

## Management & Leader Behaviors in Organizations

(with a focus on McGregor's Theory X and Theory Y)

Numerous management books discuss every aspect of managing, from the functions of managers, to management styles, to theories of human behavior and how managers need to respond to situational conditions. In the next pages, I offer a few points of reflection for each of these. For purposes of engaging students (from high school to college, to workers, to managers), you are encouraged to use these notes to ask reflective questions. In other words, you will be able to take the perspectives noted here to bring additional depth to your discussions about the Laws of Being Turned Off and the Bulls-eyes from *Doing Good Work Matters!*

### Management Functions

Planning	spending time setting goals and deciding the best way to achieve them
Organizing	the organization of resources such as capital, materials, and labor needed to perform various functions
Leading	directing and motivating employees in order to achieve the organization's goals. Involves decisions related to communicating goals and creating organizational incentives.
Staffing	interviewing, hiring, developing and training, and terminating employees
Controlling	monitoring organizational performance, comparing performance with established goals, and taking corrective action as needed

### Management Styles

A considerable literature, now over 40 years in the making, discusses management styles. Tannenbaum and Schmidt (1973)<sup>1</sup> describe seven styles; Goleman (2000)<sup>2</sup> describes six (ranging from coercive to affiliative); Steinmetz and Hunt (1974)<sup>3</sup> describe seven including autocrat, bureaucrat, democrat, and humanist, among others. Overall, a familiar framing for management styles is shown in the following table.

Style	Characterized by...
autocratic	in complete control of their organizations and make all or nearly all of the major management decisions
authoritarian	make all of the decisions, although they also solicit and use input from other managers to reach their final decisions
bureaucratic	act much like autocrats, but derive authority from corporate management, organizational rules and regulations, and past practices. Bureaucratic managers implement decisions often made by others in a way that is generally autocratic.
democratic	involve others in their deliberations and arrive at decisions through majority rule.
participative	let lower-level managers and employees make most of the major decisions. These managers function largely as facilitators

<sup>1</sup> Tannenbaum, R. & W. Schmidt (1973), "How to choose a leadership pattern," Harvard Business Review, 51(3): 162-180.

<sup>2</sup> Goleman, D. (2000), "Leadership that gets results," Harvard Business Review, 78(2):78-90.

<sup>3</sup> Steinmetz, L. & D. Hunt (1974), "Understanding the natural born leader that's in you," Admin Management, 35(10):30-37.

As Kopelman, Prottas, and Davis (2008)<sup>4</sup>, attest:

*...managers' assumptions/attitudes represent, potentially, self-fulfilling prophecies. The manager who believes that people are inherently lazy and untrustworthy will treat employees in a manner that reflects these attitudes. Employees, sensing that there is little in the job to spur their involvement, will exhibit little interest and motivation. Consequently, and ironically, the manager with low expectations will lament that "you can't get good help nowadays," oblivious as to the actual nature of cause and effect. Closing the self-reinforcing cycle, the manager feels vindicated; that is, his/her low expectations were warranted. Conversely, the manager who believes that employees are generally trustworthy and desirous of growth will facilitate their achievement.*

### Theory and fundamental assumptions about human behavior in organizations

By the time McGregor's *The Human Side of Enterprise* was republished in 1985<sup>5</sup>, it had become a classic with the book jacket reading like a Who's Who in Management. Drucker hailed it as "ever more relevant, more timely, and more important." Townsend called it "the most powerful and useful book about people I've ever read." Kanter claimed it contained "profound and timeless truths." Waterman declared it "a classic text that is a fundamental touchstone for anyone in management and organizational development." Bennis wrote ". . . this book, more than any other book on management, changed an entire concept of organizational man and replaced it with a new paradigm that stressed human potentials, emphasized human growth, and elevated the human role in industrial society".

McGregor's Theory X and Theory Y			
	Assumptions <sup>6</sup>	Appropriate when <sup>7</sup>	Management practices <sup>8</sup>
Theory X	employees are (1) lazy, (2) incapable of self-direction, (3) incapable of autonomous work behavior, and (4) have little to offer in terms of organizational problem solving. Worker attitudes include (1) work is something to be avoided as much as possible, (2) it is foolish to do more than minimally needed, (3) the union will protect you from the company <b>Overall, assumes</b> that workers do not like work and will generally try to avoid assigned tasks.	Tasks have short job cycles (repetitious/boring), low skills needed, work is machine paced, work is physically tiring, only requires surface mental attention	Managers actively control the quality and quantity of work Attention must be given to planning and organizing for efficiency, with workers simply implementing directives Rewards and discipline are crafted to motivate

<sup>4</sup> Kopelman, Richard E , David J Prottas, Anne L Davis (2008), "Douglas McGregor's Theory X and Y: Toward a Construct-valid Measure," *Journal of Managerial Issues*, 20, 2 (Summer), 255 – 274

<sup>5</sup> McGregor, D. M. (1960/1985), *The Human Side of Enterprise*. New York, NY: McGraw-Hill. See also, McGregor, D.M. (1957), "The Human Side of Enterprise." *The Management Review*, 46: 22-28.

