To the Graduate Council:

I am submitting herewith a dissertation written by James E. Caraway, entitled "A Theoretical Development of Relation-Oriented Organizational Management." I recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Education, with a major in Educational Administration and Supervision.

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A THEORETICAL DEVELOPMENT OF RELATION-ORIENTED ORGANIZATIONAL MANAGEMENT

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ABSTRACT

A Theoretical Development of Relation-Oriented Organizational Management involves a study of management theory in an effort to ascertain to what extent various theorists--Rice and Bishoprick, McGregor, Morse and Lorsch, Katz, Tannenbaum and Schmidt, Reddin, Likert, Argyris, and Hersey and Blanchard--advocate task orientation and/or relation orientation in their management theory. Having explicated the various theorists' stances, the author presents a critical analysis of their writing relative to their success or failure in delineating the presuppositions inherent in a relation-oriented theory of management. The study indicates that all the theorists examined to some extent fail to explicate the presuppositions upon which relational theory is grounded. The author, therefore, describes the relational theories of Martin Buber and Paul Tillich and indicates how their theories can provide the presuppositions which are lacking in the various theories examined but are needed to provide the presuppositional understanding requisite for a full understanding of their theories.

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CHAPTER I

INTRODUCTION

As I began to explore leadership theory and examined such positions as those of Morse and Lorsch, Reddin, McGregor, Rice and Bishoprick, Argyris and others, I readily agreed with the common thesis which they all--either explicitly or implicitly--shared, namely, that the interpersonal relational dimension in the management-administrative milieu should be of utmost significance, and that management behavior should be centered on relational and personal dynamics. Implicit in all their theories is the emphasis upon the significance of persons over "things," persons over programs, goals, and tasks. My position is congruent with theirs in this respect.

The position of McGregor is definitely that of one who stresses the importance of the personalistic dimension of the leader's task. McGregor's basic concept is that in every leader's relation to his subordinates he entertains one of two basic sets of assumptions. McGregor designates these as Theory X and Theory Y. Theory X assumes that the typical worker is lazy and prefers not to work, lacks ambition, and would prefer not to be given responsibility, prefers to be led because he is passive in nature, must be persuaded and pushed, rewarded and punished, tightly supervised and controlled, if he is to perform as expected. Theory Y assumes that the worker approaches work as naturally as play. He finds work satisfying or punishing, depending on the circumstances. The worker seeks responsibility, and enjoys assuming it. He likes to exercise self-control and self-direction (McGregor, pp. 33-48).

McGregor admits that indifferent workers do exist, but he contends that they have become this way because of the way they have been treated. He further admits that few managers hold totally to either theory; he makes the categorical distinctions for the purpose of clarity only. The task of Theory Y managers is to build such a climate as espoused by their theory, and so organize working relationships that employees can best attain their goals by directing their efforts toward corporate goals. While Theory X encourages management by imposition, Theory Y advocates management by collaboration, involvement, contribution and personal commitment.

Morse and Lorsch develop a theory which proposes to go "Beyond Theory Y"; but, in so doing, they imply the preference for an essentially personalistic view of Theory Y when the organization, task, and persons involved will permit the utilization of such an approach. Morse and Lorsch go "beyond Theory Y" in that they "propose that the most productive organization is one that fits the needs of its task and people in any particular situation" (Morse and Lorsch, 1970, p. 61). They propose, therefore, a "contingency theory" which attempts to effect a fit between task, organization, and people. Such a proper fit seems to have an added advantage of developing a strong feeling of competence in the people involved. The theory implicitly emphasizes the importance of the personalistic dimension, for a feeling of competence contributes to the feeling of personal worth which the individual would entertain toward himself.

Likert deliberately and consciously emphasizes the personal dimension. He affirms that concern for developing supportive relationships is the distinguishing characteristic of the managers who are most productive. His analysis of leadership in American industry led him to assert that the managers and supervisors in American industry and government who are achieving the highest productivity and whose overall performance is most impressive are developing a better system, or what he calls "a newer theory" of organization and management. Although Likert stresses that these successful managers have not yet integrated their principles into a theory of management, his proposal is that his development of "The Principle of Supportive Relationships" and its derivative can serve as the integrating principle of the newer theory of organization. The general pattern of operations of the highest-producing managers shows the following characteristics: a preponderance of favorable attitudes on the part of all members; the effective harnessing of all the major motivational forces; the development of a tightly knit, effectively functioning social system made up of interlocking work groups with a high degree of group loyalty among the members; measurements utilized primarily for self-evaluation and guidance rather than for superimposed control. Those most impressive managers consistently relate to their employees as persons, as human beings, rather than as entities utilized to get the work done. From these general charateristics, Likert develops his integrative principle, namely:

> The leadership and other processes of the organization must be such as to ensure a maximum probability that in all interactions and all relationships with the organization each member will, in the light of his background, values and expectations, view the experience as supportive and one which builds and maintains his sense of personal worth and importance (Likert, in Pugh, ed., 1971, p. 286).

The derivative from this principle, Likert maintains, is

> That management will make full use of the potential capacities of its human resources only when each person in an organization is a member of one or more effectively functioning work groups that have a high degree of group loyalty, effective skills of interaction and high-performance goals (Likert, in Pugh, ed., 1971, p. 288).

William S. Reddin attempts to develop a contingency theory of management which will be applicable regardless of the myriad of managerial situations in which the manager finds himself. Stressing that the achievement of effectiveness is the manager's "only job," Reddin defines effectiveness as "the extent to which a manager achieves the output requirements of his position" (Reddin, p. 3); for it is his contention that managerial effectiveness "has to be defined in terms of output rather than input, by what a manager achieves rather than what he does" (Reddin, p. 3). Reddin stresses that there are four basic managerial styles, each of which has a more effective application and a concomitant less effective application. The "integrated" managerial style has its less effective embodiment in the "compromiser" and its more effective representative in the "executive." The "dedicated" style is least effective in the "autocrat" and most effective in the "benevolent autocrat." The "related" style becomes less effective in the "missionary" style but more effective in the "developer." Finally, the "separated" style of management is less effective in the "deserter" while finding its more effective managerial style in the person of the "bureaucrat." The style to be used depends upon the situation; neither is, in and of itself, more or less effective, but each of the four basic styles has a less effective equivalent and a more effective equivalent. The "correct" style depends on the situation, the components of which are organization, technology, superior, co-workers, and subordinates.

In Conceptual Models of Organization, George H. Rice, Jr. and Dean W. Bishoprick note that there will probably be a conflict between those who want to control the actions of others and those whom they want to control. They trace the shift of power from one to the other, and also indicate how the form of organization shifts from raw, coercive autocracy at the one extreme to productive democracy at the other. Their study presents a variety of organizational models, "each of which can be used under appropriate conditions either to describe an existing organization and predict its behavior, or to serve as a blueprint for the designing of new organizations to do specific jobs in particular social or technical environments" (Rice and Bishoprick, p. 194). They present the various theories on a continuum or spectrum with the left end of the continuum representing autocracy and the right end representing egalitarianism or the belief that cooperative effort among people is a natural characteristic, automatic, persistent and productive. In the move from left to right, they describe the machine model, bureaucracy, systems, decentralization, collegialism, federations, and egalitarianism. The shift from autocracy to egalitarianism is accompanied by another important shift, namely, the shift in theory which recognizes that the appropriate organizational form may be any one of these according to whether it fits the situation or is the organizational scheme most appropriate for the job to be done. Nevertheless, Rice and Bishoprick favor the conceptual scheme which emphasizes the egalitarian, cooperative, collegial approach, the scheme which enhances human self-worth, rather than the autocratic "machine model" which relegates persons to the level of things.

Paul Hersey and Kenneth H. Blanchard develop a situational leadership theory which turns out to be a highly complex integration of several other leadership theories and motivation theories as well as a utilization of contingency contracting, behavior modification, transactional analysis, force field analysis and organizational growth and change theories. They stress that the diagnostic skills of a manager should be such that he can ascertain the maturity level of his followers and then proceed to use the style, relationship behavior, task behavior, motivators and assumptions about human nature appropriate to the particular maturity level ascertained. Hence, they stress that:

> If managers are using a leadership style with a high probability of success for working with a given level of maturity, this perhaps is not really enough. These managers may be getting a reasonable amount of output, but their responsibilities may not stop there. Besides maintaining an adequate level of output, managers may want to develop the ability and effectiveness of their human resources (their followers) (Hersey and Blanchard, 1969, p. 190).

Managers, then, cannot be interested merely in output or productivity. They must also be interested in the human resources. Hersey and

Blanchard affirm that "one of the responsibilities of managers . . . is developing the human resources for which they are responsible" (Hersey and Blanchard, 1969, p. 189). They stress this because they feel that: "Without emphasizing that aspect of the theory, there is a danger that managers could use Situational Leadership Theory to justify the use of any behavior they wanted" (Hersey and Blanchard, 1969, p. 189).

Robert Tannenbaum and Warren H. Schmidt consider the problem of leadership patterns in their significant article in the Harvard Business Review (Tannenbaum and Schmidt, 1973, pp. 176-185). They trace the various patterns through a seven-step process from autocracy to democracy, indicating that as one moves on the continuum from autocracy to democracy one realizes a shift in the amount of authority and freedom. The extreme autocratic side of the continuum grants virtually absolute authority and freedom to the superior, while the progression toward democracy gives increased amounts of freedom and authority to the subordinates as their participation in the leadership relationship increases. In such a brief treatment of the problem, Tannenbaum and Schmidt could not possibly delineate their assumptions in detail. Nevertheless, their thesis, which advocates participatory management involving relational considerations, would be significantly enhanced by an understanding of the presuppositions which undergird relation-oriented leadership theory.

Chris Argyris, Beach Professor of Administrative Science, Yale University, likewise espouses a theory of organizational development and management the essence of which is relationally oriented.

His writing emphasizes the importance--and difficulty--of the development of human values and concerns within an organizational setting. For example, in Management and Organizational Development: The Path from XA to YB (Argyris, 1971), Argyris traces the efforts of three organizations which attempt to move from Theory X assumptions and the behavior consistent with these assumptions to Theory Y assumptions with its concomitant behavior. His Integrating the Individual and the Organization (Argyris, 1964) likewise exemplifies the priority of relation oriented management over task orientation. He is clearly an advocate of relation oriented management, and his advocacy includes considerations of commitment, concern, trust, and openness, all of which are important considerations for any adequate relational theory. The question is whether Argyris really considers the presuppositions inherent in an adequate relational theory.

I. PROBLEM

As I noted at the outset, I readily agree with the common affirmation of these authors, namely, the affirmation of the significance of the interpersonal dimension in the managerial-administrative milieu. The problem which I suspect to be present in all of them, however, is that they merely mention the significance of the personal dimension, and do not examine, in any detail at least, either the groundwork or the presuppositions for such an approach or the implications of such an understanding. Even Likert, who explicitly formulates The Principle of Supportive Relationships, does not delineate what the application of such a principle would presuppose on the one hand or entail relative to managerial relations on the other. Neither the presuppositions, the description, nor the entailment of the adoption of a person-centered theory of managerial-administrative theory is explicitly considered by these authors. Yet, all of them speak of the importance of such considerations.

II. PURPOSE AND RATIONALE OF THE STUDY

Chapter II of this study, therefore, will be devoted to delineating the positions of the various theorists through a consideration of the original sources, i.e., their published works. This delineation will reveal, implicitly at least, the extent to which each theorist does or does not consider the presuppositions entailed in a person-intensive managerial theory.

Chapter III of the study will be devoted to a critical analysis of the theories previously explicated so that the explicit areas in which the theorists have failed to consider the presuppositions entailed by person-intensive, managerial theories may be revealed.

To the extent that the presuppositions entailed in person-intensive managerial theory have not been delineated, the particular theory so lacking is weakened. Such presuppositions need to be described, but little or no such description is to be found in the literature. It is at this point that contemporary philosophical theology can be useful. This is to say that resources are to be found in philosophy which can provide the understanding necessary for providing the presuppositions entailed by person-intensive managerial theory, but largely lacking in the works of many modern and contemporary theorists.

Chapter IV of the study will attempt to describe relational theories which can help to fill this gap. My position is that the relational theories of Paul Tillich and Martin Buber, both of whom are existentialist philosophical theologians, can contribute the specific analysis of interpersonal relations, the necessity of which is entailed but never provided by the theorists who affirm the significance of the personalistic dimension in leadership theory.

Martin Buber and Paul Tillich are examples of those whose thought and writing evidence the significance of human relations as being all-pervasive. Tillich, no less than Buber, would say, "In the beginning is relation" (Buber, 1958, p. 18) and "All real living is meeting" (Buber, 1958, p. 11). To delineate Buber's and Tillich's understanding of the two types of relations will be the third task of this study. Such an analysis itself is warranted merely for the contribution it makes to the understanding and analysis of relationships in administration and management. Having studied Buber's and Tillich's thought, the administrator may well use these concepts in evaluating his own relations. One may assume, however, that the development of "I-Thou" relations (Buber) or "At-onement" relations (Tillich) may well be a laudable attempt for a person's personal, i.e., non-professional relations. But it is even possible, or if is it possible, is it even worthwhile (or cost-effective) to attempt to develop I-Thou relations in administrative affairs while simultaneously working to avoid the "thingifying" I-It relations of separation and estrangement which are so often characteristic of manager-employee, administrator-faculty, or even faculty-faculty relations?

The fourth chapter of this study will also deal with the applicability of Buber's and Tillich's relational theory to management theory. The connection between relational theory and management-administrative theory should be self-evident; for, if as Morse and Lorsch, Rice and Bishoprick, Likert, McGregor, Reddin and others have observed, administration and management are relation-intensive or relation-oriented rather than task-oriented, then any relational theory will contribute, either positively or negatively, to one's understanding of administrative theory. How much more, then, would a relational theory which emphasizes the qualitative dimension of relations rather than the quantitative contribute?

Beyond a mere surface analysis, it could be questioned--if one is approaching the question qualitatively--whether administration is in fact relationally oriented or task-oriented; for, _if_ the major objective is to achieve a certain goal, and personal relationships are considered only insofar as they contribute to the achievement of this goal, _then_, the administrative orientation is in reality task-oriented even though it involves person-to-person relations for the accomplishment of the goal. If the administrative activity merely involves person-to-person relations more than task relations, such quantitative involvement does not constitute, except in a very tangential way, a relation-intensive situation. The persons involved and the personal relations may be used merely as "means" to an end, and not as "ends" in themselves. There may be personal relations, to be sure; but the persons may be used merely as "things" or, in Buber's words, as "Its" to accomplish a given task. _If_ this is the case, _then_ the administrative activity, even though it involves the relations of persons to accomplish a task, is in reality task-intensive or task-oriented, since the performance of the task or the realization of the goal or objective is more important than the persons who are interacting.

This complicates the issue and gets below the surface to the depth dimension of relational orientation. Reddin, for example, seems to assume that since the manager spends most of his time in working with human beings, then his activity can be described as relation-oriented rather than task-oriented. Both Buber and Tillich describe the primarily relational character of reality. Hence, any activity is going to be relational in some way. The question is not whether it is relation-oriented or task-oriented. Such analysis, if only quantitatively considered, is mere surface analysis; for to work with human beings does not automatically entail that one's orientation is relational, i.e., person-intensive. Persons may be used as means to ends and treated as things to accomplish ends which are viewed as more important than the persons who are relating in performing the tasks. If so, there is a relational orientation, but an orientation relating persons as things. Such reduces all orientations to task orientations, since the primary goal is the fulfillment of a task whether one is involved with persons or trucks, buildings, statistics, or whatever to accomplish that task.

The field of administrative-management theory must speak to this crucial issue. Buber and Tillich are among those who delineate a relational theory which stresses the all-pervasiveness of relations. From their standpoint the question is not whether management is relational-oriented or task-oriented. The question is whether our relations are primarily person-intensive (Thou relations) or thing-intensive (It relations). Managerial theorists tend to assume that the interactions of persons in accomplishing a task constitutes, by that very interaction, a person-intensive situation. Yet, such interactions constitute no such entailment; the persons could be relating to each other as objects to be used to accomplish a task. The mere fact that persons are relating does not constitute a person-intensive relation.

The real question is whether it is even possible to sustain a predominance of I-Thou relations, a predominance of "Relations of Reconciliation" in administrative-management relations. It must be possible, yet it will require constant vigilance. Many failures may occur--just as Argyris noted in his analysis of the path from XA to YB--because it is much easier to deal with things, whether they are real objects or whether they are people who are treated as objects, than it is to confront people in mutual interrelation. Yet, the difficulty and complexity of a situation is, in itself, not sufficient grounds for avoiding an attempt. The essence of the problem is grasped by Buber when he cautions: "And in all the seriousness of truth, hear this: without _It_ man cannot live. But he who lives with _It_ alone is not a man" (Buber, 1958, p. 34).

The final concern of this study, therefore, will involve an attempt to state explicitly the applicability of Buber's and Tillich's relational theories to the person-intensive theories delineated earlier in the study. Such a study of applicability will entail simultaneously the treatment of the foregoing questions relative to the possibility and worthwhileness of applying person-intensive theory to management.

CHAPTER II

REPRESENTATIVE THEORISTS

Introduction

In the following description of representative theorists Rice and Bishoprick are treated first because their work constitutes a typology of organizational possibilities and as such provides an introduction to the various theoretical approaches. McGregor follows because his has become the classic "Two theory" approach to organizational structure. Morse and Lorsch, in developing a contingency theory in direct response to McGregor, logically appear next. The sequence of the other theorists--Reddin,Tannenbaum and Schmidt, Katz, Likert, and Argyris--does not admit to any logical progression. Therefore, it is relatively unimportant in what sequence they appear. Hersey and Blanchard are considered last because their Situational Leadership Theory is a synthesis of theories which integrates many of the considerations of the other theorists. Hence, they serve as a culmination of the study, prior to critical analysis.

George H. Rice, Jr. and Dean W. Bishoprick

In Conceptual Models of Organization, George H. Rice, Jr. and Dean W. Bishoprick provide an excellent analysis of organizational structure which ranges from the extreme of the machine model, autocratically managed, to the egalitarian model which is a thorough-going democratic approach to organizational administration. The direction toward which the authors will move is made clear at the onset:

> This book is a survey of theories in the rapidly developing field of study involving the organization of people for cooperative effort. . . . [It] argues that shifts in industrial technology being brought about by increasing specialization will result in shifts in the popularity of the various organizational models. Particularly, it will result in the emergence of more sophisticated forms of industrial democracy (Rice and Bishoprick, p. vii).

As they trace the development of various organizational theories, Rice and Bishoprick note that modern organizational theory is evolving as a result of the older theories' inability to incorporate the increasing complexity of society (Rice and Bishoprick, p. 8). Their judgment is that: "None of the earlier theories has given sufficient emphasis to the problems of interrelationships or the integration of activity" (Rice and Bishoprick, p. 8). This is a rather crucial indictment since they consider organizational theory to be a study "involving the organization of people for cooperative endeavor" (Rice and Bishoprick, p. vii). To fail to deal adequately with "the problem of interrelationships" is tantamount to failure in the whole enterprise. While this criticism can be made of older theories, Rice and Bishoprick maintain that all the modern theories are tied together by their concern with the performance of people in a long term, cooperative relationship (Rice and Bishoprick, p. 8).

If one considered organizations merely from the single standpoint of the particular organization's granting the members the right to determine organizational goals, then four types of organizations could be identified. The directive or entrepreneurial organization is operative only for the objective of those in authority. Examples are: the military, the Roman Catholic Church, and many industrial organizations in which the feelings and opinions of those members not in power are not considered. The consensual organization is one which represents the goals of a large percentage of the constituents. Such an organization is too large to be a democracy; hence, it utilizes a representative form of organization. A democratic organization is one in which all members have an equal voice in all affairs of the organization. Such an organization is limited to small groups and voluntary organizations. It is readily ruled out where private ownership of an enterprise is operable. The collegial form of organization develops in organizational structures composed of a variety of highly trained specialists working together cooperatively. While no one of these forms exists in a pure state, one or the other may be characteristic of a given organization while the others are instantiated to a lesser degree (Rice and Bishoprick, pp. 3-5). The identification of the various extant models can be classified on a continuum with four designation points, moving from left to right, from authoritarian to democratic. Rice and Bishoprick describe these in Figure 1.

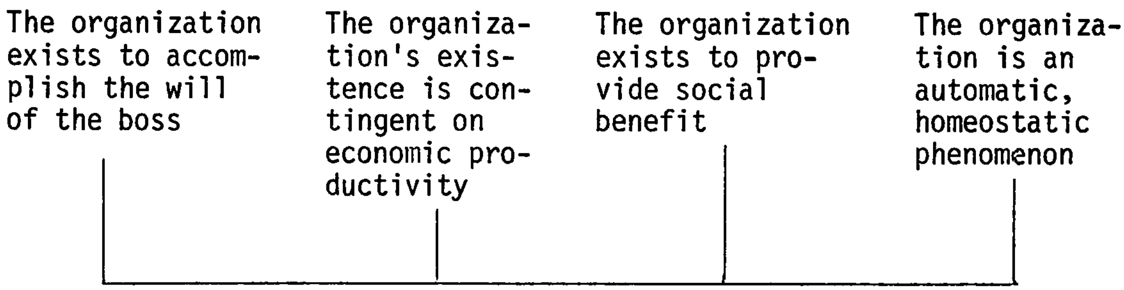

Figure 1. Classification of Models.

Source: George H. Rice, Jr. and Dean W. Bishoprick. Conceptual Models of Organization. Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1971.

They then develop their discussion under three categories, namely, organizations which conform to the Machine Model, those which conform to Social Homeostasis Concepts, and those describable as Wholistic Models. Consider these briefly.

The machine model. Within the machine model organization, the goals are those established by those in authority. The individual worker is subjected to the authority of someone above him, and his responsibility is to obey the orders and perform the tasks dictated by those in authority. This relationship holds whether he is employed by an entrepreneur in a capitalistic organization or by the state in a socialistic system. The structure of the organization which utilizes the machine model is an hierarchical one, commonly referred to as the job-task pyramid, in which authority, communication, and rank move from the top down. The hierarchy defines the tasks to be done and determines who is to do them. The worker has specific tasks to do and is confined to specific pre-designated jobs. By means of such a vertical division of work, a high degree of specialization can be developed. This formal structure is maintained by classicial organization theory and deviations from the structure are considered undesirable and unnecessary (Rice and Bishoprick, pp. 19-20).

Since the autocrat cannot be an expert in all functions, the utilization of staff developed so that there would be persons with expertise to serve the leader through advising and counseling. Although the staff technically was merely an extension of the leader's personality and had no authority, nevertheless, their position and knowledge really granted them an authoritative role, thus mitigating the concept of unity of command so important to classical theory.

The machine model finds an ally in the economic theory of the firm which assumes that the basic business unit, the firm, exists for the welfare of its originator or owner, and that its success is to be measured on the basis of the benefits which accrue to him. The theory of the firm entertains assumptions that are congruent with those of the machine model. It assumes that the organization exists for the entrepreneur; that he can do what he wants with it; that he has the right, ability, power and capability to direct and control the firm; and that his personal benefit from the organization is the index of the firm's success (Rice and Bishoprick, pp. 31-34).

James S. Mooney and Alal C. Reiley in Onward Industry, Henri Fayol in General and Industrial Management, and Luther Ulick in "Notes on the Theory of Organization," are examples of those who attempted to delineate the basic principles of organization engendered from machine model and theory of the firm assumptions. Frederick W. Taylor serves as the primary representative of those who delineated principles for production efficiency and inaugurated the scientific management movement, a movement which treated workers merely as cogs in the organizational machine.

Rice and Bishoprick observe that the machine model views man merely as a component of the organization or a part of the machine. The machine model is completely task-oriented. Job standards are established on the basis of man's physiological characteristics, movement, speed, and capacity. His reasoning and emotional behavior are not considered. Man is merely a factor of production, placed at the disposal of management.

The machine model readily provides the basis for specific structuring of authority and tasks. It also provides an efficient and effective model for utilization with the "crisis-oriented organization," such as the military (Rice and Bishoprick, p. 47). Yet, knowledge, creativity and imagination are confined, in the machine model, to only one man, and the organization is limited to the capacity of his ability in these dimensions. In addition, the machine model gives no consideration to human factors, and fails to consider factors of motivation other than the economic ones. It operates with an anti-democratic bias and dehumanizes man. This is a significant source of conflict in a culture which values individual rights, freedom and responsibility. Assuming that man is primarily an economic animal, the machine model assumes as a corollary that man will rationally direct his activity toward maximizing his economic potentialities. Its failure to consider man's emotional, social and psychological needs entails an inadequate understanding of the worker's role in the organization.

