for Free Application, 36 for Young Scientists Fund and 12 for the Fund for Less Developed Regions. The approval rate is 9.06% and the average funding is 179.1 thousand yuan per project.

In 2006, more applications were submitted and granted in such areas as public

administration, finance management, agriculture economics management and resource, and environment management. The success rate in agriculture economics management, S&T policy and management, and information and library management was higher than other topics.

In 2007, the Division will pay much attention to support researches in such topics as theory and methods of public administration and public production, new village construction and management, Sci-technology policy and management, health care management, urban and regional development management, education management and ecosystem management.

The applications in recent years contain some problems. First, applicants can't utilize the methodology in dealing with the process and don't know how to treat the problems. Second, they do not really connect the theory with practice in Chinese management issues. And finally, researchers mix the management practice and academy issues.

Many of the sub-disciplines covered by the Division show an unbalanced development. The Division encourages research projects with sound and stable background. Problems to be studied should be originated in China, research methods used be scientific and accepted by the academic circles, and research results be partially internationalized. Applicants should distinguish the difference between management research and management practice. Proposals should refine their topics to study and explore the central parts of the problems, try to describe accurately the problems to be studied, state clearly research methods to be adopted, and show how to overcome key difficulties encountered in the studies. The Division does not support research proposals that are purely based on general working experience obtained in industries.