<sup>6</sup> *ibid*

<sup>7</sup> Johnson, Leroy (1972), "Toward a Y System," *California Management Review*, 15, 1, 22

<sup>8</sup> *ibid*

Theory Y	Employees are (1) not inherently lazy, (2) capable of self-direction and self-control, and (3) capable of providing important ideas/suggestions that will improve organizational effectiveness. <b>Overall, assumes</b> that employees enjoy work, find it natural, want to achieve, are self motivated, seek responsibility, and, in general, respond better to praise than threats.	Tasks can stretch ability and offer development and growth opportunities, skill and experience can be applied, individual contributions can be recognized	providing objectives and rewards and the opportunity to participate in decision making with specific management practices that include participative leadership, delegation, job enlargement and performance appraisals
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### Thoughts on Situational Leadership

Morrison (2008)<sup>9</sup> points out the basic argument that “the approach to management undertaken by the practitioner depends largely on the situation being addressed.” This is consistent with the Hersey, et. al (2008)<sup>10</sup> assertion that there are three basic competencies for managers:

*...managers need to develop to react to a variety of behaviors of individuals with whom managers work. The first competency reflects the ability to diagnose existing situations to determine a direction for action. The second competency is the capacity to adapt professional behavior to gain control of a situation. The final competency is the ability to communicate to others in a way by which they can accept a proposal for action.*

Interestingly, and surely an appropriate perspective when discussing with students the applicability of how to best manage, Hersey, et al. (2008) give great emphasis to situational leadership. Along these lines:

*...there is no one best theory for managers to rely on to motivate individuals to perform more effectively and efficiently...*

### Closing Thoughts

In the end, I find myself nearly always coming to the conclusion that we should all take the time to “walk in the shoes of the other person”, imagining that ‘that person’ is really no different than me – they want to feel they are doing something worthwhile, they want to be appreciated for good work, they want to earn a good living, they want a good life. I wrote ***Doing Good Work Matters!*** to encourage each of us to be better. I hope you find yourself changed in a positive way, even if it is just a small way, by reading it.

<sup>9</sup> Morrison, James L (2008), “Management of Organizational Behavior,” *Journal of Education for Business*, 83, 3 ( Jan/Feb), 181 – 183.

<sup>10</sup> Hersey, Paul, Blanchard, Kenneth H., & Johnson, Dewey E. (2008), *Management of Organizational Behavior* (9th ed.), Upper Saddle River, NJ: Pearson/ Prentice Hall.

## A typical Scale for Measuring Theory X/Y Attitudes and Assumptions<sup>11</sup>

1. Most people will try to do as little work as possible.
2. For most people, work is as natural as play or recreation.
3. Most employees must be closely supervised to get them to perform up to expectations.
4. Most employees actually prefer to be told exactly what to do rather than having to figure it out for themselves.
5. Most employees do not care much about the organization's goals.
6. Most employees would prefer increased responsibility to increased job security.
7. Most people will not use their own initiative or do things that they have not been specifically assigned to do.
8. Employees generally do not have much to contribute when asked to participate in making decisions or solving problems.
9. It is just basic human nature - people just naturally dislike work.
10. Most employees will not exercise self-control and self-motivation - managers must do this for them.
11. Most employees have little ambition.
12. Most people do want responsibility.
13. Most employees prefer to have someone else set their goals and objectives.
14. Most people work to eat and pay their bills rather than because they need to solve problems and be creative.
15. Most employees prefer supervising themselves rather than close supervision.
16. Most people are lazy and don't want to work.
17. Most employees can't be trusted.

Measure uses a five-point Likert scale with end-points ranging from "strongly disagree" to "strongly agree."

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<sup>11</sup> Swenson; <http://www.css.edu/users/dswenson/web/theoryxytest.html>) - ten items from a scale entitled "McGregor's Theory X-Y Test"; seven items from the "Theory Y/Theory X Leadership Assumption Test" (Scanlon Leadership Network, ([www.scanlonleader.org](http://www.scanlonleader.org))).