Social homeostasis concepts. While the extreme case of the machine model may take the form of coercive dictatorship legitimized by kingship, ownership, social class, or religious authority, this is not always the case with the machine model itself; and at the opposite end of the spectrum is a model which not only repudiates coercion but operates from an egalitarian position. Rice and Bishoprick describe this system by observing:

> . . . It is a more or less spontaneous response to a mutually recognized need among the participants. Authority is granted by some group members to other group members on a temporary basis over specific areas of responsibility in order to achieve results desired by both parties.

> This system is homeostatic. That is, it is self-healing, and can maintain its own equilibrium without external intervention (Rice and Bishoprick, p. 49).

Among those models which Rice and Bishoprick classify as homeostatic are the egalitarian, federation, collegial, decentralization, and some humanistic models.

The egalitarian model. The essence of egalitarianism is interdependency (Rice and Bishoprick, p. 199). Egalitarianism argues for equality which usually means equality of authority. The hierarchial approach is repudiated by egalitarianism, for in egalitarianism each person is seen to have equal rights; each is a person of dignity. While the machine model is effective in fulfilling physiological and safety needs, the egalitarian model is described by Rice and Bishoprick as one that "with its emphasis on freedom, democracy, and the dignity of man, provides a means whereby many feel that the social, ego, and self-fulfillment needs may be better satisfied"(Rice and Bishoprick, p. 52).* Man is a social animal and will readily join a group to help overcome his limitations and satisfy his needs.

The egalitarian model can be described as a voluntary association of equals, who cooperatively relate to fulfill needs relative to biological, environmental, psychological and social factors. The effectiveness of the egalitarian model is determined by the extent to which it accomplishes its cooperative purpose, and its efficacy is related to the extent to which the motives of the individuals within

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*Confer also Waino W. Soujanen, The Dynamics of Management (New York: Holt, Rinehart and Winston, 1966), p. 59 and Abraham Maslow, Motivation and Personality (New York: Harper and Row, 1954).

the organization are satisfied. These observations point to the fact that the survival of the egalitarian organization is dependent upon the survival of cooperation. The survival of cooperation, in turn, is contingent upon two interrelated and interdependent processes, i.e., first, the organization as a whole cooperates in relation to the environment, and, second, cooperative effort is maintained in relation to the creation and distribution of satisfactions for the individual (Rice and Bishoprick, pp. 51-62). Defects in either of these processes or in a combination of the two may lead to a dissolution of the organization. Its continued existence depends on internal discipline.

Leadership in the egalitarian model differs from that of the machine model. Rice and Bishoprick note:

> Leadership, as a special phenomenon of the model, is derived from authority granted only by the members to the leaders, hence the leader is subject to removal at all times. In many cases the leader is that person who possesses the special skills needed by the group at a particular time (Rice and Bishoprick, p. 59).

Regardless of what special skills are needed at a particular time, however, the leader in an egalitarian organization will always be involved in attempting to secure the effective adaptation of effectiveness and efficiency, as indicated above. That is, the leader will constantly be engaged in facilitating the correlation of accomplishing simultaneously both group goals and individual satisfactions. His authority, however, comes from the group itself, and is operative, not by force, but only through persuasion and argument. The egalitarian model, therefore, works best in voluntary organizations such as clubs, service groups, and committees whose function is usually that of advising. Nevertheless, there is evidence of its use in organizations in which one would expect autocracy. Rice and Bishoprick cite examples from Xenophon's use of mercenaries in the fourth century B.C., Caesar's use of "equals" as leaders of his provinces, the Hopi Indians' organizational structure, as well as that of the Fox tribes of the Algonquin family (Rice and Bishoprick, pp. 57-58).

The egalitarian model, although enhancing the possibility of individual freedom, responsibility and satisfaction, does nevertheless have limitations. The fact that all men have equal opportunity does not mean that each will have equal status or equality in development and satisfaction. Since not all men have the same values, each member's concept of the organizational goals may differ. The extent to which these differences are prevalent is directly proportionate to the difficulty of maintaining cohesiveness, and hence the existence of the group. Ease of entry and exit limits the group's development, since each member must be easily replaced and the skills employed must be easily learned and/or widely possessed. Finally, the egalitarian model limits specialization. Each person attempts to do all; the work flow is parallel, thus mitigating or altogether eliminating specialization.

The federation model. While the egalitarian model describes an organization in which individuals work cooperatively in voluntary association to fulfill individual needs without the constraint of a coercive or external authority, the federation model describes specialized groups which as groups operate autonomously to fulfill group and societal needs. Yet, just as the individual in the egalitarian model experiences the fulfillment of his needs in relation to the success of the overall group, so also the individual, autonomous unit which is a constituent of the federation experiences its own success in relation to the success of the overall federation. A federation, then, consists of a number of individual, independent, autonomous, self-sufficient entities cooperatively contributing to an overall organizational goal. Each entity or activity works cooperatively with the other constituents of the federation without an elaborate system of controls. In a federation each entity functions as a specialty group which performs a specific service crucial to the federation's continued existence. Hence, while the egalitarian model involves very little specialization, the federation model not only enhances but is even dependent upon specialization. Examples of the federation model are a town and General Motors Corporation.

In emphasizing the importance of specialization within the federation model, Rice and Bishoprick present a rather detailed description of specialization (Rice and Bishoprick, pp. 67-78). The types of specialization include specialization by trade, specialization within the production-distribution chain, specialization by activity, and specialization by operating cycle. Respectively, each of these represent an increased refinement of specialization. Specialization provides the basis for economic advantages which can accrue as a result of the use of specialized equipment, specialized skills, advantageous geographic location, and the establishment of a reputation for competence in specific areas of endeavor. Other advantages resulting from specialization include:

1. Emotional rewards to the group members from association with others of similar values, ideas, and problems;
2. Development of a common technology, enabling the specialty to be taught, and thereby facilitating mobility among members of the specialty group;
3. The evolution of responsibility for a particular role in society, permitting the specialty group to dominate a portion of the social environment (Rice and Bishoprick, p. 75).

The role of management in the federation would essentially be that of coordination, as Rice and Bishoprick note: "The basic function of management, then, would be to put together the various federations, and to supply the participating groups with the information they need to coordinate their activities toward a mutually advantageous goal" (Rice and Bishoprick, p. 67). Management itself becomes another specialty group, just like the other specialty groups which constitute the federation, and, like these other groups, it performs a service necessary for the proper functioning of the whole. The manager, as administrator, facilitates the activities of the federation by supplying coordinative information necessary for the federation to function. He also serves as the ideological evangelist or emotional spiritualist who provides the charisma to make the organization attractive to its members. His leadership role includes the interpretation of ideals, customs and laws which weld the federation into a unity. In this role he serves as an ego ideal who brings unity and cohesion as the various groups identify with him (Rice and Bishoprick, pp. 80-81).

The idea of the federation may be questioned on the grounds of its assumption of the voluntary nature of cooperation among groups. Its assumption concerning the coordinative effect of the market may be open to question. Finally, complete specialization, which federations may attempt to instantiate, leads to complete interdependency, rejection of innovation and freedom, and rigidity (Rice and Bishoprick, p. 81).

The collegial organization. Another organizational form which Rice and Bishoprick consider under the designation of social homeostasis concepts is the collegial organization. They affirm that it is quite clear that knowledge cannot be generated in a traditional, autocratic, directive type organization, but it can be in the collegial model (Rice and Bishoprick, p. 88). It is an organization composed of specialists whose sole concern is that of the generation and analysis of knowledge. In such an organization, the subordinate specialist determines the activities of the administrator. In the traditional organization, of course, the structure is reversed; the administrator because of superior knowledge, designated role, or skill, is considered the superordinate who directs the activities of the workers. In a collegial organization, the administrator serves as an enabler to facilitate the specialists, to free them from the restraints of activities generated in maintaining the organization so that they can devote their full energy to their specialty. Hospitals, universities and research centers are examples of the collegial organization. In these organizations, the specialist functions as the authority within the realm of his particular expertise. The performance of certain activities as well as the maintenance of the organization requires that the activities of the various specialists receive support and be coordinated. Since there is no supreme director, the role of the coordinator is most important. The administrator, then, in the collegial organization performs the housekeeping functions, and coordinates the various activities toward cooperative endeavor.

Coordination is also enhanced through the use of democratically functioning committees and tradition and dogma, which are utilized for implementing form and procedure (Rice and Bishoprick, pp. 93-94).

One of the problems with collegial organizations rises from the different interests of the two components of the organization. The first component, the professional specialists, almost always gives complete priority to the professional research interest. The second component, the administrators, gives virtually unquestionable priority to the needs of the organization. Separate objectives, differing value structures, and two different functions performed by two separate and independent groups of people lead to inevitable conflict. A second problem relative to maintaining a collegial structure which is democratic in nature lies in the fact that within organizations "distribution of power and influence are (sic) inevitable" (Rice and Bishoprick, p. 97). Finally, Rice and Bishoprick assert that all the objectives to the collegial organization concept are based on one or the other of two conflicting ideas, namely, anti-aristocracy and the superior-subordinate relationship (Rice and Bishoprick, p. 98). On the one hand, Americans tend to be anti-aristocratic and egalitarian; but, on the other hand, they readily accept the superior-subordinate relationship in work situations because it is assumed that the leader is the superior, the one who has all the knowledge, skill and information relevant to accomplishing the organizational goals.

Decentralization. Decentralization can be described as "geographical dispersion of facilities," as "the pushing of decision making to the lowest practical level in an organization," or as the acceptance of the philosophy and attitude "that each person can think for himself, is self-sufficient, and is capable of learning by practical experiences" (Rice and Bishoprick, p. 101). Not only is decentralization a method of accommodating large size in an organization, it can also serve as a means for the development, emotional growth and satisfaction of employees (Rice and Bishoprick, p. 100).

Decentralization is comparable to a federation in that each unit is autonomous and operates independently of the others. The corporate executive is not directive, but supportive, and works as a coordinator. The subordinate executives run their own units, and are encouraged to make their own decisions.

This model stands the machine model on its head. It emphasizes the dignity of man, two-way communication, and individual responsibility. It provides a method of coordination with the least amount of restriction on the part of the individual. The individual unit executive, being autonomous, has the opportunity to pursue some of his individual goals and fulfill individual needs. The model allows for the development of individual innovation and creativity. While good training is provided for potential corporate managers, current top managers are relieved of much of the decision-making responsibility relative to lower level problems.

In the decentralization model most decisions are made at the level where most of the pertinent information is. Time, effort, and money are not wasted disseminating information through several levels to the top and then back again. When transposition of information is necessary, it goes directly from the operating unit to the corporate executive.

An added advantage of decentralized management is that it may aid in the reduction of conflict and unnecessary competitiveness. The autocratic model tends to encourage the subordinates to compete for the favor of the autocrat, competition which readily results in goal displacement and suboptimization to the detriment of the ultimate goals of the organization.

Examples of decentralized organizations are General Electric Corporation, the United States Government, the various forms of holding companies, and some large, urban school systems.

Rice and Bishoprick's critique of the decentralization model indicates that use of the model has been limited because of the failure of organizational members to accept the philosophy of individual responsibility. This, of course, is not a critique of the model itself. They also point out that there are limits to pushing decision making down to lower levels. They note Simon's observation that good decision making is limited by two factors, namely, the adequacy of the information and the knowledge and analytical capacity of the person making the decision (Rice and Bishoprick, p. 107). This, too, is not a critique of decentralization. The two limiting factors are equally true of the autocrat in the machine model. However, in times of crisis and stress centralization may become necessary to preserve the organization. Also, economic factors may favor centralization of certain services or dimensions of an organization. For example, costly equipment may make it unfeasible for each unit within a decentralized organization to perform the function fulfilled by such equipment; hence, the function is centralized. Finally, some measure of centralization is necessary to secure the coordination to maintain the organization as one unit. Even a federation is centralized for coordinating purposes. Speaking of the necessity of centralization, Rice and Bishoprick conclude:

> The degree to which this is necessary depends a great deal on the organization itself and the situation in which it finds itself. For some, a democratic consensus arrived at by a group of individuals is adequate. For others, an organization modeled after the holding company with its independent units will work best. For still others, perhaps an autocratic structure is required. For most, it will be some mixture of all these models (Rice and Bishoprick, p. 108).

Three humanistic Models. Rice and Bishoprick believe that organizations in America are shifting from centralization to decentralization and collegialism in decision making. This is true not only because of the increased sophistication of technology, but more so because of the realization that "enthusiasm, morale, commitment to organization goals, and innovation on the part of employees can only be obtained by treating employees in a certain way" (Rice and Bishoprick, p. 111). Organizations have come to recognize the importance of the emotional needs of employees in the efficient operation of the organization. The development of the study of human relations in organizations sprang from this realization.

Rice and Bishoprick consider three humanistic models which attempt to consider human needs other than the economic one. These are the Fusion Model, a Decision Model, and the Informal Group Overlay Model.

The Fusion Model, as developed by E. Wright Bakke and Chris Argyris* of the Yale University Labor and Management Center, is

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*A more detailed analysis of this model is presented subsequently in a section which deals specifically with Argyris.

basically a descriptive model. It tries to describe and analyze what actually occurs in an organization. The basic consideration of the theory is that of the integration of the individual and the organization. The individual and the organization have different interests. Each attempts to fulfill his/her own needs. Yet, many of the individual needs can be met only through organizational relations, and the organization can only maintain itself through the activities of individuals. The fusion process is the attempt to reconcile the expectations of the individual.

Hence, there are two elements in the fusion process, the personalizing process and the socializing process. The personalizing process "is essentially the responsiveness of the organization to the goals of the individual; or the recognition of these goals and a willingness by the organization to change to a certain extent to accomodate them" (Rice and Bishoprick, p. 113). The process of socialization "consists of the changes accepted by the individual which is directed toward the accomplishment of organizational goals" (Rice and Bishoprick, p. 113). The desired fusion occurs when the personalizing and socializing processes are congruent.

The second humanistic model discussed by Rice and Bishoprick is the Decision Model. Many times subordinate participation in decision making within the organization is rejected on economic grounds. The rationale given is that the company cannot afford to waste time letting the uninformed and untrained subordinates participate in making decisions that are the responsibility of the knowledgeable and competent managerial staff. Rice and Bishoprick, however, believe that the implicit reason for denial of participative decision making is the emotional or ideological commitment of the superior to an authoritarian posture (Rice and Bishoprick, p. 115). They affirm that the traditional approach to decision making which has concentrated on action, should be supplanted by an understanding of decision making which utilizes Herbert A. Simon's contention that "the task of 'deciding' pervades the entire administrative organization quite as much as does the task of 'doing'" (Rice and Bishoprick, p. 115). Rice and Bishoprick subscribe to Simon's theory which stresses that decision making is at the heart of the organizational structure and that the entire administrative process can be understood by analyzing the decision-making structure.

Relative to analyzing the decision-making process, one needs to consider two questions, namely, the rationality of decision making and the relationship between formal authority and the decision-making process. First, decision making is considered rational if the alternative chosen in the decision-making process is the one which will most nearly contribute to the achievement of established goals. Such rational decision making requires the possession of all pertinent information as well as the ability to analyze the information and choose the appropriate alternatives. Yet, limits in man's analytical ability, limits in amount of information, and limitations of computational equipment will mitigate the possibility of rationality in decision making. Simon indicates that man's unconscious skills, reflexes, and habits; his individual values; and the extent of his knowledge and information may impose limits on rationality (Rice and Bishoprick, p. 117). But even though rationality appears impossible, one should, nevertheless, attempt to design the organization in such a way that rationality in decision making can be enhanced to the greatest degree possible (Rice and Bishoprick), p. 117).

In considering the relation between formal authority and decision making, Rice and Bishoprick reject the traditional management concept which views decision making as the point at which the head of an hierarchical structure finally approves or disapproves a certain action after the problem has been passed up the line to him. They stress rather that decision making involves many people. Decision making is a process rather than a specific discrete action. It may start with an employee, who has no supervisory role whatsoever, discovering a problem which needs to be solved, a problem the solution of which requires a decision. Various people, and several preliminary decisions may have to be made before the final decision relative to the problem is made. Hence, the final decision, made perhaps by the president of the company, is merely the conclusive decision of a decision-making process.

Decision making considered as a process affirms that most decisions require the activity and cooperation of more than one person in the organization. Such a process Simon designates as the composite decision. Rice and Bishoprick evidently consider this process as a humanistic model since the model entails the realization of the importance of the cooperative human interaction relative to any decision-making process.

The Informal Group Overlay Model is the third humanistic model which Rice and Bishoprick consider. While the formal hierarchical job-task pyramid organizational policy manuals and job descriptions delineate the needs and desires of the company, informal relationships reveal the needs and desires of the individuals within the organization. The latter may reveal more about the organization than the former, since in actuality activities within organizations conform more readily to functional channels rather than to the job-task pyramid. Utilization of functional channels, i.e., informal relationships, modify the formal role assignments. Rice and Bishoprick discuss five such models which can be considered as overlay models relative to the formal hierarchical model.

The "Sociometric Network" attempts to ascertain the behavior of persons within an organization by identifying their personal likes and dislikes. The attempt is made to find out whom the various employees like and whom they dislike. The assumption is that the persons who are well liked will have more influence than those who are disliked.

The second modification of the formal system occurs through "The System of Functional Contacts" (Rice and Bishoprick, p. 121). This is a realization that certain relationships will arise merely by the fact that one person may possess skill, expertise, or knowledge which is useful to another person's task completion. This may not involve a subordinate-superior relationship. Such relations are engendered rather spontaneously as the need arises, and do not conform to the formal hierarchical organizational structure.

A third group of informal relationships which modifies the traditional structure is "The Grid of Decision-Making Centers." This is a recognition of the importance for the organization of the decision-making loci. Rice and Bishoprick contend that if the decision-making process is traced it will be found that the process rarely follows hierarchical channels. Moreover, the decision-making analysis will reveal more realistically how the organization does in fact function, for it traces what actually occurs rather than what someone theoretically expected to occur (Rice and Bishoprick, p. 122).

Another modifying influence is that of "The Pattern of Power." Power is the ability to influence behavior in a desired way. Power centers may not always conform to the positional authority centers designated by the organizational chart. One may have power because of his expertise, relationship to someone (the president's wife or secretary), or strategic position which is far in excess of his formal authority.* Such informal power patterns modify the traditional hierarchy, for they do not conform to the assumption that power and authority are congruent.

Finally, Rice and Bishoprick consider the "Channels of Communications" overlay as the most important of all. Patterns of communication often do not follow those prescribed. Moreover, informal communication often conveys more information and is considered more significant than the official information. The "Channels of Communication" overlay becomes useful in predicting patterns of behavior within the organization; for, as Alex Bavelas showed, the behavior

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*Amitai Etzoni's discussion of coercive, utilitarian, and normative power, as well as his description of the official, informal leader, and formal leader is helpful (Etzoni, 1964, pp. 58-67).

of individuals and groups in organizations can be predicted by analyzing the communication linkages amoung them (Rice and Bishoprick, p. 123).

Bureaucracy versus authoritarianism. As a basis for the employment of human resources, bureaucracy accepts the principle of universalism, i.e., what a person can do, rather than the principle of particularism, i.e., who a person is (Rice and Bishoprick, p. 133). Weber views bureaucracy as an ideal form of organization, for it provides a rational, predictable method for organizing the work of men. Since bureaucracy is based on law, rational thought and objective evaluation it has close affinities with the machine model. But, according to Rice and Bishoprick, its "roots in universalism link it to the cause of individual fulfillment and therefore it has more personal, humanistic overtones" (Rice and Bishoprick, p. 134). This dual emphasis constitutes bureaucracy as a wholistic model.

Rice and Bishoprick describe the bureaucracy in accordance with Max Weber's concept, the key components of which are purpose, rationality, impersonality, and routine. Using Weber's analysis, they indicate that a bureaucracy has the following characteristics:

1. A continuous organization of official functions bound by rules.
2. A specified sphere of competence. This involves (a) a sphere of obligations to perform functions which have been marked off as a part of a systematic division of labor, (b) the provision of the incumbent with the necessary authority to carry out these functions, (c) that the necessary means of compulsion are clearly defined and their use is subject to definite conditions. . . .
3. The organization of offices follows the principle of hierarchy. . . .

4. The rules which regulate the conduct of an office may be technical rules or norms. In both cases, if their application is to be truly rational, specialized training is necessary. It is thus normally true that only a person who has demonstrated an adequate technical training is qualified to be a member of the administrative staff . . . and hence only such persons are eligible for appointment to official positions. . . .
5. In the rational type it is a matter of principle that the members of the administrative staff should be completely separated from ownership of the means of production or administration. . . .
6. There is also a complete absence of appropriation of his official position by the incumbent . . . [i.e., the position is primary, not the individual].
7. Administrative acts, decisions, and rules are formulated and recorded in writing even in cases where oral discussion is the rule or even mandatory (Rice and Bishoprick, pp. 135-136).

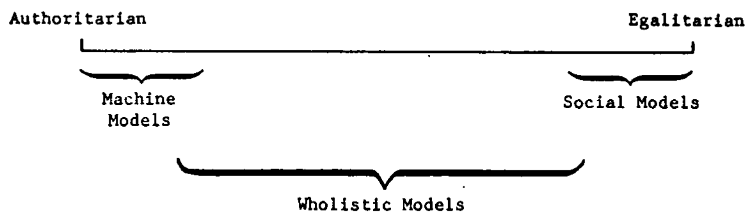
A succinct summary of this rather lengthy Weberian description is presented by Rice and Bishoprick when they observe:

> Bureaucracy as an organizational form is essentially thus; specifying the jobs to be done, clearly defining each individual job and its sphere of influence in a set of rules and regulations, and then finding men with the proper skills to fill the jobs. Major emphasis is placed on the position not the man. Rationality is the result (Rice and Bishoprick, p. 137).

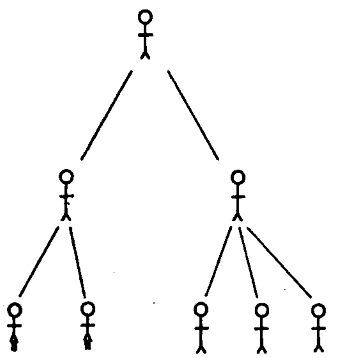
The bureaucracy does provide a certain amount of rational efficiency. It promotes stability and reliability. It fulfills the need of modern organizations to deal effectively with large size, complexity, the development of reliable information and communication processes, the establishment and maintenance of a chain of command which effectively links the various parts of the organization together. Moreover, bureaucracy protects the employee from the arbitrary acts of the employer.

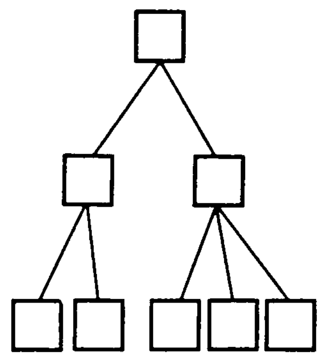
There are problems with bureaucracy, however. It results in rigidity and inflexibility, mitigates or eliminates innovation and creative activity, tends to compartmentalize units into separate competing spheres, and promotes group introversion which readily leads to suboptimization (Rice and Bishoprick, pp. 138-139). Job security and promotion on the basis of seniority, a common trait of bureaucracy, readily leads to stagnation, and encourages the individual to refrain from continuous development of his personal and technical potential. Moreover, the precise delineation of rules merely indicates the parameters of minimal acceptable performance. This encourages the employees to do only what is required to get by; there is no reward for exceeding the minimal expectation. In addition, the fact that the bureaucracy only recognizes the formally established relationship weakens its ability to adapt to unexpected occurrences, fulfill the emotional needs of its employees, and entertain a realistic understanding of the actual power and influence centers in the organization. Not only does it tend to dehumanize through giving little attention to the individual person, but dehumanization is expanded because the bureaucracy fails to consider the informal relations and social groups.

Rice and Bishoprick consider authoritarianism as an alternative to bureaucracy. Authoritarianism differs from bureaucracy in that the authoritarian structure concentrates the various levels of authority in a person rather than in a position or job description as does bureaucracy. The distinction between authoritarianism and bureaucracy is depicted by Rice and Bishoprick in the following model (Figure 2):



The Spectrum of Models.





<u>Authoritarianism</u>	<u>Bureaucracy</u>
Characterized by:	Characterized by:
1. Duties attached to an individual	1. Duties attached to a position
2. Expediency, judgement, opportunism, discretion	2. Predetermined rules of behavior
3. Freedom to innovate	3. Predictability of performance
4. Subordinates and public subject to whims of incumbent	4. Discretionary behavior limited to that foreseen prior to establishment of rules
5. Instructions from superiors take the form of defining responsibility for results	5. Instructions from superiors take the form of specific rules of behavior
6. Greatly affected by the personality, knowledge, and ability of incumbent	6. Less affected by the personality, knowledge, and ability of incumbent
7. Works best in small organizations	7. Works best in large organizations
8. Basically dynamic	8. Basically static

Figure 2. Contrast Between Authoitarianism and Bureaucracy.

Source: George H. Rice, Jr. and Dean W. Bishoprick, <u>Conceptual Models of Organization</u>, San Francisco: Jossey-Bass Publishers, 1976.

Since in authoritarianism complete power is concentrated in an individual, the subordinate is subject to his whims. The subordinate has no positional security apart from his relationship with the superior. Subordinates, therefore, may become mere puppets or pawns in an effort to maintain their position. The organization's possibilities are limited to the creativity and ideas of one person; "loyal opposition" may not be tolerated at all, since immediate assent to the authority's ideas often is prerequisite for maintaining one's job.

Authoritarianism need not be synonymous with autocracy, for the person in authority may delegate authority to the various unit leaders. Yet, such delegation remains at his choice, within his control, and even at his whim, since no formally stated positional restraints either limit him or secure the subordinates in their positions. In an authoritarian organization, regardless of the degree to which the person in authority is willing to delegate authority, the power of delegation remains in his hands, and what he has given, he can also take away. The subordinate position is always dependent upon the good will and integrity of the superordinate (Rice and Bishoprick, p. 143).

The primary advantage of authoritarianism over bureaucracy is that authoritarianism can be more flexible, change more rapidly, and hence confront the unexpected more effectively (Rice and Bishoprick, p. 145).

<u>The public administration or corporate model</u>. Through pre-established policies, job descriptions, and a hierarchical structure,

bureaucracy accomplishes objectives and develops programs known in advance. Given this understanding, the question then to be considered concerns the agent responsible for deciding what the objectives and programs are to be. The bureaucracy implements pre-established policies, but who established the policies? The answer to this question is found in a consideration of the corporate model.

The corporate model of organizations experiences its genesis as a group or committee of individuals banded together to organize and direct activities for the achievement of a specific purpose. The board defines the objectives, sets policies for implementing these objectives, and then establishes a bureaucracy to accomplish the predetermined objectives. The bureaucracy is responsible to the governing board.

Since the board members are often elected or appointed by the people who are served by, benefit from, or otherwise effected by the bureaucracy, the corporate arrangement serves as a way in which the persons so effected will have some influence relative to the activities of the bureaucracy. In the corporate model, then, it is assumed that the governing board will effectively determine the policies of the bureaucracy and the bureaucracy, in turn, will be responsible for seeing that these policies are administered.

Thus understood, the corporate model may fail to function properly in two dimensions. First, the governing board itself may inadequately represent the will of those whom it is to serve. Second, the governing board may be unable to direct or control the bureaucracy which it has established. This may arise because of the public-administration dichotomy. Although ideally the board is the policy-making body and the bureaucratic executives are to administer policy, in actuality only very general and broad policies can be made at the corporate level. Much policy must be made by the administrator in the daily routine of operations. The distance between the board and executives is such that the board cannot make decisions relative to such matters. There must be a large discretionary dimension afforded to the chief executive. Given this state of affairs, there exists not only the possibility of changes due to misunderstandings but also the possibility of deliberate changes if the chief executive may entertain goals at variance with those of the board. In addition, policy formulation comes not only from the board as it carries out the will of those whom it serves; but it also is affected by government regulations, competitors' activities, clients' preferences, social custom, labor contract, management, and precedence within the organization (Rice and Bishoprick, p. 152). All these factors work to alter and challenge the implementation of the ideal corporate model.

The systems concept. As traditional ideas are being expanded upon or replaced; as the modern size and complexity of the organization has made it increasingly difficult to comprehend and cope with the organization as a whole by traditional theories; and as organizations themselves develop into many specialized and sometimes conflicting units; the need for a new, unifying, wholistic theory has become evident. Rice and Bishoprick view systems theory as a candidate to fulfill this need.

They define a system as "a patterned, functioning relationship among components" (Rice and Bishoprick, p. 163). The components, which may themselves be simple or complex, form a patterned relationship and function through their relationship with the other components of the system. The components are interdependent and must therefore take the various other components into account in accomplishing their own endeavors (Rice and Bishoprick, p. 164). Since in management theory a system is assumed to exist in order to achieve some specified objective, it can therefore be defined "as a number of components or subsystems which can be related according to some plan to achieve a given purpose or objective (Rice and Bishoprick, p. 164).

Although a closed system does not exist in reality, one may hypothesize such a system in order to analyze the components of a system in isolation from environmental considerations. An analysis of the interaction of the components of the system itself can be a valuable enterprise for understanding the system. General systems theory, on the other hand, is an attempt to analyze and understand the interrelations among various disciplines as they impinge upon one another. It may involve an analysis of the various disciplines to ascertain their commonalities and thus build an all-encompassing model. Or it may involve an analysis in which the various constituents are viewed as subsystems and arranged hierarchically according to their complexity (Rice and Bishoprick, p. 166).

A system approach to management would entail an attempt to integrate all the functions constitutive of management into an interrelated whole which considers how each function affects other functions as they interface. For example, the traditional functions of management--i.e., planning, organizing, communicating, and controlling--are considered not as separate functions but rather as interrelated dimensions constitutive of the whole, each impinging on the other. Systems theory essentially involves "a way of thinking which emphasizes the interconnection of an organization's components as they make up the whole organization" (Rice and Bishoprick, p. 168). Implementing the systems concept involves designing a system in such a way that the basic subsystems, the larger system, and the relations among the elements of these systems are defined (Rice ahd Bishoprick, p. 171).

There are advantages to the systems model. It lends itself to a wider variety and complexity than does the bureaucratic model. Rather than viewing components as discrete, separate entities, the systems model consciously deals with the interrelations of the various constituents. Unlike the bureaucratic model, whose components are essentially inanimate, the systems model is useful for both animate and inanimate operations. It provides a wholistic framework for management; for, since it views each dimension's meaning in relation to the whole, the overall goals of the organization are kept constantly in focus. Use of the systems model also encompasses automation and the use of sophisticated analytical techniques.

In considering possible disadvantages of the systems concept, one should be aware that even though the systems approach should provide greater opportunities for human creativity, expression and self-fulfillment, it can nevertheless be used to dehumanize the system completely. Rice and Bishoprick observe: "It can extend the ideas of scientific management, using modern techniques, until the resulting organization resembles one giant machine, instead of a social system responsive to the human needs of the people involved" (Rice and Bishoprick, p. 175). In addition, it should be noted that much of the work done in systems theory utilizes closed system models and is concerned with the area of decision making. These models may not correspond to reality since they are limited to considering variables that can be identified and quantified. Open systems theory, on the other hand, can be more realistic since it includes the influence of the outside environment and random changes. Yet, it becomes extremely complex; its data are difficult to quantify; and its level of predictability--and hence usefulness--is low.

The modular organization. The systems model attempts to integrate all components of an organization, understand their interdependence and areas of interpenetration, and understand the organization as one wholistic entity. Such an endeavor, however, is untenable, according to Rice and Bishoprick, if it requires the manager to know and understand all the minute intricacies of each constituent of the system. To deal with this problem, the manager may consider the organization as a modular organization which "views the system as a number of functional components, each having specified outputs, and each self-contained, or capable of existing as a more or less autonomous body" (Rice and Bishoprick, p. 181). The module is the primary building block of an organization; each module performs an entire function (Rice and Bishoprick, pp. 182-183). The module is something more than a cell.

Just as in the biological sense a group of cells make up a functioning element, in the modular concept the module is viewed as something between the smallest operating element--an individual or a machine--and the whole organization. It is a self-contained unit, capable of performing an entire function without outside interference. It resembles a subsystem. It has its own purpose, design, and predictable output. It operates autonomously without outside direction during its performance. Its output, however, may be accepted or rejected by the parent organization.

The modular approach is highly flexible. Modules can be employed as a process or as an individual project. They can be continuous and internally generated, or they can be employed from outside the organization for specific functions. The manager can choose from available modules, design alternative modules, and combine them into patterns of his own choosing, hence, tailoring the organization to fulfill any demands made upon it. In the implementation of the modular concept, the manager's prime responsibility becomes that of designing, utilizing, and patterning the "mosaic of functionally distinct modules" in such a way that the organization will be able to meet its goals effectively and efficiently (Rice and Bishoprick, p. 187).

Rice and Bishoprick object to referring to the systems model in terms of a biological analogy. In rejecting Norbert Wiener's biological analogy in the Human Use of Human Beings, they remark:

> . . . If an organization is truly analogous to a biological organism, then the component parts of the organization are not independent in their actions since their total existence depends on the welfare of the overall organism. Nor can they

> react independently to the demands of the environment, but can only react to the basic requirements of the central, governing body of the organism, and then only after the organism itself feels the necessity for reaction. The component exists for the welfare of the organism, and must adapt itself and conform to the demands of the organism (Rice and Bishoprick, p. 190).

Rice and Bishoprick also object to Elbing and Elbing's classification of the systems model with the machine model as being "particularly inhuman in its basic tenet's." Elbing and Elbing view this as good because the machine model, which keeps discretionary behavior by people in the organization to a minimum, is highly predictable. Rice and Bishoprick question the ultimate primacy of predictability. In the face of rapid change, unforeseen demands, the highly technical system, or where reaction speed is important, discretionary behavior on the part of professional people in making necessary adjustments at the subsystem level is crucial (Rice and Bishoprick, p. 191). They summarize:

> Therefore, in a novel or fast-changing situation, such as brought about by rapid changes in technology or changes in social demands on the organization, the more democratic models of organization achieve a higher degree of predictability by distributing discretion throughout the system than can be achieved by the machine model or bureaucracy by concentrating discretion in the system (Rice and Bishoprick, p. 191).

But in considering the question of whether the systems model is inhuman or humanistic, Rice and Bishoprick conclude that it can be either, according to the way in which the components are considered. They conclude that the system is very inhuman if its components are passive, completely manipulated, controlled and directed solely for the system, and controlled completely by a centralized decision-making element. The system is quite humanistic, however, if it is viewed as consisting of an interdependent relationship of machines and people, with each person experiencing his own dreams, desires, hopes and prejudices as well as exemplifying his own needs and abilities. They feel, therefore, that the systems model is the one model which can be used by all managers regardless of their assumptions regarding the nature of man (Rice and Bishoprick, p. 191).

At the conclusion of their study, Rice and Bishoprick indicate that the course of their study has taken them from a consideration of the traditional, more primitive models of organization to the more contemporary wholistic models. Rapid change, mobility, increased industrialization, more complex technology and a higher educated populace have entailed that different models of organization have become more appropriate. Rice and Bishoprick affirm that the trend is away from autocracy and toward a greater democracy in the world of work. Although they emphasize that the organizational form should be appropriate for the job to be done, they nevertheless advocate industrial democracy and agree with Warren Bennis that such democracy is inevitable in rapidly developing, highly educated society (Rice and Bishoprick, pp. 202 and 206).

Douglas McGregor

Douglas McGregor's Theory X and Theory Y are so well-known that almost every book on management theory briefly mentions his delineation of the assumptions implicit in the two theories. McGregor succintly describes the assumptions of Theory X managers by the following:

1. The average human being has an inherent dislike of work and will avoid it if he can. . . .
2. Because of this human characteristic of dislike of work, most people must be coerced, controlled, directed, threatened with punishment to get them to put forth adequate effort toward the achievement of organizational objectives. . . .

3. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, wants security above all . . . (McGregor, pp. 33-34).

Likewise, McGregor tersely sums up the assumptions of Theory Y, which, it should be noted, he depicts as "Theory Y: The Integration of Individual and Organizational Goals":

1. The expenditure of physical and mental effort in work is as natural as play or rest. The average human being does not inherently dislike work. Depending upon controllable conditions, work may be a source of satisfaction [and will be voluntarily performed] or a source of punishment [and will be avoided if possible].
2. External control and the threat of punishment are not the only means for bringing about effort toward organizational objectives. Man will exercise self-direction and self-control in the service of objectives to which he is committed.
3. Commitment to objectives is a function of the rewards associated with their achievement. The most significant of such rewards, e.g., the satisfaction of ego and self-actualization needs, can be direct products of effort directed toward organizational objectives.
4. The average human being learns, under proper conditions, not only to accept but to seek responsibility. Avoidance of responsibility, lack of ambition, and emphasis on security are generally consequences of experience, not inherent human characteristics.
5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population.
6. Under the conditions of modern industrial life, the intellectual potentialities of the average human being are only partially utilized (McGregor, pp. 47-48).

McGregor's description of Theory Y as "The Integration of Individual and Organizational Goals" indicates that he does not intend to limit his discussion concerning Theory Y merely to delineating the assumptions. In fact, his delineation of the assumptions--which many commentaries on McGregor present as if this were his complete treatment of the subject--is merely the starting point of his work

(McGregor, p. 53). McGregor notes that the central principle which can be derived from Theory X is that "direction and control through the exercise of authority" is the requisite managerial activity (McGregor, p. 49). From the assumptions of Theory Y, however, comes the principle of integration. This principle he describes as: "The creation of conditions such that the members of the organization can achieve their own good best by directing their efforts toward the success of the enterprise" (McGregor, p. 49).

Theory X which considers organizational goals automatically and almost without question, erroneously attempts to satisfy individual, personal goals--if it considers them at all--through rewards of salary and position. Theory Y affirms not only that the individual goals should be considered, but in addition asserts that a failure to consider personal goals may cause the organization to suffer. Hence, Theory Y assumptions and the principle of integration which follows from Theory Y entail that both the organization's and the individual's needs be recognized. If management insists upon employees' adapting themselves to management's definition of what is required without concern for their own goals, then few people will commit themselves to organizational goals. McGregor describes integration and indicates his understanding both of how management has thought in the past and how management must work in the future, when he observes:

> Naturally, integration means working together for the success of the enterprise so we all may share in the resulting rewards. But management's implicit assumption is that working together means adjusting to the requirements of the organization as management perceives them. In terms of existing views, it seems inconceivable that individuals, seeking their own goals, would further the ends of the enterprise. On the

> contrary, this would lead to anarchy, chaos, irreconcilable conflicts or self-interest, lack of responsibility, inability to make decisions, and failure to carry out those that were made.
>
> All these consequences, and other worse ones, would be inevitable unless conditions could be created such that the members of the organization perceived that they could achieve their own goals best by directing their efforts toward the success of the enterprise. If the assumptions of Theory Y are valid, the practical question is whether, and to what extent, such conditions can be created (McGregor, p. 53).

McGregor then devotes approximately two hundred pages to the consideration of the possibility of creating such conditions.

In implementing Theory Y, then, the manager is concerned with creating a situation in which the employee can achieve his own goals best by simultaneously directing his efforts toward fulfilling organizational goals (McGregor, p. 61). To create such a situation, the manager treats his subordinates as resources, not as "hands." He believes in letting the subordinate be responsible for his own development, but he participates by challenging the subordinate to do so and by helping insofar as possible. Theory Y entails that objectives--whether organizational or personal--are not heteronomously imposed. The conventional process in which the higher levels ascertain objectives and impose them on the lower is ruled out. There is mutual involvement in the development of objectives. Such mutual involvement entails acceptance of responsibility as well as commitment to objectives. Mutual involvement, commitment and responsibility rule out the passive acceptance, indifference, or even resistance characterized by the conventional method of dictating objectives from the top down (McGregor, p. 68). The superior, to be sure, may retain veto power, but such power is used only if absolutely necessary (McGregor, p. 69). The superior is basically in the helper role.

In his attempts to initiate such an approach to management, the superior must be careful on at least two counts. He must develop patience and not expect too much too fast. Secondly, he must restrain his natural tendency to step in and take control or give specific guidance. These considerations underscore the fact that Theory Y is a theory based on integration and self-control, integration of organizational and personal goals and development through self-control by both managers and non-managers (McGregor, pp. 69-74).

McGregor emphasizes that management by integration and self-control is a strategy, a way of managing people. It is not a prearranged prescription of techniques and strategies. Standardized forms and procedures are of little value. Relative to this, he notes:

> The manager who finds the underlying assumptions of Theory Y congenial will invent his own tactics provided he has a conception of the strategy involved. The manager whose underlying assumptions are those of Theory X cannot manage by integration and self-control no matter what techniques or forms are provided him. . . . The tools for building this (i.e., Theory Y) managerial philosophy are attitudes and beliefs about people and about the managerial roles, not manuals and forms (McGregor, p. 75).

McGregor recalls that the conventional understanding of performance appraisal perceives it as a technique of personnel administration used to direct, judge, reward or punish people relative to management's desires. He affirms that the most such appraisals, so understood, can accomplish is to provide discrimination between those whose performance are outstandingly good, satisfactory, and unsatisfactory. Fine discriminations are impossible (McGregor, pp. 81-82).

In contrast to the conventional approach, McGregor asserts that "any individual's performance is, to a considerable extent, a function of how he is managed" (McGregor, p. 83). A performance evaluation designed to direct, control, and judge will contribute little to the personal growth of the one appraised; and it may engender fear, anger, hostility, and even poorer performance in the future. The realization that the individual's performance is related to how he is managed makes both manager and non-manager responsible for the performance. McGregor's conclusion is that the conventional development and use of performance appraisals is not very conducive to controlling behavior in an organization. Rather, whatever performance appraisal is developed should recognize the relational impact of such endeavors, i.e., that performance is a product of the manager--non-manager relationship and that the basis for performance appraisal is growth, learning, and improvement, not control and judgment.

In discussing salaries and promotions, McGregor again castigates the conventional approach which attempts to ascertain salaries and promotions on the basis of what management directs. Equity, incentive, loyalty, productivity, and merit are all considerations relevant to salaries and promotions. Yet, these are more often than not considered merely from management's standpoint. McGregor raises the question that blind loyalty may well not be in the interest of the organization. The blindly loyal employee may fail to see policies and practices which are in fact detrimental to organizational welfare (McGregor, p. 95). This illustrates that analysis relative to salary and promotion must be relational rather than one-sidedly dictated by management. Moreover, it is McGregor's contention that objective, quantitative data are not sufficient for dealing with salary and promotional considerations. Not only are they not sufficient, they are also not available (McGregor, pp. 98-99). Proper objectivity will not be achieved through the simplistic assumption that one can define the job, fit the individual to it, and then judge on the basis of the individual's success in making himself what the job defines him to be. This seems to have the merit of logical simplicity, but it is rarely followed. What is more, the principle of integration, which entails a relational approach, "is sharply contradictory to the conception that the individual must be adapted and molded to the requirements of the organization" (McGregor, p. 100). Hence, McGregor asserts that the necessity for subjective judgments by superiors of their subordinates cannot be eliminated. He concludes: "Certainly the dream of a mechanical matching of job characteristics and personnel qualifications has no more than very limited possibilities. For the foreseeable future, managerial judgments of a subjective kind are going to play a large part in administering promotions and placements" (McGregor, p. 100). The principle of integration itself entails that a certain element of subjectivity is included in managerial judgments as McGregor notes: "The principle of integration requires the active and responsible participation of the individual in decisions affecting his career" (McGregor, p. 103). Such participation enhances the possibility of congruence between individual goals and organizational goals.

The Scanlon Plan presents one way of management by integration and self-control. The Scanlon Plan is not a formula, program, or set of procedures; it is rather a philosophy of management or an individual way of life (McGregor, p. 110). It exemplifies two important features both of which are necessary and neither of which stands alone.

First, it develops a means by which the members of the organization share the economic gains resulting from improvements in organizational performance. In this regard, three dimensions of the plan are noteworthy. First, all members of the organization, except possibly top management, participate in the economic rewards which accrue from organizational improvements. Second, improvement is measured in terms of overall organizational economic improvement, and not merely in departmental terms. Third, the rewards are dispensed temporally in relation to the behavior which produced the reward, i.e., there is a discernable correlation between improvement and reward.

The second feature of the Scanlon Plan involves effective participation by the members of the organization. The plan features a formal method which provides every member with the opportunity and encouragement to contribute his creative powers as well as his physical effort to the improvement of the organization. Everyone attempts to discover ways of improving the organization. This is the point at which the principle of integration is operative. McGregor explains:

> This is the integrative principle in operation. It is the means by which rich opportunities are provided every member of the organization to satisfy his higher-level needs through efforts directed toward the objective of the enterprise (McGregor, p. 113).

Everyone becomes a human resource of know-how who can contribute to the welfare of the organization and at the same time contribute to his own welfare, not only through the receipt of economic rewards, but also through the rewards associated with achievement, competence, and self-fulfillment. Traditional incentive plans not only fail to reward individual ingenuity but in fact limit organizational improvement by confining participation to management, thus limiting the organization to using merely a given number of resources (McGregor, p. 114).

Through the Scanlon Plan the divergence between individual and organizational goals can be overcome or at least mitigated, for the goals are approached collaboratively through mutual interest. Also, the participative dimension of the plan allows managers to discover human resources and to develop these resources for the individual's good as well as the good of the organization. There is little concern regarding managerial prerogatives. Authority in the conventional sense of control and direction is not used. Rather, behavior is influenced through persuasion, logical argument, professional help, and mutual recognition of the objective requirements for goal attainment.

McGregor is insistent that participation is a most important factor for organizational as well as personal health. He rejects the view that participation is a magic formula to solve all of management's problems, and that participation is a useful item in the manager's bag of managerial tricks, a device for manipulating people. He likewise rejects the view that participation is a form of managerial abdication (McGregor, pp. 121-125). His view of participation sees it neither as a panacea nor as something to be feared as some of its critics see it. Rather, McGregor's view is that participation is a managerial point of view which includes: confidence in the subordinates, the relational dependency of the manager upon his subordinates, the attempt to avoid the negative consequences of management by direction, control and personal authority. As such, it is applicable not merely to groups but also to individuals. The amount of participation may vary considerably. The manager may make a decision, announce it, and hold a discussion to explain the reasons why he made it (McGregor, p. 126). He may make a decision and have subordinates participate in deciding the best way to implement it (McGregor, p. 127). He may discuss a pending decision with subordinates before making it final. He may present a problem to the subordinates and invite them to assist him in finding the solution. Finally, he may allow the group to make the decision (McGregor, p. 127). Participation is really a special case of delegation; for it gives the subordinate greater control, greater freedom of choice, and increased responsibility (McGregor, p. 131).

McGregor affirms that participation can be a positive force for integration regardless of the degree of participation and regardless of the level at which one is working in the organization. The importance of participation, as well as a caution regarding its use, is described when McGregor observes:

> In view of the interdependence characteristic of industrial organizations there is reason for modifying the typical unilateral nature of the decision-making process. Participation, used judiciously, and in many different ways, depending upon the circumstances, offers help along these lines. . . .
>
> Participation which grows out of the assumptions of Theory Y offers substantial opportunities for ego satisfaction for the subordinate and thus can affect motivation toward organizational objectives. It is an aid to achieving integration. In the first place, the subordinate

> can discover the satisfaction that comes from tackling problems and finding successful solutions for them. This is by no means a minor form of satisfaction. . . . Beyond this there is a greater sense of independence and of achieving some control over one's destiny. Finally, there are the satisfactions that come by way of recognition from peers and superiors for having made a worthwhile contribution to the solution of an organizational problem. At lower levels of the organization, where the opportunities for satisfactions like these are distinctly limited, participation in departmental problem solving may have considerable significance in demonstrating to people how they can satisfy their own needs best by working toward organizational objectives.
>
> Viewed thus, participation is not a panacea, a manipulative device, a gimmick, or a threat. Used wisely, and with understanding, it is a natural concomitant of management by integration and self-control (McGregor, pp. 130-131).

While Theory X naturally emphasizes the tactics of control, Theory Y stresses the nature of relationships. It attempts to create a climate of commitment to organizational objectives while providing the maximum opportunities for exercising individual initiative, ingenuity and self-direction (McGregor, p. 132). The relations are seen to be interdependent.

The manager's attitude toward his subordinates, revealed through behavioral manifestations, is often referred to as the "climate" of the relationship. McGregor affirms that the climate is more significant than the leadership style or personal style of the manager (McGregor, p. 135). A favorable managerial climate involves several dimensions. The manager should evidence genuine concern for the welfare of his employees. He should have influence upward in the organization so that he can support his employees effectively. He should have confidence in them and be willing to go to bat for them. His attitude should enhance employees' feelings for security. He should, in general, hold people in high esteem. His use of participation must not be manipulative, but must be true participatory management.

Such dimensions which enhance the possibility of a positive climate do not take place in a vacuum. They are relational, and whether the manager who wants to act in this fashion can, in fact, do so is contingent upon the workers with whom he relates. The manager cannot have confidence in a worker who is genuinely incompetent, dishonest and lazy. There must be mutuality with regard to the values expressed (McGregor, p. 142). Generally speaking, however, McGregor concludes that the dependence is greater upward, and that the superior exerts more responsibility relative to the climate of the relationship than does the subordinate (McGregor, p. 142).

McGregor rejects as illusion the idea that organizations can be described in terms of staff-line designations. He observes that complex organizations preclude the full utilization of the principle of unity of command. Also precluded by the complexity of the organization's confrontation with the external environment is the belief that one's responsibility range is congruent with one's authority, by which is meant one's capability of control. Both unity of command and an emphasis on authority and control are corollaries of Theory X. Theory Y, on the other hand, rejects the idea that the manager's main task is that of directing and controling. Rather, the manager, according to McGregor's view, is one who helps the subordinates both to want to achieve and actually to achieve the organizational objective. The staff are likewise helpers. They are not to be used as policemen to make sure that all subordinates are doing as directed. They are resources for the whole organization. Their job is to provide professional help to all levels of management (McGregor, pp. 150-152, and 163). Their proper role is an interdependent one comparable to the relationship of professional and client, a relationship in which neither exercises authority over the other but each influences the other. McGregor sums up the manager's role when he says:

> The industrial manager is dealing with adults who are only partially dependent. They can--and will--exercise remarkable ingenuity in defeating the purposes of external controls which they resent. However, they can--and do--learn to exercise self-direction, and self-control under appropriate conditions. His task is to help them discover objectives consistent both with organizational requirements and with their own personal goals, and to do so in ways which will encourage genuine commitment to these objectives. Beyond this, his task is to *help* them achieve those objectives: to act as teacher, consultant, colleague, and only rarely as authoritative boss. He will not help them if he attempts to keep direction and control in his own hands; he will only hamper their growth and encourage them to develop countermeasures against him. Nor will he help them achieve organizational objectives if he establishes a police force, reporting to him, who will assume part or all of the task of control. This may divert the resentment, but it will intensify the negative consequences.
>
> *He can help them only if he is prepared to relinquish control in the conventional sense*, only if he has enough confidence in their willingness and ability to achieve organizational objectives that he can risk some poor judgments and some mistakes as a natural cost of their growth (McGregor, pp. 152-153, Emphasis, McGregor).

From this summary of the managerial role, McGregor turns to a discussion of leadership *per se*. He rejects the idea that successful leadership can be assumed on the basis of the individual's possession of certain traits. He asserts that while it "is quite unlikely that there is a single basic pattern of abilities and personality traits characteristic of all leaders" (McGregor, p. 180), many characteristics, such as integrity, ambition, and judgment--which are allegedly essential to the leader--are likewise important for any member of the organization (McGregor, p. 181). There are, however, skills and attitudes, important to the leader, which can be acquired or modified extensively through learning. McGregor lists these as "competence in planning and initiating action, in problem solving, in keeping communication channels open and functioning effectively, in accepting responsibility, and in the skills of social interaction" (McGregor, p. 182).

Perhaps the most important point which McGregor makes is contained in his assertion that leadership is a relationship. He observes that there are at least four variables involved in leadership. These are: the characteristics of the leader, the characteristics of the followers, the characteristics of the organization, and the social, economic and political milieu (McGregor, p. 182). His assertion that leadership is a relationship evidences his understanding "that leadership is not a property of the individual, but a complex relationship among these variables" (McGregor, p. 182).

In affirming that leadership is a relationship, McGregor points out that there is neither a universal pattern of characteristics of the leader nor is there a universal pattern of characteristics of the relationship between leader and follower. The acceptance of the proposition that leadership is a relationship has several implications for management. First, since leadership is a relationship involving the leader, the followers, the organization and the socio-political economic milieu, and since these factors change substantially with time, a primary task of the leader becomes that of providing a heterogeneous supply of human resources from which a variety of individuals can be selected to fill a variety of unpredictable needs (McGregor, p. 185). A second implication arises from the first, namely, any management development program should involve many people within the organization rather than a select few. Third, the management development program should attempt to develop the unique potentialities of each individual rather than attempt to instantiate common objectives for all (McGregor, p. 187). Fourth, the actual promotion policies of the organization should consider the heterogeneous resources in filling vacancies. It will likely require much effort to avoid the normal tendency of maintaining a certain "type" leader of homogeneous pattern, while utilizing the variety of resources to fit specific situations. Finally, the realization that leadership is a relationship, indicates that not every promising recruit is a potential member of top management. Persons may be effective leaders in low or middle management while not being effective at the top level. The contrary is also true. Referring to the fact that a person may be an effective leader on one level but not on another, McGregor concludes:

> If we take seriously the implications of the research findings in this field, we will place high value on such people. We will seek to enable them to develop to the fullest their potentialities in the role they can fill best. And we will find ways to reward them which will persuade them that we consider outstanding leadership <u>at any level</u> to be a precious thing (McGregor, pp. 188-189).

In considering the relation between the individual and the group, McGregor disagrees with William H. Whyte's position that group activity mitigates individuality, that we have given undue emphasis to group phenomena, and that we have thereby lost track of the importance of the individual (McGregor, pp. 229-230). McGregor states that on the contrary too little emphasis has been given to group behavior, and management does not know how to create the conditions requisite for individual growth and integrity within the group.

Expanding on this idea, he describes those dynamics characteristic of a well-functioning, efficient group. (1) The atmosphere is informal, comfortable, relaxed. (2) There is much pertinent discussion in which everyone participates. (3) The group's task or objective is well-understood and accepted by the members. (4) Creative thoughts are fearlessly expressed, and people listen to each other. (5) Open disagreement is present and analyzed rationally through the participation of the full membership. (6) Matters are settled by consensus and general agreement. (7) Criticism is frequent, frank, constructive and devoid of personal attack. (8) Freedom of expression is characteristic of a good group. (9) Action is accompanied by the naming and accepting of clear assignments. (10) The leadership of the group shifts continuously. It is neither dominated by the chairman nor do the members offer undue deference to him. (11) The group is well aware of its own operations and progress toward its goals (McGregor, pp. 232-235).

He then contrasts the characteristics of a good group with those of a poor, ineffective group. (1) The atmosphere probably reflects indifference, boredom, and/or tension. (2) The discussion is dominated by a few people. (3) There is lack of understanding relative to the group's task and objectives. (4) The members fail to listen to each other, and the discussion lacks coherence and direction. (5) Dissagreement is discouraged or not dealt with effectively, and only the more agressive members succeed in expressing their ideas. (6) Actions are often taken prematurely before adequate examination or resolution of the issues. (7) Action decisions tend to be unclear. (8) The committee chairman retains the leadership. (9) When criticism is present, it is embarrassing, tension-producing, or used as personal attack. (10) Personal feelings are not openly aired; they remain hidden. (11) The group is not self-aware; it avoids consideration of its own maintenance (McGregor, pp. 236-238).

After describing and contrasting the characteristics of "the good group" and "the poor group," McGregor makes clear his contention that organizational structure is not a choice between the individual and the group. It is not an "either-or" emphasis. It is a "both-and" situation. The individual cannot develop apart from the group, and the group cannot exist without individuals. Management is not the consideration of individuals in relation, but of individual growth and achievement occurring within the group. McGregor affirms that "the highest commitment to organizational objectives, and the most successful collaboration in achieving them, <u>require unique kinds of interaction which can only occur in a highly effective group setting</u>" (McGregor, p. 240). Not only must the idea that the group and the individual are necessarily opposed be abandoned, but it must be realized that the "effective managerial group provides the best possible environment for individual development" (McGregor, p. 241).

McGregor's conclusion is not that Theory Y represents the ultimate managerial theory which should be accepted without question, for he views Theory Y as "one man's interpretation of current social knowledge" which "will be modified--possibly supplanted--by new knowledge within a short time" (McGregor, p. 245). Yet, he asserts that it is important that limiting assumptions like those of Theory X be abandoned, "so that future inventions with respect to the human side of enterprise will be more than minor changes in already obsolescent conceptions of organized human effort" (McGregor, p. 245).

John J. Morse and Jay W. Lorsch

Noting that McGregor's Human Side of Enterprise advocates Theory Y as "the more desirable one for managers to follow" (Morse and Lorsch, p. 61), John J. Morse and Jay W. Lorsch suggest that the proper approach to managerial dynamics will not be that of attempting to satisfy some universal theory. Rather, management must move "beyond Theory Y." Such a new approach is warranted, they assert, because McGregor's discussion of Theory X and Theory Y "cause confusion of managers who try to choose between these two conflicting approaches," and "because of McGregor's own recognition that the Theory Y assumptions would probably be supplanted by new knowledge within a short time" (Morse and Lorsch, pp. 61-62).

The Contingency Theory which they propose advocates that the best management is that which, through a careful diagnosis of pertinent dimensions of a given situation, enables the best "fit between task, organization, and people" (Morse and Lorsch, p. 62). Explaining the basic assumptions of their theory, which allegedly moves beyond Theory Y, they observe: "These theoretical assumptions emphasize that the appropriate pattern of organization is contingent on the nature of the work to be done and on the particular needs of the people involved" (Morse and Lorsch, p. 62).

To ascertain the validity of the Contingency Theory, Morse and Lorsch designed a study, the objective of which was "to explore more fully how the fit between organization and task was related to successful performance" (Morse and Lorsch, p. 62). Their research question was: "Does a good fit between organizational characteristics and task requirements increase the motivation of individuals and hence produce more effective individual and organizational performance?" (Morse and Lorsch, p. 62).

Their study involved the Akron Container Plant and the Hartford Container Plant, both of which engaged in predictable manufacturing tasks, and the Stockton research lab and Carmel research lab, both of which were pursuing unpredictable research and development tasks. The Akron group and the Stockton group were highly effective. This was true even though their organizational structures were different Akron's organization was highly structured, percisely defined. Formal rules were pervasive, specific, uniform and comprehensive. Stockton's employees worked with very little structure and minimal, loose and flexible rules. Although differing in structure, both Akron and Stockton were effective because Akron's highly structured organization was conducive to the task of manufacturing, while Stockton's flexibly structured organization was congruent with effective performance of the task of research.

Similar findings were also elicited from an analysis of the two ineffective enterprises, i.e., the Hartford Container Plan and the

Carmel research lab. Hartford had a well-defined task to perform, while utilizing a low degree of structure, participating superiors, and egalitarian distribution of influence. Carmel had a relatively uncertain research task, but utilized rigid structure, directive supervisors, and a top-heavy distribution of influence. Both Hartford and Carmel were ineffective, and they were, Morse and Lorsch contend, because the organizational structure did not fit either the task or the people. In neither case could the employees develop a sense of competence. In Hartford, where the task was clearly defined, the structure was so low that the workers were always uncertain and without proper direction. In Carmel the structure was so rigid that it mitigated or thwarted the sense of freedom, individual responsibility necessary for creative research.

Of major significance in the Morse and Lorsch study, however, is the revelation that Theory X and Theory Y cannot adequately explain the findings. Theory Y explains the findings in the two laboratories. The highly motivated workers performed effectively when Theory Y assumptions were employed, but ineffectively when Theory X assumptions were instantiated. However, neither theory explains what occurred in the Akron plant, for the worker remained highly motivated even though the organization was highly formalized and there was little participation in decision making. According to Theory X only coercion would engender hard work in such a situation. Having delineated these weaknesses in the Theory X and Theory Y approach, Morse and Lorsch propose a new set of assumptions designed to overcome these paradoxes. Their Contingency Theory is stated as follows:

1. Human beings bring varying patterns of needs and motives into the work organization, but one central need is to achieve a sense of competence.
2. The sense of competence motive, while it exists in all human beings, may be fulfilled in different ways by different people depending on how this need interacts with the strengths of the individual's other needs--such as those of power, independence, structure, achievement, and affiliation.
3. Sense of competence continues to motivate even when a competence goal is achieved; once a goal is reached, a new, higher one is set (Morse and Lorsch, p. 67).

It will be noted that Morse and Lorsch place a high degree of emphasis on "a sense of competence." They affirm that there is one way in which all people are similar, namely, "all people have a need to feel competent" (Morse and Lorsch, p. 67). Regardless of the organizational structure, it will succeed only if, and largely because, the sense of competence is maintained. To affirm this is automatically to include the worker as a central dimension in any organizational structure. This is to say that the orientation must take into account relational considerations regardless of the task.

As Morse and Lorsch assert: "One important implication of the Contingency Theory is that we must not only seek a fit between organization and task, but also between task and people and people and organization" (Morse and Lorsch, p. 68). They conclude by reaffirming their initial thesis: "While our knowledge in this area is still growing, we are certain that any adequate theory of motivation and organization will have to take account of the contingent relationship between task, organization, and people" (Morse and Lorsch, p. 68).

Robert L. Katz

In "The Skills of an Effective Administrator," Robert L. Katz moves away from the attempt, characteristic of the 1950's, to describe the ideal executive in terms of innate traits. Rather, he asserts that the effective executive is not to be discerned through his possession of certain basic traits, but through the skills or abilities he possesses. The good executive is one who can skillfully perform certain activities, and "the principle criterion of skillfulness must be effective action under varying conditions" (Katz, p. 91).

Katz suggests that effective administration rests on three basic skills; that these skills are developable; and that the relative importance of the three skills varies with the administrative level at which the leader functions. He considers the administrator to be one who directs the activities of others in an effort to achieve certain objectives (Katz, p. 91). As such, the successful administrator is one who effectively uses three interrelated, basic skills--the technical, the human, and the conceptual (Katz, p. 91).

Of the three skills, technical skill is the most familiar. It is primarily concerned with working with things. It implies "an understanding of, and proficiency in, a specific kind of activity, particularly one involving methods, processes, procedures, or techniques" (Katz, p. 91). Examples of those possessing technical skills are surgeons, musicians, cobblers, and accountants.

Human skill refers to the ability to work effectively with people both as a group member and as a leader. The way in which the person realistically perceives and understands the perceptions of others, and the way in which he behaves based on these perceptions is an important index of his human skills. Katz's description of what it means to possess human skills is significant:

> The person with highly developed human skill is aware of his own attitudes, assumptions, and beliefs about other individuals and groups; he is able to see the usefulness and limitations of these feelings. By accepting the existence of viewpoints, perceptions, and beliefs which are different from his own, he is skilled in understanding what others really mean by their words and behavior. He is equally skillful in communicating to others, in their own contexts, what he means by *his* behavior.
>
> Such a person works to create an atmosphere of approval and security in which subordinates feel free to express themselves without fear of censure or ridicule, by encouraging them to participate in the planning and carrying out of those things which directly affect them. He is sufficiently sensitive to the needs and motivations of others in his organization so that he can judge the possible reactions to, and outcomes of, various courses of action he may undertake. Having this sensitivity, he is able and willing to *act* in a way which takes these perceptions by others into account.
>
> Real skill in working with others must become a natural, continuous activity, since it involves sensitivity not only at times of decision making but also in the day-by-day behavior of the individual. Human skill cannot be a "sometime thing." Techniques cannot be randomly applied, nor can personality traits be put on or removed like an overcoat. Because everything which an executive says and does (or leaves unsaid or undone) has an effect on his associates, his true self will, in time, show through. Thus, to be effective, this skill must be naturally developed and unconsciously, as well as consistently, demonstrated in the individual's every action. It must become an integral part of his whole being (Katz, pp. 91-92).

The third skill which Katz discusses as significant for the effective administrator is conceptual skill. Conceptual skill is the ability to see how all those elements constitutive of the organization interrelate to form the whole. It is the ability to see all the functions, relationships, goals, persons and things in a wholistic, synoptic vision. It is the ability to see how any situation contributes to or effects the welfare of the total organization. The success of any endeavor depends largely on the conceptual skill of those who plan, decide, and act relative to that endeavor (Katz, p. 93). Effective coordination, the future direction, and the overall tone of the organization depends on the conceptual skill of its administrators. Conceptual skill, then, involves the ability to sense the organization as a whole in its total situation (Katz, p. 93).

In discussing the relative importance of these three skills, Katz notes that they are so closely interrelated that it is difficult to tell where one begins and the other ends. However, it is in order to separate them for purposes of analysis and for purposes of emphasis (Katz, p. 94). As far as administration is concerned, technical skill has its greatest importance at the lower levels. Katz feels that the futher the administrator moves from the actual operation of an organization, the less will be his need for technical skill; until at the top level it is almost nonexistent (Katz, p. 94). In writing a "retrospective commentary" some 20 years later, however, Katz mitigated this assertion. He noted that "the almost nonexistent" status of technical skill could be applicable only in very large companies in which the chief executive has a large competent and experienced staff. In smaller organizations which do not have sufficient resources in experience and staff, the chief executive will need greater technical skill.

Originally, i.e., when Katz first delineated his views relative to "The Skills of an Effective Administrator," he stressed that human skill is essential at every administrative level. He felt that it was more important at the lower level where the foreman or supervisor was in frequent personal contact with his subordinates. As one goes higher in the administrative echelons and the number and frequency of personal contacts become fewer, the need for human skill "becomes proportionately, although probably not absolutely, less" (Katz, p. 95). Also, as one goes higher, the need for human skill becomes subordinate to the need for conceptual skill (Katz, p. 95). After 20 years of experience, however, Katz made some revisions in his ideas, revisions which indicated that the situation was more complex and required a greater degree of precision than Katz had originally thought. He now indicates that human skill for the manager is to be understood in two dimensions. These include human leadership skill within the manager's own unit and skill in intergroup human relations. His conclusion is that, whereas internal or intragroup human skill is important at lower levels of management, intergroup skills become increasingly important at successively higher levels of management (Katz, p. 101).

In analyzing conceptual skill, Katz declared its increasing importance at successively higher administrative levels. When originally discussing the topic, he felt that conceptual skill was a "developable" skill, and that one of the responsibilities of executives was that of helping their juniors develop the requisite skill in this dimension. He suggested that conceptual skills could be developed through trading jobs, special assignments, case-problems courses, and detailed descriptions of specific complex situations (Katz, p. 99). But after 20 years of experience, Katz felt that such procedures could only provide opportunities for the junior executive to enhance previously developed conceptual skills. His conclusion is:

> Unless a person has learned to think this way early in life, it is unrealistic to expect a major change on reaching executive status. . . . I question how easily this way of thinking can be inculcated after a person passes adolescence. In this sense, then, conceptual skill should perhaps be viewed as an innate ability (Katz, p. 101).

Approaching the understanding of what constitutes the effective administrator from the standpoint of skills rather than traits has far-reaching implications. As far as executive development is concerned, the focus should be on developing these three skills rather than upon attempting to teach an administrator to exemplify a certain trait consistently. The demonstration of a particular trait, such as decisiveness or dominance, in one situation may be effective; but another situation may call for a deliberately considered reflective approach to a problem which external observers may judge as an example of indecisiveness or submissiveness. The effective administrator is not the one who consistently utilizes a specific trait, e.g., decisiveness. Rather, the effective administrator is one who has the human, conceptual, and technical skill to know which trait to employ according to the situation. The relative ability to employ human, conceptual, and technical skills should be the prime consideration in the selection and placement of executives, for, as Katz observes:

> It is more useful to judge an administrator on the results of his performance than on his apparent traits. . . . This approach suggests that executives should not be chosen on the basis of their apparent possession of a number of behavior characteristics or traits, but on the basis of their possession of the requisite skills for the specific level of responsibility involved (Katz, pp. 97-98).

William J. Reddin

William J. Reddin's Managerial Effectiveness focuses--just as the title asserts--completely on managerial effectiveness, so completely in fact that Reddin contrasts effectiveness with efficiency, and asserts that "It is the manager's job to be effective. It is his only job" (Reddin, p. 4). Having asserted that effectiveness is the manager's only job, Reddin offers what he considers to be the "only one realistic and unambiguous definition of managerial effectiveness," namely "Effectiveness is the extent to which a manager achieves the output requirements of his position" (Reddin, p. 3). He affirms that effectiveness must be defined in terms of output rather than input and that the manager must think in terms of performance rather than personality. What the manager does is not nearly as important as what he achieves (Reddin, p. 5). Emphasis upon effectiveness leads to the establishment of effectiveness standards. The logical conclusion to the attempt to establish effectiveness standards is management by objectives, an activity that designs the organization around the outputs on the manager's job rather than the inputs (Reddin, p. 4).

Reddin contrasts managerial effectiveness based on output with efficiency, apparent effectiveness, personal effectiveness, and leadership. According to his understanding, efficiency versus effectiveness evidences the following contrasts. While efficiency stresses doing things right, effectiveness involves doing right things. Efficiency is concerned with solving problems, but effectiveness is interested in producing creative alternatives. Efficiency aims at safeguarding resources. Effectiveness optimizes resource utilization. The efficient manager follows duties; the effective manager obtains results. Finally, efficiency attempts to lower costs; effectiveness increases profits (Reddin, p. 6).

Apparent effectiveness is evidenced by the manager who is usually on time, answers promptly, has a tidy desk, makes quick decisions, and maintains good public relations. Yet, such apparent effectiveness may not lead to adequate output, and hence may not result in managerial effectiveness. Personal effectiveness differs from managerial effectiveness, for the former involves the satisfaction of personal objectives while managerial effectiveness entails the attainment of the objectives of the organization.

Finally, Reddin contrasts managerial effectiveness with leader effectiveness. A leader is one who effectively influences his followers to achieve group objectives. If the leader influences his followers so that he gets his own way, such leadership is not, according to Reddin, leadership effectiveness, but personal effectiveness. Since leadership effectiveness is determined by the extent of influence, it is not really managerial effectiveness, for managerial effectiveness is ascertained purely by output (Reddin, p. 8).

Reddin readily affirms that there is no one ideal style of management. There are four basic styles, the effectiveness of which is determined by the appropriateness to the situation in which it is used. Any one style is more or less effective depending upon the extent to which it is appropriate to the situation (Reddin, p. 40). No one style is ideal per se. The four basic styles are: the related, the integrated, the dedicated, and the separated. Each of these basic styles has a more effective instantiation and a less effective actualization. Since each of the four basic styles has a more and a less effective instance, there are eight managerial styles. Reddin calls these "managerial styles" to distinguish them from the four basic styles. The four basic styles, and their corresponding managerial styles are found in Figure 3.

LESS EFFECTIVE (i.e.: Basic Style used inappropriately relative to the situation.)	BASIC STYLE	MORE EFFECTIVE (i.e.: Basic Style used appropriately relative to the situation.)
Missionary	Related	Developer
Compromiser	Integrated	Executive
Autocrat	Dedicated	Benevolent Autocrat
Deserter	Separated	Bureaucrat

Figure 3. The Basic Managerial Styles

Thus far it has been noted that Reddin describes managerial effectiveness in terms of four basic styles and eight managerial styles. Other constitutive factors of his description are "effectiveness," "relationship orientation," and "task orientation." "Effectiveness" merely refers to the degree to which the basic style is appropriately utilized, that is, the extent to which the manager achieves the desired organizational outputs. Effectiveness is mitigated or negated when the manager uses a style inappropriately. It is enhanced when the manager uses the style most appropriate to the situation.

Reddin utilizes the concepts of "task orientation" and "relationship orientation" to describe the degree to which the manager's style is reflective of his interest in the completion of a task or objective. He uses relationship orientation to refer to the degree to which the manager's style is directed toward a consideration of the relationships or the people involved in the activity over which he is the manager. The two factors, relationship and task, are viewed by Reddin as the common threads of what appear to be three different limits of relationship. The Ohio State studies concluded that leadership behavior could be classified into two independent factors. These were "initiating structure" and "consideration." Initiating structure includes planning and organizing work and tasks. The consideration dimension involves maintaining relationships (Reddin, pp. 20-21). The University of Michigan studies concluded, not that there were two independent factors in leadership behavior, but rather that there was a style continuum. The Michigan style continuum affirmed that leader behavior moved on a continuum ranging from an employee-centered extreme to a production-centered extreme (Reddin, pp. 21-22). Harvard University studies of small group behavior concluded that there are always two different kinds of leaders in small groups. One is the task leader characterized by those who talk more and offer suggestions relative to task accomplishment. The other is the socio-emotional leader who offers psychological support to group members and thus makes it easier for others to talk (Reddin, pp. 22-23). Reddin asserts that these three studies conclude essentially the same thing and in fact support his contention that the two major factors in a managerial situation are the task and the relationship. He concludes:

> That task and relationship capture fundamental measures of managerial behavior is fairly obvious. The two distinct elements of any manager's job are the task to be done and the human relationships skills he needs to see that the task is accomplished. . . .
>
> It follows that a really useful managerial-style model should or even must be built on these two central ideas (Reddin, p. 23).

Reddin calls his managerial model the "3-D Theory." The elements constitutive of his theory have been delineated above. His theory is seen diagrammatically in Figure 4.

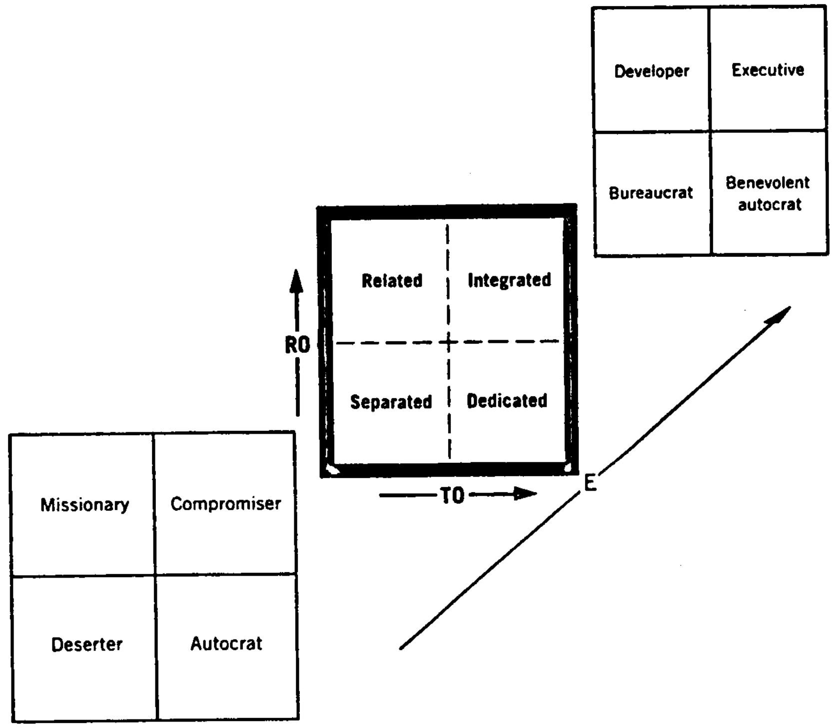


Figure 4. The 3-D Style Model.

Source: William J. Reddin. Managerial Effectiveness, New York: McGraw-Hill Book Company, 1970, p. 41.

The Related Manager is basically oriented toward people (Figure 5). His high relationship orientation and his low task orientation

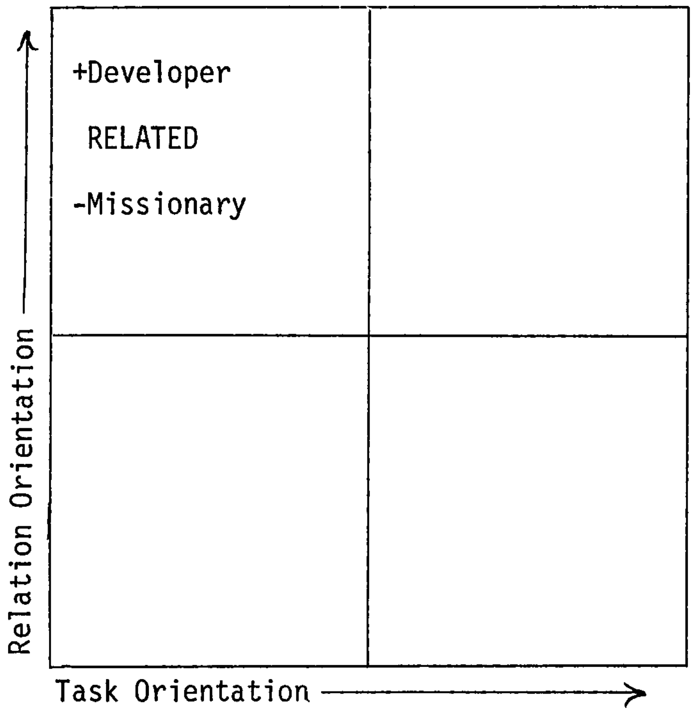


Figure 5. Basic Style: Related.

often produce a work atmosphere of security and acceptance (Reddin, p. 215). He emphasizes personal development. For him people come first. His managerial approach employs informality and long conversations. He is repundent, quiet, sympathetic, approving, accepting and friendly (Reddin, p. 125). He judges both subordinates and superiors according to how they relate and understand each other in the organization, an organization which he perceives as a social system (Reddin, p. 31). He influences others through friendship and understanding (Reddin, p. 216). He identifies with his subordinates. If this identification leads the manager to center on subordinate growth, he utilizes the developer style. If, on the other hand, he centers on the subordinates' personal needs, he drifts to the missionary style (Reddin, p. 216).

The developer style is the managerial style corresponding to the effective application of the relational style. The developer maintains open communications and listens to his subordinates. He coaches them and helps them to develop their talents. He is supportive, understanding, cooperative, both trusts and is trusted, and works well with the subordinates (Reddin, p. 218). He basically entertains Theory Y assumptions about people. The developer is one who uses a high relationship orientation and a low task orientation in instances in which such behavior is appropriate (Reddin, p. 42).

The Related Style used ineffectively Reddin calls the Missionary Style. The missionary is the manager who uses a high relationship orientation and low task orientation in an inappropriate situation (Reddin, pp. 42, 217). He puts relationship above all other considerations, including production. He attempts to avoid conflict at all costs. He tries to solve difficult human problems by transfer, promotion, or pay increase (Reddin, p. 218). He is pleasant, warm, kind, dependent, and always seeking acceptance of himself. He identifies with subordinates to such an extent that he gives up his managerial role (Reddin, p. 218).

The second basic style is the Integrated Style (Figure 6).

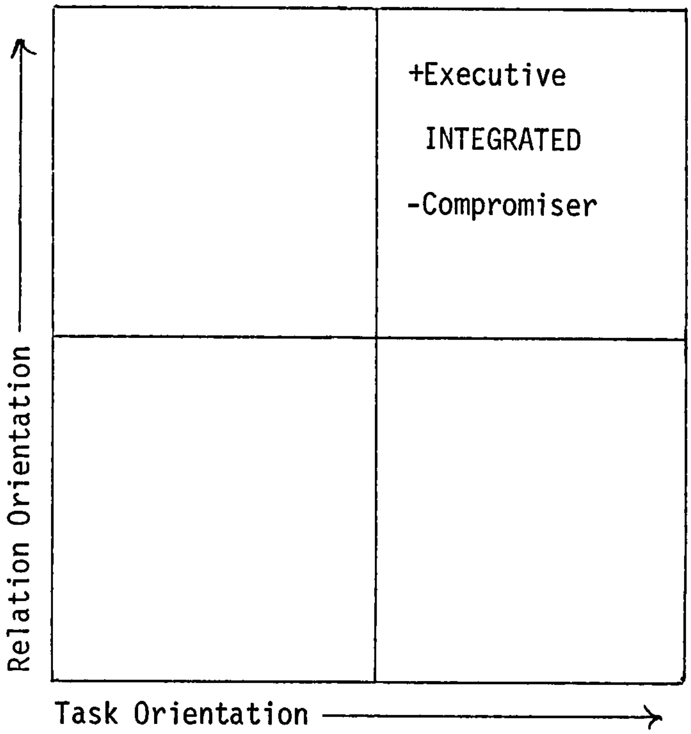


Figure 6. Basic Style: Integrated.

The integrated manager employs a maximum of both relation orientation and task orientation. He is often found supervising other managers who have to make decisions through interaction (Reddin, p. 229). He prefers two-way communication. He wants to align personal and organizational goals, and therefore attempts to develop highly cooperative efforts and participative decision making while avoiding power differentials. He is interested in motivational techniques, and prefers shared objectives and responsibilities. He attempts to foster understanding among subordinates, and he seeks the causes of conflict rather than the avoidance or suppression of conflict. His subordinates are usually highly committed (Reddin, pp. 32, 229-230). The Integrated Style is often considered ideal.

It is close to the ideal style described by McGregor's Theory Y, Likert's System IV, and Blake and Mouton's 9.9 (Reddin, p. 231). Its attractiveness sometimes leads it to be used in inappropriate situations.

The appropriate use of the Integrated Style is the Executive Style. The executive uses teamwork in decision making, and he uses participation appropriately. He sees his job as effectively maximizing the efforts of others. He views disagreement and conflict as necessary, normal, and appropriate in working toward organizational goals. Subordinates have confidence in the manager. He treats each one a little differently. He induces commitment to objectives, and encourages higher performance. The Executive Style is appropriately used when managers must decide on the optimum use of scarce resources (Reddin, pp. 41, 233-234).

The inappropriate use of the Integrated Style is the Compromiser Style. Such a manager overuses participation and is yielding and weak. He accepts compromise decisions which really settle nothing and to which no one is truly committed. He tries to settle several alternatives at once. Often subordinates are unsure of his actions and the future course of events (Reddin, pp. 32, 231-233). He avoids decisions, and is more interested in minimizing immediate problems than he is in maximizing long-term production. He emphasizes task orientation as well relation when inappropriate.

The third basic style is the Dedicated Style (Figure 7). This style is characterized by the manager who is determined, aggressive, and confident. He is busy and driving, and one who initiates ideas, plans,

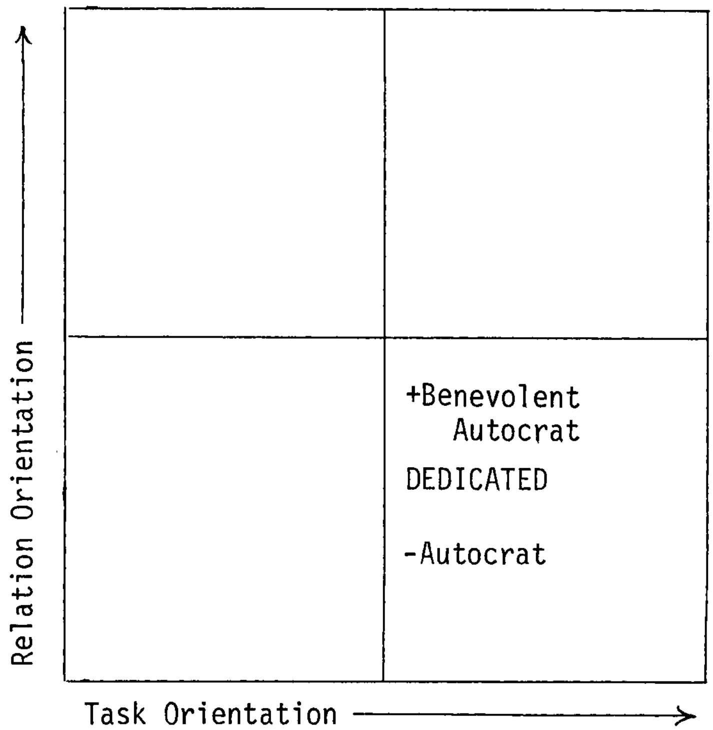


Figure 7. Basic Style: Dedicated.

and action. He tends to set individual tasks, responsibilities and standards, and uses rewards, punishments, and close controls. According to Reddin the Dedicated Style is useful when a significantly large task must be done quickly or when any profound change is needed. The dedicated manager often knows a lot about his job and influences others to work through his own hard work (Reddin, pp. 31, 221-223).

The more effective use of the Dedicated Style is the benevolent autocrat. The benevolent autocrat is one who is decisive and industrious. He shows great initiative, and is highly energetic. He gets other people to do what he wants them to do without causing undue resentment. He will sometimes use the participative approach during the decision-making process but does not tend to do so after the decision is made. He is on top of his job, committed, and obtains results. The characteristic benevolent autocrat has worked his way up through the ranks, has learned from his errors, and knows the company well. Subordinates often view his style as appropriate for the manager. They may view him as "hard-nosed" and a "driver"; but they also view him as hard-working and committed, and they, in turn, are committed to him (Reddin, pp. 31, 226-227).

The less effective instantiation of the Dedicated Style is the autocrat. The autocrat is critical and threatening. His critical nature is always seen as negative rather than creative. He does not use participation but makes all decisions himself. He puts the immediate task before everything else, has no concern for relationships and demands obedience and immediate results. To him cooperation means that subordinates do things his way. He overemphasizes such control devices as appraisal, merit rating, piecework, efficiency ratings, and other quantitative efficiency approaches to output analysis. For him communication is not two-way; it is downward only. He is usually feared and disliked (Reddin, pp. 31, 224-226).

The fourth basic style is the Separated Style (Figure 8). The Separated Manager, as the name implies, is one who maintains a certain distance between himself and his subordinates. Appeals to principle or the maintenance of an appearance of an impersonal orientation may serve as a buffer zone to allow the manager to remain separated. He has an orientation toward procedure, method, and system. He is cautious, careful, conservative, and orderly. He is a perfectionist who prides himself in being accurate and precise. According to Reddin, he is

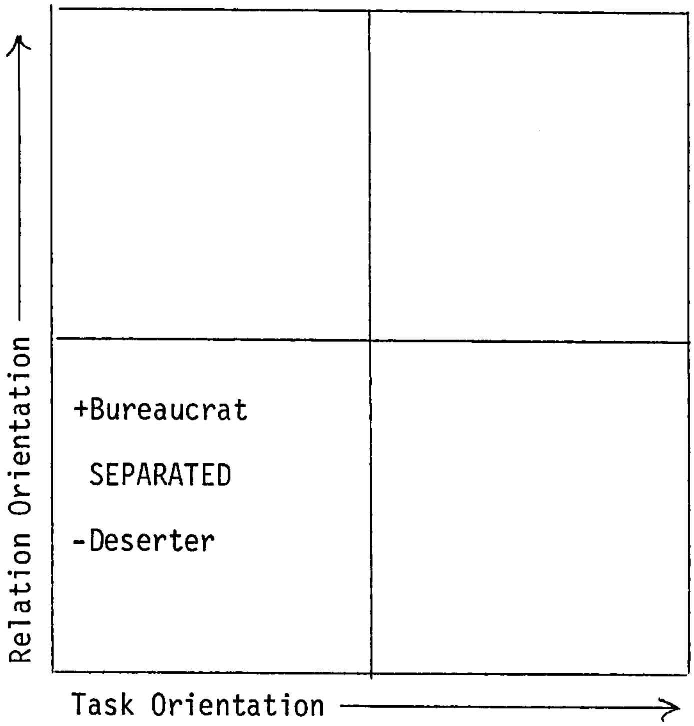


Figure 8. Basic Style: Separated.

characterized by modesty, calmness, and discretion. He is effective in a stable, virtually unchanging situation, but he tends to lose effectiveness as the amount of required change increases. He abhors strong personal leadership or attachment. He wants his subordinates also to be separated, following stated procedures rather than the situation or the manager. The separated person follows the procedures; he "goes by the book; and he expects his subordinates to do likewise. Such an approach does not lend itself to creative endeavor, imaginative management, or innovative techniques" (Reddin, pp. 30, 205-209). If the situation calls for such creativity and innovation, the separated manager is certainly not the man for the job.

The appropriate use of the Separated Style is that of the bureaucrat. The bureaucrat is one who conforms to the indicators of the Separated Style as described above. He uses separated behavior in a separated situation. He follows orders, rules, and procedures with a high degree of reliability and dependability. He is efficient and concerned with details. He attempts to maintain the system in a fair and equitable manner. Although the term "bureaucrat" has become a negative term in much management literature, the bureaucrat style is, nevertheless, a key style employed for maintaining effectiveness in modern organizations (Reddin, pp. 30, 213).

The inappropriate use of the Separated Style is the deserter style. Reddin refers to the deserter manager as one who is using the Separated Style in the wrong situation. He is narrow-minded, and appeals to rules. He is uncreative, unimaginative, and avoids involvement. He resists change and even hinders the effectiveness of others. He can be described as unoriginal, uncooperative, and uncommunicative (Reddin, pp. 30, 209-212).

The understanding of the basic styles and their corresponding more effective and less effective instantiations is an important dimension of the manager's situational sensitivity. Situational sensitivity is the ability to read situations correctly for what they really contain. Any situation must be understood in terms of the five major constituents of that situation. These are: organization, technology, superior, coworkers, and subordinates (Reddin, p. 15). The implication is that the effective manager will be able to understand the situation realistically through his sensitivity to the way in which the various components interrelate, and thus adjust his style so that he will be as effective as possible, given his diagnosis of the situation.

Some have understood Reddin to be saying that the effective manager is one who is able to change his style in conformity with situational demands. To be sure, this seems to be what Reddin is saying. It is implicit throughout his work. Yet, he explicitly denies this. He asserts:

> The 3-D Theory does not ask managers to change their styles for that is an unreasonable request. What 3-D does do is ask managers to improve their situational sensitivity and to read a situation for what it contains. Then they are asked to increase their range of style flex in order to respond to the situation appropriately and to increase their skill in situational management as a means of changing a situation needing change (Reddin, p. 185).

For Reddin, then, the manager does not change styles, but he learns what his dominant style is--i.e., which Basic Style he uses most of the time--and what his supporting style is--i.e., which Basic Style he uses more than the other two but less than his dominant style. This is ascertained through the use of Reddin's MSDT or Management-Style-Diagnosis Test, a diagnostic instrument which produces for the manager a style profile or a chart showing the extent to which a manager uses each of the managerial styles. Although a manager cannot change his style, according to Reddin, the diagnostic test offers him knowledge of the potential posibilities to be considered in his being situationally sensitive, thus allowing for the possibility of style resiliency, style flex, and the avoidance of style drift and style rigidity. A description of these dimensions of Reddin's delineation completes his understanding of managerial effectiveness. Situational sensitivity is the ability to analyze situations correctly and realistically. It is the ability to ascertain what the situation is and what it requires for effective management (Reddin, p. 139). Style flexibility, style drift, style resiliency, and style rigidity are all dimensions of the general category of flexibility. Style flexibility refers to appropriate high flex, and indicates the extent to which a manager adjusts his style appropriately as the situation changes (Reddin, p. 52). Style drift, on the other hand, is inappropriate high flex. It is the changing of one's style because of the pressures of the situation. It is changing to lessen the pressure on oneself rather than changing to increase effectiveness (Reddin, p. 53). It is essentially one's allowing pressures to dictate the style, rather than one's choosing, on the basis of his own situational sensitivity, the style to be followed. Style rigidity, on the other hand, refers to the maintenance of an inappropriate style. It is the maintaining of a style when the situation really warrants the use of a different style (Reddin, p. 53). Finally, style resilience refers to the proper maintenance of an appropriate style; it is a choice not to change even though pressures attempt to force a change. Resilience means to continue to use an appropriate style so that effectiveness will be enhanced rather than altering the style to lessen pressure on oneself at a time when doing so would lessen effectiveness.

Reddin's theory, then, considers managerial effectiveness as a phenomenon to be determined solely on the basis of the manager's output. The manager can be effective if he is situationally sensitive and if he can use one of the four basic styles in its more appropriate rather than less appropriate fashion. If the situation--once analyzed in terms of the interrelationship of technology, subordinates, coworkers, superior, and organization--warrants the use of the Related Style, the manager should act as a developer, not as a missionary. If the style warranted by the situation indicates that a dedicated manager is needed, the manager should be a benevolent autocrat, instead of an autocrat. The separate manager should be a bureaucrat, not a deserter, and the situation requiring the integrated manager should not have a compromiser, but an executive.

Reddin asserts that it is an unreasonable request to ask managers to change their style (Reddin, p. 185). Yet, how can his theory of management be situational, as he claims it to be, if change appropriate to situational complexities is not possible, unless, of course, one has a variety of managers, so that the appropriate one can be summoned to manage in the particular situation which requires his particular style? This would require the additional consideration of implementing a system or methodology whereby the appropriate manager would be selected to manage the particular situation.

Robert Tannenbaum and Warren H. Schmidt

In "How to Choose a Leadership Pattern," Robert Tannenbaum and Warren H. Schmidt examine the autocratic democratic continuum in an effort to provide a framework which managers might find useful in ascertaining what leadership role they should take in varying situations.

The modern manager, say Tannenbaum and Schmidt, frequently finds himself in a dilemma as a result of what they identify as a "New

Problem," a "New Focus," and a "New Need." The new problem is "how the modern manager can be 'democratic' in his relations with subordinates and at the same time maintain the necessary authority and control" (Tannenbaum and Schmidt, p. 176). This new problem has come into being as a result of a new focus. The new focus has two dimensions. First, the rising social sciences precipitated the emergency of "the concept of 'group dynamics' with its focus on <u>members</u> of the group rather than solely on the leader" (Tannenbaum and Schmidt, p. 177). The importance of employee involvement and participation in decision making was stressed. Second, evidence seemed to indicate that highly directive leadership was inefficient; hence, attention was directed increasingly to employee motivation and human relations. The new problem and the new focus engendered a new need. The traditional stereotype of an effective leader was called into question; and the leader found himself in a dilemma, torn between behaving as a "strong" leader or a "permissive" leader, utilizing "autocratic" leadership styles or "democratic" leadership styles. Realizing that there is a new problem, a new focus and a new need, Tannenbaum and Schmidt suggest a structure which leaders may find useful in choosing a leadership role.

First, they delineate the possible range of leadership behavior available to a manager. They describe this range as on a continuum, moving from a high degree of control to freedom, but they explain that: "Neither extreme is absolute; authority and freedom are never without their limitations" (Tannenbaum and Schmidt, p. 177). The possible choices the manager may make are diagrammed in Figure 9.

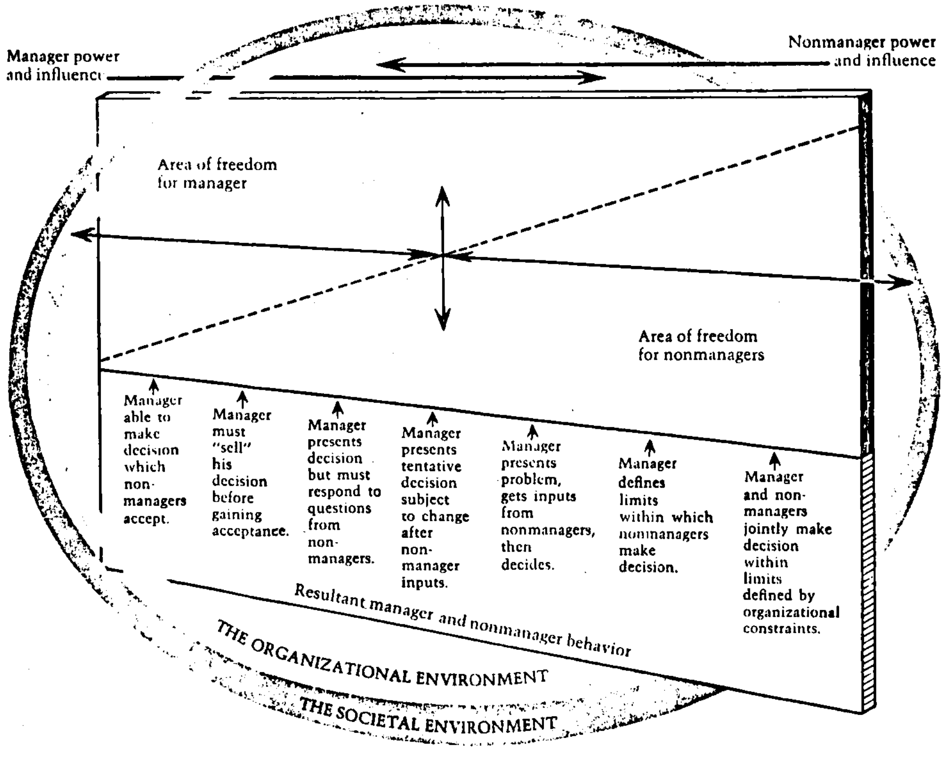


Figure 9. Continuum of Manager-Nonmanager Behavior.

Source: Robert Tannenbaum and Warren H. Schmidt. "How to Choose a Leadership Pattern," Harvard Business Review, LI, (May-June, 1973), pp. 176-185.

The diagram*-illustrates Tannenbaum and Schmidt's understanding of the possible stances a manager may take. The continuum, moving from left to right, moves from autocracy to democracy. First, the "manager makes the decision and announces it" (Tannenbaum and Schmidt, p. 177).

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*In their original publication Tannenbaum and Schmidt utilized the diagram in Figure 10 for depicting the leadership patterns. In 1973, however, 15 years after the original publication of 1958, they employ the expanded diagram presented in Figure 10. It has the advantage over the former of depicting an open system rather than a closed system, of stressing greater interdependency, of indicating the influence of environmental factors, of reflecting non-traditional organizational structures, and of affirming that the use of power is available to all parties (Tannenbaum and Schmidt, pp. 179-181).

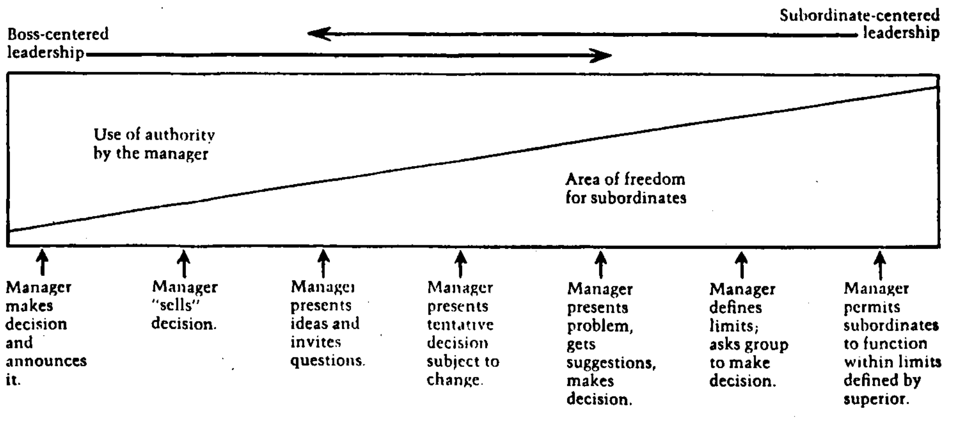

Figure 10. Continuum of Leadership Behavior.

Source: Robert Tannenbaum and Warren H. Schmidt. "How to Choose a Leadership Pattern," Harvard Business Review, LI, (May-June, 1973), pp. 176-185.

The realization of the problem, consideration of possible solutions, choice of solutions, and ways of implementation by the subordinates are completely under the manager's province. While coercion may or may not be used, there is no opportunity for subordinate participation. Second, "The manager 'sells' his decision" (Tannenbaum and Schmidt, p. 178). In this situation the manager acts as before but attempts to persuade his employees of the legitimacy or reasonableness of the decision; hence, mitigating or eliminating possible resistance. Third, "The manager presents his ideas, invites questions" (Tannenbaum and Schmidt, p. 178). At this point, the manager makes the decision and seeks acceptance, but, in addition, invites discussion so that there will be a better understanding and fuller exploration of the implications of the decision. Forth, "The manager presents a tentative decision subject to change" (Tannenbaum and Schmidt, p. 178). In this situation, the decision to act is not final. The nonmanager may exert some influence by presenting aspects of the problem not considered or inadequately considered. Yet, given the reactions, the final decision remains with the manager just as the initiation of discussion, the discovery of the problem, and the proposed tentative solutions were within his prerogative. With the fifth pattern comes greater participation by the nonmanager, for at this point, "The manager presents the problem, gets suggestions, and then makes his decision" (Tannenbaum and Schmidt, p. 178). The manager still has the initial responsibility, and he retains the right to make the final decision, but the decision is not made prior to or without considering the suggested solutions of the nonmanagers. Next, "The manager defines the limits and requests the group to make the decision" (Tannenbaum and Schmidt, p. 181). In this pattern the manager moves toward greater nonmanagerial participation by allowing the group in which he himself may be included to make the decision within certain prescribed parameters. He remains, however, the dominant force, for he presents the problem and defines the limits for solution. It is not until the seventh pattern that the group itself has the possibility of indicating what the problem is. With this pattern, "The manager permits the group to make decisions within prescribed limits" (Tannenbaum and Schmidt, p. 181). This is the point of greatest participation, for the "prescribed limits" may be very broad, the group itself may indicate the problem, and the manager "commits himself in advance to assist in implementing whatever decision the group makes" (Tannenbaum and Schmidt, p. 182).

As one moves on the continuum from left to right, the focus is increasingly on the nonmanagers, their interests, ideas, and responses. Relative to this, Tannenbaum and Schmidt consider four questions. First, regarding managerial responsibility, they affirm that even though the manager may give the nonmanager more authority and freedom, he can never relinquish his responsibility. Second, referring to the question of managerial participation with the nonmanagers once the manager has delegated authority, they respond that such participation is contingent upon whether the manager's presence will facilitate or inhibit performance. Third, Tannenbaum and Schmidt feel that it is very important for the group to recognize what kind of leadership behavior the manager is using. His failure to make clear the manner in which he will use his authority may lead to many relational problems. They observe: "We believe that it is highly important for the manager to be honest and clear in describing what authority he is keeping and what role he is asking his subordinates to assume in solving a particular problem"* (Tannenbaum and Schmidt, p. 182). Finally, concerning the question of ascertaining how "democratic" a manager is, Tannenbaum and Schmidt assert that the mere number of decisions the manager allows the non-managers to make is not an accurate index of how "democratic" the manager is or how much freedom the nonmanagers enjoy. A more important index is the significance of the decisions with which the nonmanagers are entrusted and not the quantity.

Turning from a consideration of the types of leadership which are possible, Tannenbaum and Schmidt next consider the types that are practical and desirable. To ascertain the practicality and desirability of the type of leadership, one should first analyze the forces in the manager, the forces in the subordinates and the forces in the situation.

The manager "will be influenced greatly by the many forces operating within his own personality." He should therefore be aware of his own value system, his level of confidence in his subordinates, his own leadership inclinations, i.e., whether he naturally takes a highly directive approach, team approach, or permissive role; and his feelings

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*Parenthetically, it may be in order to note that Tannenbaum and Schmidt are assuming the manager's point of view throughout this discussion. In this case, it may be good for the manager to delineate clearly his leadership behavior, not merely to indicate for the nonmanagers what his leadership behavior is, but also to clarify for himself what leadership behavior the nonmanagers understand him to be using, for what is important is not the style the manager thinks he is using but the style the nonmanagers view him to be using, i.e., how he is "coming across" to them.

of security, or "tolerance for ambiguity," in uncertain situations (Tannenbaum and Schmidt, p. 182).

A second dimension requiring diagnosis is that of the forces in the subordinates. The subordinates will be influenced by many personality variables,just as the manager is, and they will also entertain ideas about how they expect the manager to behave. The manager needs to know the dependence-independence needs of the nonmanagers, their readiness to assume responsibility, their degree of tolerance for ambiguity, their interest in the problem and the importance they attach to it, the extent to which they identify with the goals of the organization, their knowledge and experience in dealing with such problems, and their expectations relative to sharing in decision making (Tannenbaum and Schmidt, p. 183). They concluded their consideration of the "forces in the subordinate" by observing, "In a climate of mutual confidence and respect, people tend to feel less threatened by deviations from normal practice, which in turn makes possible a higher degree of flexibility in the whole relationship" (Tannenbaum and Schmidt, p. 183).

Lastly, Tannenbaum and Schmidt point out that the manager must include in his diagnosis a consideration of the forces in the situation. The forces to be considered are the type of organization, group effectiveness (i.e., how effectively the employees work together), the nature of the problem itself, and the pressure of time.

They summarize the full implications of their thesis by observing that:

> . . . The successful leader is one who is keenly aware of those forces which are most relevant to his behavior at any given time. . . . The successful leader is one who is able to behave

> appropriately in the light of these perceptions. . . . The successful manager of men can be primarily characterized neither as a strong leader nor as a permissive one. Rather, he is one who maintains a high batting average in accurately assessing the forces that determine what his most appropriate behavior at any given time should be and in actually being able to behave accordingly. Being both insightful and flexible, he is less likely to see the problems of leadership as a dilemma (Tannenbaum and Schmidt, p. 185).

Rensis Likert

The central idea of Rensis Likert's managerial theory is summed up in his Principle of Supportive Relationships and its corollary. The principle is derived from Likert's analysis of the leadership and relational activities of high-producing managers, and is stated as follows:

> The leadership and other processes of the organization must be such as to ensure a maximum probability that in all interactions and all relationships with the organization each member will, in the light of his background, values and expectations, view the experience as supportive and one which builds and maintains his sense of personal worth and importance (Likert, 1971, p. 286).

It is important to note that Likert states this principle not as a hypothesis to be sustantiated by further analysis of the productivity of organizations. Rather, the principle is affirmed as a conclusion of the vast research which he has already conducted. The corollary derived from the principle is that:

> Management will make full use of the potential capacities of its human resources only when each person in an organization is a member of one or more effectively functioning work groups that have a high degree of group loyalty, effective skills of intervention and high-performance goals (Likert, 1971, p. 288).

Likert's research prompts him to describe the management of organizations in four different categories or what he prefers to designate as systems. He describes the four systems and then delineates in detail the way in which System IV operates, the system which based on the Principle of Supportive Relationships, he advocates.

Likert's Principle of Supportive Relationships serves both as the conclusion drawn from his research and the essence of System IV, which Likert affirms to be the managerial system toward which all organizations should move. Designated as System I, System II, System III, and System IV, these systems exemplify respectively a movement from authoritative to increasing participatory management (Likert, 1967, p. 18), a movement which is indicated by Likert's use of descriptive phrases for each of the four systems. System I he designates as exploitative authoritative; System II is described as benevolent authoritative. System III is basically consultative; while System IV is viewed as participative group.

He describes each of the four systems in terms of seven organizational variables and seven operating variables. The organizational variables in terms of which Likert describes the four systems are as follows: the leadership process used, the character of motivational forces, the character of the communicative process, the character of the interaction-influence process, the character of the decision-making process, the character of goal setting or ordering, and the character of control processes.

Consider Likert's description of System I, which he also refers to as exploitative authoritative. Relative to the leadership processes used in System I, Likert observes that the superiors have no confidence and trust in their subordinates. The subordinates do not feel at all free to discuss their job with the superiors. Also, the superiors rarely try to get subordinates' ideas and opinions relative to job problems; nor do the superiors make use of any ideas or opinions of their subordinates.

The motivational forces within a System I organization are employed in terms of fear, threats, and punishments interspersed with occasional rewards (Likert, 1967, p. 5). Motivation for accepting responsibility for the achievement of organizational goals is felt primarily by the top management and to a lesser extent throughout the managerial strata in direct proportion to the individual's rank in the managerial structure. Not only do the rank and file members of a System I organization feel little sense of responsibility, they also often work in ways to circumvent organizational policies or even defeat organizational goals.

The communication process in a System I organization includes very little interaction and communication regarding the organizational objectives. The flow of information is one-way, downward; and such communication is received with a great deal of suspicion. What little communication flows upward tends to be distorted and inaccurate (Likert, 1967, p. 6). In addition, the entire interaction-influence process is minimal and always accompanied with fear and lack of trust. There is virtually no cooperative teamwork.

The decision-making process in a System I organization is such that the bulk of the decisions are formally made at the top. The decision makers themselves are often totally unaware or only partially aware of problems which affect lower levels in the organization. Technical and professional knowledge relative to decision making is used only if such knowledge happens to be possessed by higher levels. Explicit attempts to develop professional decision-making skills are not cultivated. Subordinates are not at all involved in decisions related to their work. The decision-making process itself is not implemented in such a way that the motivational processes necessary to carry out the decision are created. In fact, the occurrence of the decision-making processes, completely at the top, not only contributes little to the motivation to implement the decision, it often creates adverse motivation.

Goal setting is wholly in the hands of top management, and goals are revealed to the lower strata as orders issued from above to be carried out without question. The result is that subordinates accept the goals overtly but covertly resist, circumvent, mitigate, or repudiate the fulfillment of the goals. Top management dictates the review and control of the goals. This situation virtually ensures the development of an informal organization which tacitly opposes the goals of the formal organization. The information system of a System I organization is used primarily for policing or for punitive measures. Control data are not used for self-guidance, group problem-solving, or as means for ascertaining development or growth possibilities for the subordinates. Likert's System I is congruent with Hersey and Blanchard's "Telling" organization. It is completely controlled, directed, and evaluated from, for, and by top management.

System II moves slightly toward the direction of group participation and is analogous to Hersey and Blanchard's "Selling" organization. The initiative is still with top management, and remains with top management; but the primary leadership at least evidences enough consideration toward the subordinates to attempt "to sell them" on organizational goals.

The leadership processes used in a System II organization are such that, unlike System I in which there is no superordinate trust and confidence in subordinates, the superordinate exhibits trust and confidence, but is condescending, analogous to that of a master to a slave. While in System I the subordinates do not "feel at all free" to discuss job-related matters with their supervisor, in System II subordinates do not "feel very free" to engage in such discussions. In a System II organization the manager "sometimes" solicits the ideas and opinions of subordinates concerning probable solutions to job-related problems, an action only "seldom" done in a System I organization (Likert, 1967, p. 4).

In System II the motivational forces utilized are based less on fear, threats, and punishment and directed more toward rewards, with only some actual or potential punishment. The basic operating characteristic concerning motivational forces emphasizes economic motives (Likert, 1961, p. 223). All managerial personnel usually feel responsibility, while the rank and file members of the organization feel relatively little responsibility for achieving the organization's goals.

While in the System I organization there is "very little" interaction and communication for achieving organizational objectives, in System II there is a little more (Likert, 1967, p. 5). The communication is mostly downward and initiated from the top; but, whereas in System I communication was viewed with great suspicion, in System II it may or may not be so viewed (Likert, 1967, p. 6; Likert, 1961, p. 226). The upward flow of information is highly limited. The subordinates feel very little responsibility to supply their supervisors with information; and when they do, it is filtered or given only upon request. In System II there may be operative at one time forces to distort information, while at another time forces for honest communication may be evidenced (Likert, 1961, p. 227). Sideward communication, i.e., communication among peers, is usually fairly poor because of their competitive tendencies. While in System I the superior has no knowledge or understanding of the subordinates' problems, in System II he has some knowledge and understanding (Likert, 1967, p. 6). Moreover, the superior and subordinate can be moderately close if the proper roles are kept (Likert, 1961, p. 227). Yet, the superior is often in error in his perceptions of the subordinates' problems (Likert, 1961, p. 227).

There is interaction-influence in System II, and it is ordinarily accompanied with some condescension by the superiors with corresponding caution and fear by the subordinates. There is very little or virtually no evidence of cooperative teamwork (Likert, 1961, p. 228). Correspondingly, the subordinates exercise very little influence on the goals, methods or activities of their department except through the informal organization or unionization (Likert, 1961, p. 228). The amount of influence which the superior can exercise in the organization is proportional to his level in the organization.

In System II the decision-making process is still centered at the top, but many decisions can be made at lower levels within a prescribed framework. The information available to aid in decision making is more adequate and accurate than that of System I; nevertheless, it is still described as only "moderately" accurate and adequate. Decision making in System II utilizes much of the technical and professional knowledge available in the higher and middle levels, while in System I technical and professional knowledge used in decision making was confined to the higher levels. Yet, the subordinates in System II are never involved in decision making, and only occasionally consulted. Hence, decision making contributes very little to subordinate motivation. Decision making is almost entirely man-to-man, and teamwork is discouraged (Likert, 1961, p. 231).

The character of goal-setting is such that orders are issued, and the worker may or may not have the opportunity to comment. While acceptance of the goals seems apparent, they often are resisted, at least moderately. The high goals are sought by the top, not by subordinates.

The control processes are concentrated at the top just as in System I, but some delegated control may be given to middle or lower levels. An informal organization is usually present and partially resists goals.

Control information, just as in System I, is used for policing, but with less punitive use. In System II such information may be used for guidance. Quality control and inspection are viewed as policing. While in System I productivity is mediocre, in System II it is fair to good. Loss and waste, absence and turnover are high in System I and moderately high in System II (Likert, 1961, p. 233).

Likert's System III, which he designates as "Consultative" is comparable to Hersey and Blanchard's "Participative." In System III the superior's trust and confidence in the subordinates are substantial, but not complete. He still wants to maintain control of decisions. The subordinates feel a greater freedom to discuss matters relative to the job with their superior than in System II. The superior usually seeks the ideas and opinions of his subordinates, and he attempts to use these in the organization's operation.

The motivational forces employed by System III managers include rewards and occasional punishment; but, going beyond System II, they also allow some subordinate involvement. Both economic and ego motives are tapped. There is more conflict, but motivational forces serve as a mitigating factor. Attitudes toward organizational goals are more favorable and supportive and less hostile than in System II. A substantial number of personnel feel a sense of responsibility and usually work toward fulfilling organizational goals. Cooperation is dominant, although there may be some competition among peers with accompanying concomitant hostility. The satisfaction factor relative to company goals and individual achievement runs from "some dissatisfaction to moderately high satisfaction" (Likert, 1961, p. 225).

There is substantial communication and interaction regarding the achievement of goals; and the communication is two-way, both up and down. Although the communication process is patterned from the top, there is some initiative at lower levels. Downward communication is often accepted. It may or may not be viewed with suspicion, and it may or may not be openly questioned. Upward communication functions with some adequacy, and at a moderate level, the subordinates do take the responsibility to initiate the flow of accurate information upward. The forces to distort are less numerous than the forces to communicate accurately. Information that the superior wants to hear flows freely, although other information may be limited or given with caution. Sideward communication is characterized as fair to good. The superior tends to be moderately accurate relative to his knowledge and understanding of the problems faced by the subordinates.

In System III as opposed to System II, there is an increased amount of interaction with greater confidence and more cooperative teamwork. Subordinates can influence the goals, methods, and activities of their units more readily, not only indirectly and through the influence of unionization as in System II, but also directly vis-a-vis their superior. Superiors themselves can exhibit a moderate to substantial level of influence over organizational goals and activities, especially in the higher levels of the organization. The structured information system remains largely downward, yet there exists a moderate capacity for influence upward and among peers.

The decision-making process in System III provides for the availability of "reasonably adequate and accurate information" at the place where the decisions are made (Likert, 1961, p. 229). However, broad policy and general decisions are made at the top, while more specific decisions are made at lower levels. The decision makers are more aware of the problems than are the decision makers in System II; and the information sources, confined to higher and middle levels in System II, are more pervasive in System III, extending to the lower levels. Although use is made of both man-to-man and group patterns for decision making, they are not usually involved in the actual decision itself. The decision-making process itself contributes somewhat to the creation of the necessary motivational forces needed in carrying out the decisions.

The process of goal setting and issuance of orders in a System III organization is such that goals are set and orders issued only after the subordinates are involved in a discussion of the problems and possible action. This leads to an acceptance of goals, although at times there may be some covert resistance (Likert, 1967, p. 9; Likert, 1961, p. 231).

The control process of System III engenders a shared feeling of responsibility primarily at the top, but such feelings extend to the middle and to a lesser extent to the lower levels of the organization. The control processes are used largely for policing, but the emphasis is usually on reward with less stress on punishment than in System II. Control data are also used for guidance in conjunction with orders, and some use is made of such data for self-guidance (Likert, 1967, p. 10). There remains some pressure for self and peer protection; hence, there is some pressure to distort and some information is inaccurate. An informal organization exists; but it may at times support, while at other times resist, the organizational goals.

The performance of System III is characterized by good productivity, moderate absence and turnover, and moderate loss and waste. Quality control and inspection are not used for policing as strongly as in System II, but only as a means of checking process and progress.

According to Likert the system toward which all organizations should move is System IV, or the "participative group" organization. System IV as described by Likert is the ideal organization. One wonders if it could even exist in reality, or whether it will always be the ideal "out there" toward which the organization could always move but never quite attain. Yet, even if completely unattainable, System IV can serve as a model to inform organizations what they are and what they could become.

In System IV the leadership processes function on an optimum level regarding trust and confidence. The superiors have complete trust and confidence in the subordinates in all matters. They behave in such a way that the subordinates feel completely free to discuss job-related matters with them. In attempting to solve job problems, the superiors always get the ideas and opinions of the subordinates and always try to use these ideas constructively.

The superiors make full use of economic, ego, and other major motivational forces. Group participation is used; and the group is involved in setting goals, improving methods, and appraising performance. Personnel at all levels feel real responsibility for attaining the organization's goals, and they behave in ways congruent with implementation and attainment of these goals. Attitudes within the organization are generally favorable, a fact which stimulates behavior toward implementing organizational goals. Cooperative attitudes, mutual trust and confidence are evidenced in all areas of organizational activity; and there is high satisfaction with regard to membership in the organization as well as personal and group achievement.

The communication process is open and multi-directional, both between individuals and within and among groups. It is initiated at all levels. Communication from above generally finds acceptance among the subordinates; but if it is not acceptable; it is openly and candidly questioned. Information flowing upward is accurate; there are virtually no forces to distort; but there are powerful forces to communicate accurately. The group assumes the responsibility to communicate all relevant information, and there is no need for a supplementary system. The superior usually works very closely with the subordinates; he knows and understands their problems and accurately perceives their situation (Likert, 1961, pp. 228-229).

The interaction-influence process is extensive and friendly, exemplifying trust and confidence. Cooperative teamwork is very substantial throughout the organization.

The decision-making process is not hierarchically implemented. Decisions are formally made throughout the organization, but the decision-making process is well integrated through a system of group overlapping which Likert designates the "linking-pin system." More will be said of this later. The decision makers have relatively complete and accurate information at the decision-making point. Information necessary for effective decision making is readily available throughout the organization.

Organizational goals are set--except in cases of emergency--through goal participation. High goals are sought by all levels, and lower levels sometimes push for higher goals than those proposed by the top. This leads to full acceptance of the goals both overtly and covertly.

Control processes are widespread throughout the organization. Lower units often impose more rigorous reviews and tighter controls than does top management. There is strong pressure throughout the organization for complete and accurate information since such factors are a prerequisite of good performance and goal fulfillment. Control data are used only for self-guidance and coordinated problem solving. They are not used punitively. The informal and formal organization are identical; hence, all support efforts to achieve organizational goals.

The performance characteristics of System IV organizations are enviable. Quality control and inspection are necessary only to help workers guide their own efforts. Productivity is excellent. Absence and turnover are low. Efforts to keep losses to a minimum are initiated and implemented by the members themselves.

Likert asserts unequivocally that System IV is the management system which the most productive organizations utilize. It is the system which allows the instantiation of the Principle of Supportive Relationships, a principle which emphasizes the priority of human resources as the prime factor in organizational success. The importance of human resources in Likert's management theory can hardly be over-emphasized. His development of a methodology for human asset accounting, his stress that every person in the organization must experience a feeling of self-worth as a result of his task performance, and his emphasis on the worth of the non-tangible, non-physical dimension of an organization, i.e., the human assets and abilities and customer goodwill, all attest to his consistency in maintaining throughout his writings that the human dimension of an organization is of fundamental importance (Likert, 1967, pp. 104-105; 146-155, 47).

To support and describe the participatory view of management entailed by System IV, Likert develops the "linking pin" concept of management. He first describes the traditional organizational structure, and then contrasts it with System IV management. The traditional organizational structure, instantiated by System I and System II, consists of a man-to-man model of interaction. It does not use a group form of organization as does System IV. Rather, it consists of a series of hierarchically structured strata in which the superior relates to the subordinate. The president at the top of the firm has full authority. He delegates specific authority to each vice-president and holds each accountable. They, in turn, do likewise with each of their subordinates. The entire process is a hierarchical structure involving man-to-man interaction (Likert, 1967, p. 50).

In contrast, System IV employs an overlapping group structure in which each work group is linked to the rest of the organization by persons who are members of more than one group. Persons who hold membership in more than one group are called "linking pins" (Likert, 1967, p. 50). Interaction and decision making occur through group processes, and all persons who are affected by a decision are involved in the decision-making process. In addition, ad hoc committees or special work groups which cross usual group bounds may be used when the demand for diverse expertise, technical skill, or other factors pertaining to goal fulfillment warrant their use.

Likert asserts that such group processes are not to be confused with weak management or "wishy-washy" indecisive committees over which the superior has no control. He unequivocally affirms:

> The group method of supervision holds the superior fully responsible for the quality of all decisions and for their implementation. He is responsible for building his subordinates into a group which makes the best decisions and carries them out well. <u>The superior is accountable for all decisions, for their execution, and for the results</u> (Likert, 1967, p. 51).

The use of group decision making and multiple, overlapping group structure are methods for facilitating high performance aspirations for each member of the organization. The employment of these methods is the leader's responsibility.

That Likert in no way views System IV as exemplary of soft or weak management is indicated strikingly when he describes the role of the leader in a System IV organization:

> The use of group methods of supervision does not mean that there is no place for leadership. The superior plays at least as crucial a leadership role as he does in any other system of management. The leader has many essential tasks in a System IV organization. He sees that all members of the group are well trained in group decision making and in group interaction processes as well as in the technical aspects of their work. He seeks through both group and individual supervision to help each salesman set high and realistic goals for himself and strive to reach them. He is an important source of technical knowledge, is responsible for seeing that the unit is efficiently organized and that planning, scheduling, and related activities are done well. He sees that the principle of supportive relationship is applied. He links the unit to the rest of the enterprise. He is a source of restless dissatisfaction with present accomplishments and a stimulus to innovation (Likert, 1967, p. 58).

Not only is this particular understanding of leadership characteristic of System IV, it is a view of leadership which cannot be entertained by the other three systems. In addition, Likert stresses that there are four conditions which must be met by any organization which achieves "a satisfactory solution to the coordination-functional problem" (Likert, 1967, p. 158). These four conditions which the organization must fulfill are as follows:

> 1. It must provide high levels of cooperative behavior between superiors and subordinates and especially among peers. Favorable attitudes and confidence and trust are needed among members.
> 2. It must have the organizational structure and the interation skills required to solve differences and conflicts and to attain creative solutions.
> 3. It must possess the capacity to exert influence and to create motivation and coordination without traditional forms of line authority.
> 4. Its decision-making processes and superior-subordinate relationships must be such as to enable a person to perform his job well and without hazard when he has two or more superiors (Likert, 1967, p. 158).

The central thrust of Likert's management theory, as exemplified time after time in his various writings, is the affirmation of the primary importance of the "human components" of any institution or organization. He makes this clear in his "Principle of Supportive Relationships" as described in New Patterns of Management and he reiterates this stance throughout The Human Organization. On the first page of the latter he observes:

> All the activities of any enterprise are initiated and determined by the persons who make up that institution. Plants, offices, computers, automated equipment, and all else that a modern firm uses are unproductive except for human effort and direction. Human beings design or order the equipment; they decide where and how to use computers; they modernize or fail to modernize the technology employed; they secure the capital needed and decide on the accounting and fiscal procedures to be used. Every aspect of a firm's activities is determined by the competence, motivation, and general effectiveness of its human organization. Of all the tasks of management, managing the human component is the central and most important task, because all else depends upon how well it is done (Likert, 1967, p. 1).

Likert could well have added to this description that all the organizational activities were not merely done by human beings but also for human beings. Be that as it may, for Likert this observation serves as a beginning to be followed by descriptions, research reports, and theories which support it. However, the observation could just as readily be a summary of Likert's entire position and the conclusion drawn from his theory, research, practice, and experience in working in organizations and reflecting on their constitutive dimensions.

Chris Argyris

In Integrating the Individual and the Organization (1964) Argyris immediately reveals that his understanding of the relationship between the individual and the organization is not one which assumes that the proper relation is that which eradicates the tension between the two (Argyris, 1964, p. 7). He rejects the belief that what man needs is equilibrium, homeostasis, or a tensionless state (Argyris, 1964, p. 6). Rather, he affirms that man needs to be confronted with challenges to actualize his meaningful potentialities. For mental health the individual needs "striving and struggling for some goal worthy of him" (Argyris, 1964, p. 6). Man moves toward fulfillment by actualizing meaningful potentialities. Hence, at the outset, Argyris makes it clear that his understanding of the individual's relationship to the organization is not one which views the eradication of tension and the establishment of individual "happiness" as a proper goal. On the contrary, the maintenance of tension as a creative dynamic is of considerable importance both for organizational growth and individual development. His understanding of the relationship is summarized when he says:

> It is our hypothesis that the incongruence between the individual and the organization can provide the basis for a continued challenge which, as it is fulfilled, will tend to help man to enhance his own growth and to develop organizations that will tend to be viable and effective (Argyris, 1964, p. 7).

Such an affirmation reveals that Argyris' understanding of the relationship between the individual and the organization is that of a dynamic milieu in which there is constant movement, activity, tension, and challenge.

Argyris stresses that one cannot deny the importance of either the individual or the organization, for neither can really exist in and of itself. The organization cannot exist without the individual, but the individual cannot develop and experience fulfillment apart from organizational involvement. This view is delineated in Personality and Organization (1957), and summarized in his later works, all of which affirm the indispensibility of the interdependence of the individual and the organization for the development and even survival of each other. For example, in Integrating the Individual and the Organization, he asserts that the "primary objective of this book . . . is to present my preliminary thinking and theorizing about how organizations might be designed to take into account--more fully than has been possible up to this date--the energies and competences that human beings have to offer" (Argyris, 1964, p. viii). He supports the "fusion" model developed by E. W. Bakke in which the individual and the organization are seen as mutually contributing to each other's development, growth, and effectiveness (Bakke, 1953, Pugh, 1971, p. 261). His understanding of "psychological energy" is viewed as energy which can be increased for both individual and organizational effectiveness simultaneously (Argyris, 1964, p. ix). He views his "mix model" of organizational theory as one which "helps us to conceptualize the full range of individual and organizational potentialities" (Argyris, 1964, p. 148). Finally, in Management and Organizational Development: The Path from XA to YB, his entire account is devoted to analyzing organizations which have attempted the move from McGregor's "X" assumptions with the "A" behavior exemplifying such assumptions, to "Y" assumptions and the "B" behavior which activating such assumptions instantiates* (Argyris, 1971, p. x). Of his basic concern in this study, he observes:

> The focus is on people, not because we are unconcerned about organizations but because people create and maintain organizations. Also, it is people who must design, accept, and implement changes that are required to keep the organization in a healthy state (Argyris, 1971, p. xi).

Since the success of an organization is dependent upon the people, one of the primary sources for energy which organizations possess is the psychological energy** of individuals. Psychological energy increases

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*What this means is summarized by Argyris in the following: "X stands for Theory X, A for pattern A. Theory X is the title given by Douglas McGregor to a set of assumptions management has that people cannot be trusted, and prefer to be controlled by, and to be dependent upon, their management for all actions. Pattern A represents the writer's findings on the interpersonal behavior, group dynamics, and organizational norms that tend to be associated with Theory X. Theory Y, according to McGregor, is another set of management assumptions that is more consistent with the potentialities of man as described by recent research. For example, it assumes that man can be more of an active contributor to his and to the organization's well-being. Pattern B represents the interpersonal behavior, group dynamics, and organizational norms associated with Theory Y" (Argyris, 1971, p. xi).

**Argyris explains that human energy may be categorized as being physiological or psychological. He describes these as follows: "physiological energy is best understood in terms of the physiology and biochemistry of the body. . . . We will not be concerned with physiological energy other than to acknowledge that it is related to psychological energy and that ultimately the two must be interrelated if the framework is to be complete. . . . Psychological energy is postulated to exist in order to help expain observable human behavior that is not adequately explained by physiological energy. . . . The human being seems to have available or to lose energy that cannot be explained (at this time) on physiological grounds, and this seems to be related to psychological factors. In order to help us understand these phenomena, psychologists postulate that psychological energy exists (Argyris, 1964, pp. 20-22).

as the individual experiences psychological success. Psychological success is experienced when people value themselves and when they experience an increasing sense of competence (Argyris, 1964, p. 33). Yet, self valuation and a sense of competence occur only as individuals are able to create opportunities in which they have an increased awareness and acceptance of their own selves and that of others (Argyris, 1964, p. 33).

If individuals are to have the psychological energy necessary for contributions to organizational effectiveness, they must experience the psychological success which enhances such energy. The formal organization, however, tends to operate in ways which repudiate the individual's attempts at psychological success (Argyris, 1964, p. 40). The formal organization tends to made the individual dependent, subordinate, passive, and frustrated. These negative factors increase as one goes down in the organizational pyramid and decrease as one rises to the top (Argyris, 1964, pp. 41-42, 58). Hence is evidenced the organizational dimemma: although psychological energy is the primary source of energy for organizational success, the organizational structure often functions to repudiate or at least greatly mitigate the individual's opportunities for experiencing the very psychological success which provides the psychological energy upon which the organization's effectiveness and even existence depends.

Argyris asserts that formal organizational structure such as that which results from applying "scientific management" principles, functions to repudiate the workers' attempts for fulfilling their need for psychological success. In his consideration of "The Nature of the System: The

Lower Levels," he observes that the formal organizations tend to require the employees to be dependent and submissive. Not only do formal organizations foster such immaturity, they resent attempts by members of the "lower level" to act independently and in a mature fashion. The fractionalization and specialization of jobs keep the workers "in line," submissive, and dependent. Attempts toward psychological success will result in frustration, conflict, and failure. The further one goes down the chain of command and consequently the more one is controlled by the job, the greater is the psychological failure he will experience. So that they will not be dismissed from their jobs, workers attempt to adapt to the work environment and tend to accept much of the situation as inevitable. They also--sometimes unconsciously and sometimes overtly and consciously--attempt to modify their environment through such activities as absenteeism, noninvolvement, goldbricking, slow downs, turnover, emphasis on material factors, trade unions, and other dynamics which indicate alienation (Argyris, 1964, pp. 59-92).

The organizational design itself--which purposefully eliminates the possibility of psychological success--encourages the development of such unintended organizational activities. It may be that the workers are unconsciously nonproductive, consciously nonproductive, or even consciously anti-productive. Eventually these behaviors become ends in themselves so that one may tend to take the position that such activities are necessary to maintain the internal system.

As one goes up the organizational ladder in a hierarchically patterned organization, it is readily apparent that the first-line supervisor is truly the man-in-the-middle. The two worlds, the world of organizational goals and the world of anti-organizational adaptive behavior, exist simultaneously and overlap. Argyris notes that difficulties can be avoided so long as the workers do not have to accept both worlds simultaneously, can keep the one secret from the other, or if the incongruity can be acknowledged and a defense provided for the workers through trade unions or other means. Yet, the supervisor cannot avoid confrontation of these two worlds. He can hardly avoid overlapping antagonistic situations.* He cannot readily overcome such tension by identifying completely with one or the other of the two groups, by joining a union, becoming apathetic, or goldbricking. He remains in tension between the two overlapping worlds.

As one climbs higher in the managerial hierarchy, the emphasis shifts. Whereas technology and controls influence behavior at the lower levels, their influence is lessened at higher levels; and more importance is attached to job objectives and interpersonal factors in ascertaining the effectiveness of objectives (Argyris, 1964, p. 99). Argyris points

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*In considering the foreman's situation Argyris hypothesizes: "1. The foreman is aware that there is a difference between the employees' world and the management world," and he may feel that he belongs to neither, to only one, or to both. "2. Although he is responsible for their world, the foreman may not be informed of all the employees' activities . . . 3. The foreman is not only a marginal man, but he also tends to be uninformed about certain activities that may be crucial in the effective administration of his unit. . . . 4. The foreman can experience conflict when the employees or management fluctuate about their decisions. . . . 5. The foreman will tend to experience conflict if he is coerced by management (a) to cooperate in an employee activity that the employees like . . . ; (b) not to participate in an activity the employees like; (c) to coerce the employees to participate in an activity that they do not like; and (d) to coerce the employees not to participate in an activity they like" (Argyris, 1964, pp. 95-96).

out that organizational design entertains implicit values about the effectiveness of human relations. These values are in reality antithetical to the development of interpersonal competence. First, it is assumed that the important human relationships are those which deal directly with "getting the job done," i.e., with task-oriented considerations. Second, the formal structure understands rationality in such a narrow focus that it is defined as cognitive rationality with a concomitant deemphasis on the rationality or even the existence of feelings or emotions. The third value which the formal organization assumes regarding human relations is that unilateral direction, coercion, and control most effectively influence human relations. In addition, it is assumed that sanctions based on rewards and penalties should be developed for establishing all three values described above (Argyris, 1964, pp. 99-100).

As these three values are emphasized the development of interpersonal competence tends to decrease. As interpersonal competence decreases, "the rationality and predictability necessary for effective functioning of the organization tend to decrease, and the rigidity of the organization tends to increase" (Argyris, 1964, p. 102). Since the rigidity of the organization engendered the alienation at the outset, increased rigidity will only increase the alienation and the unintended activities associated with the experience of alienation; hence, a vicious circle ensues. Argyris emphasizes three characteristics of these unintended activities:

> 1. All the unintended activities consume human energy. Moreover, the activities designed to protect and hide (thereby integrating) the unintended with the intended activities also consume much human energy.

> 2. The unintended activities become integrated with the rest of the organization through protective mechanisms, which give them the quality of being repetitive, compulsive, non-constructive, and leading primarily to more difficulties. . . .
> 3. Many of the unintended activities at all levels (for example, apathy, rate setting, noninvolvement at the lower levels) can lead to conditions that increase the probability for the experience of psychological failure, frustration, and conflict. . . . (Argyris, 1964, pp. 111-112).

He concludes, therefore, that "individuals will tend to consume much energy in unintended activities and decrease the potential amount of energy that they bring to their work situation" (Argyris, 1964, p. 112). In short, the structure of the formal organization itself, in attempting to insure effectiveness* creates the conditions which result in ineffectiveness.

In order to overcome organizational ineffectiveness and decay, and to increase the psychological success necessary for full utilization of energy without which there can be no effective organization, it is necessary, asserts Argyris, "to modify and add to the present strategy used to design organizations" (Argyris, 1964, p. 146). This does not mean that the organization will become completely "people centered." There will have to be changes both in the organization and in the people within the organization. Argyris advocates that the changes in the organization toward increasing psychological success and self-esteem are to be

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*Following open systems theory, Argyris defines organizational effectiveness: "An organization increases in effectiveness as it obtains: (a) increasing outputs with constant or decreasing inputs, or (b) constant outputs with decreasing inputs, and (c) is able to accomplish this in such a way that it can continue to do so" (Argyris, 1964, p. 123, cf. also 144-145, 146). Of organizational ineffectiveness, he observes: "This may be defined as the state of a system when it manifests increasing inputs for constant or decreasing outputs, and it does so continuously" (Argyris, 1964, p. 126).

implemented as long as they are functioning to decrease the unproductive and compulsive activites which lead to organizational ineffectiveness and decay (Argyris, 1964, p. 147). This being the case, Argyris develops what he refers to as the "mix model" of organizational structure, a model which purports to serve as an index for visualizing the complete range of both individual and organizational potentialities (Argyris, 1964, p. 148). He observes that his model is closely aligned with the fusion model developed by E. W. Bakke (Pugh, 1971, p. 261; Argyris, 1964, pp. 124, 152). Not only is it the case that a model need not be completely people centered; the model also affirms that changes in the organization toward increasing psychological success of the members of the organization should continue contingent upon their ability to decrease the unproductive, compulsive activities. The third consideration regarding change in the organization, is that the changes aimed at increasing psychological success and self-esteem are to be continued only so long as the evidence indicates that the changes are resulting in more efficient use of energy in the three core activities, i.e., those activities aimed at achieving objectives, maintaining the internal system, and adapting to the external environment (Argyris, 1964, pp. 147, 120, 315). Such change will not be implemented only for the organization, for the individuals themselves will also need to change (Argyris, 1964, p. 147).

Relying on the writings of Norbet Weiner (Weiner, 1950), Clyde Kluckholn (Newman, pp. 356-357), P. G. Herbst (Herbst, 1957, pp. 13-29), Herbert A. Simon (Simon, 1952, pp. 1130-1139), and Paul Kurtz (Kurtz, 1956, pp. 36-55), Argyris delineates his definition of organization and then develops six propositions which describe the essential parts of an organization. His definition is:

> An organization is characterized by an arrangement of parts that form a unity or whole which feeds back to help maintain the parts: a "part" of an organization is actually an "organic" part in that it exists by virtue of its position in the pattern that is the whole. The whole, in turn, may be differentiated from the parts along two dimensions. First, the whole has a different boundary than any given (or subset of parts). Second, the functional unit of the whole display (sic) properties only revealed in the actual process of full operation of the whole (Argyris, 1964, pp. 119-120).

Arygris observes that implied in this definition is a description of the essential parts of an organization and that these parts are also congruent with the essential properties of social organisms as well as individual organisms. These essential properties are as follows:

> 1. The pattern of parts.
> 2. The whole is maintained through the interrelatedness of all the parts of the pattern. No one part (or subset of parts) completely controls or dominates the whole. The "interrelatedness of parts" refers to the mechanisms by which parts contribute or receive help from the other parts.
> 3. The achievement of goals or objectives.
> 4. The parts and their interrelationships change to cope with, and adapt to, new stimuli influencing the internal organization.
> 5. The organization has sufficient control over its environment to maintain its own discreteness (Argyris, 1964, pp. 149-150).

From this definition and the essential parts implicit in the definition, Argyris constructs his mix model. The mix model indicates that every organization can be described in terms of the degree to which it goes away from or goes toward the properties essential for organizational effectiveness and growth. Note Argyris' summary of the mix model, a model which describes the highest possible expression of one of the essential properties of the organization and contrasts this with the expression of the highest possible instantiation of its opposite (Figure 11):

	AWAY FROM THE ESSENTIAL PROPERTIES	TOWARD THE ESSENTIAL PROPERTIES
1.	One part (subset of parts) controls the whole.	The whole is created and controlled through interrelationships of all parts.
2.	Awareness of plurality of parts.	Awareness of pattern of parts.
3.	Achieving objectives related to the parts.	Achieving objectives related to the whole.
4.	Unable to influence its internally oriented activities.	Able to influence internally oriented core activities as "it" desires.
5.	Unable to influence its externally oriented activities.	Able to influence externally oriented activities as "it" desires.
6.	Nature of core activities influenced by the present.	Nature of core activities influenced by the past, present, and future.

Figure 11. The Mix Model.

Source: Chris Argyris. Integrating the Individual and the Organization, New York: John Wiley & Sons, Inc., 1964, p. 150.

What does this mean in relation to Argyris' understanding of the organization? Argyris suggests that the mix model is helpful in two ways.

First, it indicates that there are certain values implicit in the organization. Second, by using the mix model continuum, one may study the integration of the individual and the organization by degrees rather than simply as discrete entities; that is to say, the mix model eliminates either/or distinctions regarding the individual and the organization (Argyris, 1964, p. 151).

Having indicated the significance of the mix model, and the definition of organization, Argyris infers six dimensions of organizational activity which serve to describe the essential properties of organizations. He further affirms their validity for any organization whatsoever, whether it be the individual, the group, or the formal organization (Argyris, 1964, p. 151). As the organization moves away from the left end of the continuum (cf. Figure 10) it is moving toward those properties essential for maintaining the organization in a healthy state. As it moves toward the left end of the continuum, it is moving away from those properties that are essential for organizational effectiveness and growth. That is to say, as the organization moves toward the left, it is moving away from those properties essential for the organization; as it moves toward the right it is moving toward those essential properties.

The first indicator of an organization's exemplifying the properties essential to an organization is the extent to which it manifests a situation in which it is not controlled by one part or a subset of parts. Rather, its core activities are created and controlled through the interrelationship of its parts (Argyris, 1964, p. 151). The second essential property is the organization's move from the point at which it is viewed as a random plurality of parts to an understanding of the organization as a pattern of interrelated, interdependent parts (Argyris, 1964, p. 152). The third dimension describes the effective organization in terms of the extent to which the objectives are being achieved in relation to the whole instead of in relation to the parts. There are subobjectives, to be sure, but their achievement must relate to the whole rather than merely to the part by which they are accomplished. This eliminates suboptimization (Argyris, 1964, p. 153). Fourth, the organization more nearly reflects the characteristics essential to an organization in direct proportion to its ability to move from a state in which it has little or no control of its internal environment to a situation in which it is able to control its internal activities according to its desires. The assumption is that within the organization no activity should be beyond the control of the constituents of that organization (Argyris, 1964, pp. 153, 179-180). The fifth dimension is like the fourth except it refers to the organization's ability to control the external environment. Realizing that all organizations are open systems, Argyris stresses that the organization more nearly approximates the essential organization in direct proportion to its ability to influence its externally oriented activities. The sixth dimension by which the organization exemplifies the essential organizational properties has to do with the extent to which it can overcome being determined by the present. The organization should move from a state in which its core activities--i.e., achieving the objectives, maintaining the internal system, and adapting to the environment--are largely determined by the present to a state in which the core activities can make relevant use of the past to determine the present in anticipation of the future. In other words, the organization approaches or exemplifies the essential properties of an organization to the extent to which it can overcome determination by the present and can shape its activities relative to the past, present, and the anticipated future (Argyris, 1964, pp. 153-154, 180-181).

What the foregoing reveals is Argyris' advocation of the view that organizations are to be understood organically rather than mechanistically, designations which he indicates constitute the two categories by which most scholars describe the alternatives for understanding organizational structures.

Many scholars have conducted research on organizations and have constructed models of effective and ineffective organizations. Argyris exclaims that he was "struck with the convergence of ideas" of many of those men who designated at least two ideal types of organization.* Regardless of the variance in terminology, the two categories described are substantially the same, and all the authors indicate that they are not mutually exclusive nor do they completely exhaust all the possibilities. They all converge in making the same distinctions between the two ideal types. These distinctions are summarized by Argyris when he says:

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*These include: Rensis Likert (1961, 1967), Douglas McGregor (1960), Herbert Shepard (1959), Warren Bennis (1959), Robert R. Blake and Jane S. Mouton (1961, 1964), Tom Burns and G. M. Stalker (1961), Louis B. Barnes (1960), and Eugene Litwak (1961).

> Summarizing the major points emphasized by all these scholars, we conclude that the mechanistic organization is characterized by (1) decision making and control at the top levels of the organization, (2) an emphasis on unilateral management action, based on dependency and passive conformity, (3) the specialization of tasks so that the concern for the whole is broken down, (4) the centralization of information, rewards and penalties, membership, (5) the management being responsible for developing and maintaining the loyalty, commitment, and responsibility of all the participants on as high a level as possible, and (6) an emphasis on social status, intergroup and individual competition and rivalry. Such an organization assumes that people inherently tend to dislike work, be irresponsible, prefer to be directed, desire a rational world where emotions are suppressed, and "fair" management means appropriate financial rewards and penalties. . . .
>
> The organic organization is variously called "participative group" (Likert), "problem solving" (Bennis), "open system" (Barnes), "human relations" (Litwak), and "Theory Y" (McGregor). The "organic organization" is characterized by (1) decision making widely done throughout the organization, (2) an emphasis on mutual dependence and cooperation based on trust, confidence, and high technical or professional competence, (3) a constant pressure to enlarge tasks and interrelate them so that the concern for the whole is emphasized, (4) the decentralization of responsibility for and use of information, rewards and penalties, membership, (5) participants at all levels being responsible for developing and maintaining loyalty and commitment at as high a level as possible, and (6) an emphasis on status through contribution to the whole and intergroup and interindividual cooperation. Such an organization assumes that people are capable of being responsible, committed, productive, and desire a world in which the rationality of feelings and interpersonal relationship is as valued as cognitive rationality (Argyris, 1964, pp. 184-185).

Argyris' summary of these positions serves both to indicate the convergence of the various men's ideas and to explicate Argyris' synopsis of the dimensions constitutive of the organic organization, the type of organization which Argyris contends exemplifies the essential properties of the healthy, growing, effective organization.

Paul Hersey and Kenneth H. Blanchard

Paul Hersey and Kenneth H. Blanchard's development of what they designate as Situational Leadership Theory is explicated in Management of Organizational Behavior: Utilizing Human Resources (Hersey and Blanchard, 1977). This approach consists of first describing the behavioral approach to management and then analytically and critically delineating several management theories. Such considerations become the primary data from which they develop their own theory, a theory which they readily refer to as a "synthesis of theories" (Hersey and Blanchard, 1977, p. 307). Even though the various theories have appeared to be unique threads, they are viewed by Hersey and Blanchard as independent viewpoints; and they interpret their task as being "to weave these independent viewpoints into a fabric" by "using Situational Leadership Theory . . . as a synthesizing framework to portray their compatibilities rather than their differences" (Hersey and Blanchard, 1977, p. 307). Hence, it is evident that Hersey and Blanchard approach the various theories* in terms, not of the diverging or distinguishing characteristics, but rather in terms of their complementary potential for collectively contributing to a deeper and broader single theory. For Hersey and Blanchard, Situational Leadership Theory serves as the theoretical locus for integrating the contributing factors from the various theories. A description of their Situational Leadership Theory, therefore, will

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*One need not explicate these theories at this point for, on the one hand, several of them have been delineated previously in this study, while on the other hand, reference to the individual theories will necessarily be incorporated in the description of Situational Leadership Theory to follow.

simultaneously indicate how Hersey and Blanchard view the various theories as complementary.

Hersey and Blanchard's main assumption in developing Situational Leadership Theory is that each leadership situation is unique; and, therefore, the successful and effective leadership pattern will be the one which is utilized as a result of a careful and accurate diagnosis of the factors constitutive of the particular situation. In their words, according to Situational Leadership Theory, "consistency is not using the same style all the time. Instead, consistency is using the same style for all similar situations but varying the style appropriately as the situation changes" (Hersey and Blanchard, 1977, p. 173).

Situational Leadership Theory, then, rejects the idea that there is "one best style" which a manager should attempt to use consistently (Hersey and Blanchard, 1977, p. 190). Rather, a careful diagnosis of the managerial intention will indicate that there is one particular managerial style which is best for optimum effectiveness and efficiency, given that particular situation. Hersey and Blanchard, therefore, are rejecting an absolutistic stance on the one hand; but they are not going to the other extreme and declaring that "anything goes."* Stressing

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*The methodological parallel between Situational Leadership Theory and Situation Ethics is obvious. While Situational Leadership Theory rejects a monolithic management style on the one hand while simultaneously rejecting an "anything goes" approach on the other, Situation Ethics likewise rejects both ethical absolutism and ethical libertinism simultaneously. Both Situational Leadership Theory and Situation Ethics (or Existentialist Ethics) affirm that the "appropriate" stance--whether managerial or ethical--can be maintained only through proper diagnosis and application within a certain situation (Cf., Joseph Fletcher, Situation Ethics, 1966, and Moral Responsibility, 1967).

that the responsibility of managers is not merely productivity but also the conditions of the human resources, they emphasize that "an important role for managers is the development of the task-relevant muturity of their followers" (Hersey and Blanchard, p. 189). Elaborating on this contention, they note:

> We think it is vital to emphasize this developmental aspect of Situational Leadership Theory. Without emphasizing that aspect of the theory, there is a danger that managers could use Situational Leadership Theory to justify the use of any behavior they wanted. Since the theory contends that there is no "best" leadership style, the use of any style could be supported merely by saying "the individual or group was at such-and-such a maturity level." Thus, while close supervision and direction might be necessary initially when working with individuals who have had little experience in directing their own behavior, it should be recognized that this style is only a first step. In fact, managers should be rewarded for helping their people develop and be able to assume more and more responsibility on their own (Hersey and Blanchard, 1977, pp. 189-190).

The foregoing has revealed two major components of Hersey and Blanchard's Situational Leadership Theory. First, Situational Leadership Theory is a "synthesis of theories" the proper synthesis of which provides the framework for the application of the appropriate leadership style for the situation. Second, mere application of the appropriate leadership style relative to the present maturity level of the workers is only part of the manager's task. In addition, the manager should attempt to aid in the development of the workers, i.e., in the development of human resources. Hersey and Blanchard observe that:

> . . . If managers are using a leadership style with a high probability of success for working with a given level of maturity, . . . this perhaps is not really enough. These managers may be getting a reasonable amount of output, but their responsibilities may not stop there. Besides maintaining an adequate level of output, managers may want to develop the ability and effectiveness of their human resources (their followers) (Hersey and Blanchard, p. 190).

The first major task of the manager requires the skill to diagnose a situation so that he can ascertain the maturity level of the personnel and the applicable task-relationship style to employ. Since Situational Leadership Theory is a synthesis of theories, the manager's diagnostic skill will be revealed by his ability to prehend how the various theories contribute to a proper understanding of his own managerial situation. Situational Leadership Theory, therefore, attempts to integrate the following: (1) the motivation theories of Maslow and Herzberg, (2) the understanding of management styles and human nature explicated in McGregor's Theory X and Theory Y, Likert's Management Systems, Argyris' Immaturity-Maturity Continuum, (3) Edgar H. Schein's four assumptions about human nature and their implied managerial styles, (4) Eric Berne's and Thomas Harris' transactional analysis, (5) Thomas Gordon's Parent Effectiveness Training, (6) Larry E. Greiner's understanding of growth in organizations, (7) Kurt Lewin's understanding of change and force field analysis, (8) Lloyd Homme's concept of contingency contracting and B. F. Skinner's understanding of behavior modification (Hersey and Blanchard, 1977, pp. 309-318). This entire fabric is woven within a framework not unlike Reddin's Three-Dimensional Theory as developed in his Managerial Effectiveness.

Contending that "motives directed toward goals result in behavior" (Hersey and Blanchard, 1977, p. 307), Hersey and Blanchard's Situational Leadership Theory makes use of Maslow's hierarchy of needs to clarify high strength motives, while emphasizing Herzberg's hygiene factors and motivators to describe the goals that tend to satisfy these needs. In other words, Hersey and Blanchard correlate Maslow's hierarchy of needs with Herzberg's Motivation-Hygiene Theory. They affirm that Maslow's theory which views human needs as categorizable in a hierarchy including physiological, safety, social, esteem and self-actualization needs is complemented by Herzberg's motivation-hygiene theory, a theory which includes maintenance dimensions and motivation dimensions. The maintenance dimension consists of salary and working conditions, security, company policy, behavior of supervisors, and interpersonal relations, while the motivation dimension encomposses achievement, responsibility, recognition for achievement, challenging work, and growth.

The second dimension which Hersey and Blanchard develop as constitutive of their Situational Leadership Theory concerns management style and human nature. They affirm that Likert's Management Systems and Argyris' Immaturity-Maturity Continuum can serve as important elements of Situational Leadership Theory. They illustrate the blending of these various theories in Figure 12.

Hersey and Blanchard delineate the followning parallels: Likert's System I is useful for describing behavior readily elicited by Theory X assumptions, while his System IV illustrates behavior which Theory Y assumptions would engender. System I behavior and Theory X assumptions are congruent with the immaturity end of Argyris' continuum, while System IV and Theory Y are in accord with the maturity level of Argyris's continuum. In other words, System I, Theory X, and the immaturity dimension of Argyris' continuum are integrated in that they are descriptive of people who fit in the same category. They coincidently describe people who prefer to be directed, are not interested in accepting responsibility, want security above all, and are immature (Hersey and

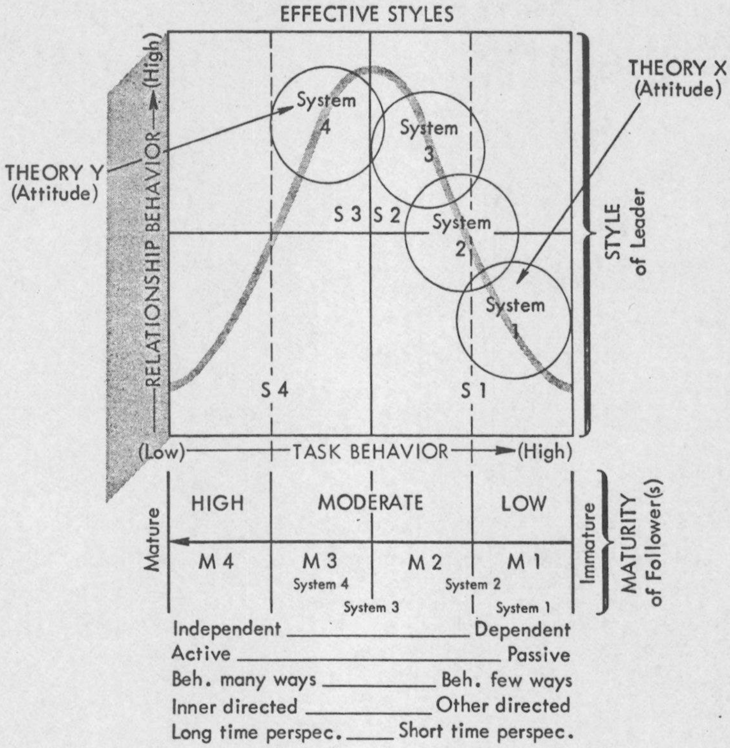

Figure 12. Relationship between Situational Leadership Theory and McGregor's Theory X and Theory Y, Argyris' Maturity-Immaturity Continuum, and Likert's Management Systems.

Source: Paul Hersey and Kenneth H. Blanchard. Management of Organizational Behavior, Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1969, p. 309.

Blanchard, 1977, pp. 309-310). Likewise, Likert's System IV, McGregor's Theory Y, and the maturity dimension of Argyris' continuum can be blended; for just as System IV is based on teamwork, mutual trust and confidence, Theory Y entertains the assumptions requisite for such behavior in that it assumes that people are creative, not lazy, seek responsibility, and are self-directed. Such assumptions and the resulting behavior necessitate a high maturity level, and hence correspond with the maturity dimension of Argyris' continuum (Hersey and Blanchard, 1977, p. 310).

In discussing human nature, Hersey and Blanchard assert that Argyris' integration of A behavior, i.e., structured behavior, with Theory X and B behavior, i.e., unstructured behavior, with Theory Y as well as Edgar H. Schein's four assumptions about human nature and the managerial styles implied by these assumptions, can all be integrated into Situational Leadership Theory. Argyris points out that although one expects structured, A behavior to be associated with Theory X assumptions about human nature and unstructured, B behavior to be associated with Theory Y assumptions, this is not always the case. One does find YA managers, for example. Their behavior is similar to that one would expect from a manager who entertained Theory X assumptions. Hersey and Blanchard's integration of Argyris' understanding of "the path from XA to YB" as well as their use of Schien's four assumptions about human nature is depicted in Figure 13.

Schein's understanding of the four dimensions of human nature--namely, rational-economic man, social man, self-actualizing man, and complex man--is also integrated into Hersey and Blanchard's Situational Leadership Theory.

Rational-economic people are those who would conform to the assumptions indicated by Theory X. These people are seen as basically motivated by economic incentives, people who are passive and are to be controlled, manipulated by and for the organization (Hersey and Blanchard, p. 311). If man is viewed as "social people," however, the assumption is that people are basically motivated by social needs and are more responsive to incentives which fulfill their need for social relations. This suggests that managers should be not merely task-oriented but should

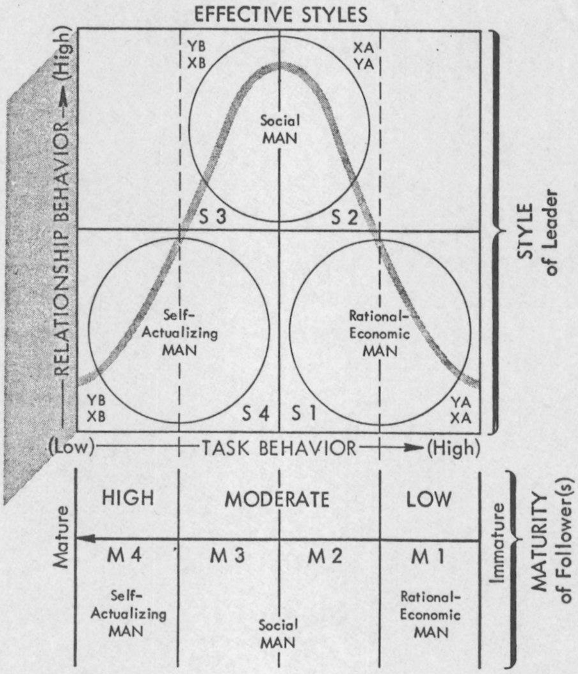

Figure 13. Relationship between Situational Leadership Theory and Argyris' A and B behavior patterns, McGregor's Theory X and Y, and Schein's four assumptions about people and their implied managerial strategies.

Source: Paul Hersey and Kenneth H. Blanchard. Management of Organizational Behavior, Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1969, p. 310.

also be aware of the needs of the people in the organization (Hersey and Blanchard, p. 311). The third type of person as viewed by Schein is self-actualizing person, the person who seeks meaning and accomplishment in the work itself since his other needs have become fairly well satisfied (Hersey and Blanchard, p. 311). Although Hersey and Blanchard do not attempt to correlate Schein's assumptions with Maslow and Herzberg, it should be noted parenthetically that the parallel is readily apparent. Finally, Schein approaches the truth of the matter more nearly when he refers to man as "complex man." Man is not merely "rational-economic," "social," or "self-actualizing," in a sequence of stages, but at any one time he is a combination of all three. Noting this, Hersey and Blanchard conclude: "Complex individuals tax the diagnostic skills of managers, and as Situational Leadership Theory implies, it requires that they change their style appropriately to meet various contingencies" (Hersey and Blanchard, 1977, p. 312).

The third theoretical framework which Hersey and Blanchard integrate into Situational Leadership Theory is that of Transactional Analysis based on the work of Eric Berne's Games People Play and Thomas Harris' I'm OK, Your're OK: A Practical Guide to Transactional Analysis. The way in which they view the integration of these theories into Situational Leadership Theory is depicted by Figure 14.

Hersey and Blanchard's position is that the three ego states described in Transactional Analysis, i.e., the parent, the adult, and the child, can be blended into Situational Leadership Theory and correlated with the maturity-immaturity continuum of Argyris and the four levels of "OK-ness" described by Harris. For example, if a person's behavior is evoked from his "destructive child" ego state, the maturity level would be M1 and the appropriate leadership style would be S1 which is highly directive and structured. On the other hand, if the worker's behavior is being evoked from his adult ego state, his maturity level is high (M4), his life position is "I'm OK, You're OK," then the appropriate leadership style would be S4; for he is already thinking in relational, problem solving ways and should therefore be left alone (Hersey and Blanchard, 1977, pp. 313-314).

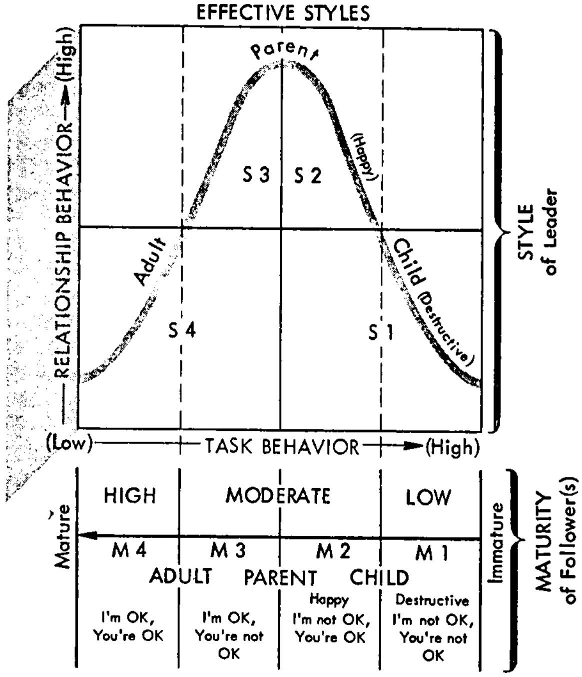

Figure 14. Relationship between Situational Leadership Theory and Ego States and Life Positions associated with Transactional Analysis.

Source: Paul Hersey and Kenneth H. Blanchard. Management of Organizational Behavior, Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1969, p. 313.

Another theoretical construct which Hersey and Blanchard integrate into Situational Leadership Training is that of Thomas Gordon as delineated in Parent Effectiveness Training (Hersey and Blanchard, 1977, pp. 173-176; 314-315). Gordon notes that one of the problems in parent-child relations is that of detemining whether behavior is acceptable or unacceptable. Once this is determined, then the question of "who owns the problem" in terms of the child's behavior is ascertained. There are four possibilities: (1) neither the parent nor the child owns the problem; (2) The child owns the problem; (3) The parent(s) own the problem; (4) both parent and child own the problem (Hersey and Blanchard, 1977, pp. 173-176; 314-315). These four categories are translatable respectively into the following meanings: (1) If neither the parent nor the child owns the problem, there is no problem for the child's behavior is acceptable to both parent and child. (2) If the child owns the problem, then the child's behavior is acceptable to the parents but not to the child. (3) If one or both of the parents own the problem, then the child's behavior is acceptable to the child, but not the parents. (4) If both parents and child own the problem, then the child's behavior is unacceptable to both parents and child (Hersey and Blanchard, 1977, p. 174).

Hersey and Blanchard translate the "parent-child" terminology of Gordon into "leader-follower" dimensions, and affirm that Gordon's concepts apply equally "to any organizational setting where a leader is trying to influence the behavior of others" (Hersey and Blanchard, 1977, p. 174). Figure 15 summarizes their systhesis.

Problem Possibilities	Maturity Level	Leadership Style
1. Behavior acceptable to both	M4	S4--Low task/low relationship
2. Behavior acceptable to leader/parent but not to follower/child	M3	S3--Low task/high relationship
3. Behavior acceptable to follower/child but not to leader/parent	M1	S1--High task/low relationship
4. Behavior unacceptable to both	M2	S2--High task/high relationship

Figure 15. Parent effectiveness related to maturity level and Situational Leadership Style.

In analyzing growth in organizations, Hersey and Blanchard considered Larry E. Greiner's developmental theory in relation to Situational Leadership Theory. Greiner maintains that a developing organization can be characterized by five evolutionary stages of growth each of which ends in a period of crisis and revoltuion (Hersey and Blanchard, 1977, p. 299). The initial creative dimension of an organization is characterized by Greiner as Growth Through Creativity, and is followed by a Crisis of Leadership. Then begins the second creative phase of Growth Through Direction, followed by a Crisis of Automony. The third phase is that of Growth Through Delegation, followed by a Crisis of Control. The fourth and fifth dimensions of growth are Growth Through Coordination and Growth Through Collaboration. The fourth state of growth is followed by Crisis of Red Tape. Greiner feels that the Crisis of Control leads to the fourth phase, Growth Through Coordination, but the return to control is often attempted through recentralization. This is inappropriate since the organization has already experienced the phase of delegation. Hence, the appropriate alternative is that of coordination. The attempts to coordinate often lead to the Crisis of Red Tape which can be effectively overcome through the Growth Through Collaboration phase of organizational development. The collaboration phase attempts to replace the formal system and procedures--which gave birth to the crisis of red tape--with greater social control and discipline. As Hersey and Blanchard note: "While the coordination phase was managed through formal systems and procedures, the collaboration phase 'emphasizes greater spontaneity in management action through teams and the skillful confrontation of interpersonal differences'" (Hersey and

Blanchard, 1977, p. 301). Unsure of what revolutionary period will follow the Growth Through Collaboration phase of organizational development, Greiner forsees that it will "center around the 'psychological saturation' of employees who grow emotionally and physically exhausted by the intensity of teamwork and the heavy pressure for innovative solutions" (Greiner, 1972, p. 44).

Hersey and Blanchard evidently agree with Greiner's analysis of the stages of growth, but they affirm that the revolutionary aspects and the crises of leadership of which Greiner speaks can be avoided through the proper utilization of Situational Leadership Theory.* Assuming the occurence of the "Growth Through Creativity" phase of organizational development, they incorporate Greiner's other four phases into Situational Leadership Theory as illustrated in Figure 16. Their emphasis is that "the crisis of leadership might be averted by moving from the phase of creativity right into the phase of direction; the crisis of autonomy, control, and red tape might be averted by moving from the direction phase right into the coordination phase, then into

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*Their explanation is as follows:

> . . . Organizations might be able to grow and develop over time without the crisis or revolutionary phases discussed by Greiner. This could occur if, after the phase of "creativity," managers moved their organization through the growth phases in an order consistent with Situational Leadership Theory. . . .
> . . . The crisis of leadership might be averted by moving from the phase of creativity right into the phase of direction; the crisis of autonomy, control, red tape might be averted by moving from the direction phase right into the coordination phase, then into the collaboration phase, and finally into the delegation (Hersey and Blanchard, 1977, pp. 316-317).

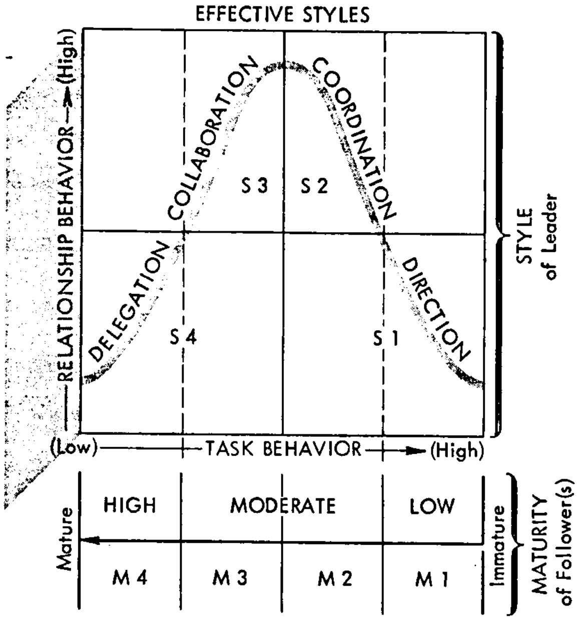

Figure 16. Situational Leadership Theory and the evolutionary and growth phases of organizations discussed by Greiner.

Source: Paul Hersey and Kenneth H. Blanchard, Management of Organizational Behavior, Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1969, p. 317.

collaboration phase, and finally into delegation"(Hersey and Blanchard, 1977, pp. 316-317).

Hersey and Blanchard discuss Situational Leadership Theory's understanding of change by referring to Kurt Lewin's force field analysis (Hersey and Blanchard, 1977, pp. 122-124, 277-280, 317-318). They assert that the first step for the leader in initiating change is that of determining the maturity level of the people. Next, the leader must correlate the appropriate leadership style with the maturity level. Persons with low maturity level will require more unfreezing. The leadership styles of S1 and S2, i.e., those associated with high task, low relationship and high task, high relationship, are useful in unfreezing; S2 and S3 styles emphasize the change process itself; and S4 allows refreezing to occur. Furthermore, Lewin's understanding of force field analysis emphasizes the necessity of analyzing the driving forces or what will offer support for the change, and the restraining forces or what will be opposing change. Hersey and Blanchard incorporate such analysis into Situational Leadership Theory; for, as they state, "We have found from our experience that if managers start implementing a change strategy without doing that kind of analysis, they can get 'blown out of the water' and not know why" (Hersey and Blanchard, 1977, p. 277).

Finally, Hersey and Blanchard view the behavior modification techniques and Lloyd Homme's concept of contingency contracting as important dimensions constitutive of Situational Leadership Theory. Homme's system is designed to lead toward self-management through successive approximations (Hersey and Blanchard, 1977, p. 215). In attempting to control what the followers do and what reward or reinforcement they will receive from doing it, the leader, according to Homme's understanding of contingency contracting, may employ one of five possibilities. These are leader-controlled contracting, partial control by followers contracting, equal control by leader and follower, partial control by leader, and follower-controlled contracting (Hersey and Blanchard, 1977, p. 216). These possibilities can be readily integrated into Situational Leadership Theory and correlated with the leadership styles and task-relationship orientation incumbent in this theory. Hersey and Blanchard illustrate the correlation as follows in Figure 17 (Hersey and Blanchard, 1977, p. 217).

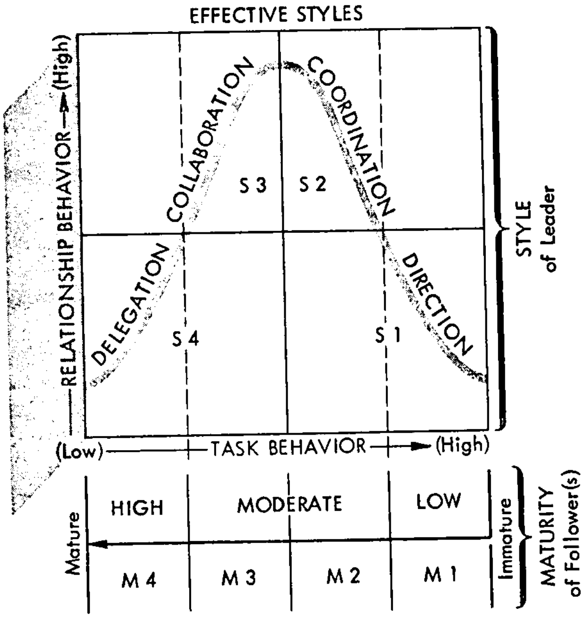

Figure 17. Contingency contracting and Situational Leadership Theory.

Source: Paul Hersey and Kenneth H. Blanchard. Management of Organizational Behavior, Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1969, p. 317.

Situational Leadership Theory also employs behavior modification, the basic premise of which is that "behavior is controlled by its immediate consequences" (Hersey and Blanchard, 1977, p. 207). Stressing that behavior can be altered, i.e., increased, suppressed, or decreased, by what happens immediately after the behavior occurs, Situational Leadership Theory uses reinforcement to help the follower make the desired behavioral change. Such reinforcement may be positive reinforcement, punishment, negative reinforcement, extinction, and the scheduling of reinforcement (Hersey and Blanchard, 1977, p. 207).

The foregoing has summarized Hersey and Blanchard's understanding of Situational Leadership Theory. The theory is in reality an eclectic amalgamation of other organizational theories, motivation theories, and leadership theories. Its employment necessitates a knowledge of behavior modification, contingency contracting, force field analysis, transactional analysis, and parent effectiveness training. A primary consideration, however, is the diagnostic skill of the leader; for without proper diagnosis the extent to which the various constituents of the theory are to be applied remains distorted or unknown. Hersey and Blanchard conclude their delineation of Situational Leadership Theory by observing:

> There is still much unknown about human behavior. Unanswered questions remain and further research is necessary. Knowledge about motivation, leader behavior and change, will continue to be of great concern to practitioners of management for several reasons: it can help to improve the effective utilization of human resources; it can help in preventing resistance to change, restriction of output, and union disputes; and often it can lead to a more productive organization.
>
> Our intention has been to provide a conceptual framework that may be useful to the reader in applying the conclusions of the behavioral sciences. The value that such a framework of this kind has is <u>not</u> in changing one's knowledge, but it comes when it is applied in changing one's behavior in working with people (Hersey and Blanchard, 1977, pp. 322-323).

CHAPTER III

CRITICAL ANALYSIS

The purpose of the foregoing has been to examine the writings of several management theorists in order to ascertain the extent to which each assessed the relative importance of the manager's task-orientation--relation-orientation. The study has revealed that regardless of the differences among the theorists, they have all essentially presented variations on one central theme. The major consideration has been that of the relation-orientation. The various theorists have considered it essential to consider whether a particular management or leadership style was task-intensive or relation-intensive, what was the most effective combination of the two, and which position the manager should take relative to these. The theme has repeatedly focused on the development of a relation-orientation in management with the concomitant understanding, either implicitly or explicitly stated, that the task-intensive orientation is primitive, suspect, less effective, less efficient, or in other ways questionable because of its weakness in developing or failing to develop human relations, human resources, or a milieu in which the individual is supported, trusted, and valued. Since the relative strength of the task-orientation--relation-orientation of the various managerial approaches was of primary consideration, and is in fact the basic concern of this study, a brief analysis and critique concerning each theorists' position in this regard is in order.

Rice and Bishoprick clearly state that the relation-intensive orientation is preferable to the task-intensive orientation exemplified by the machine model. It was pointed out that they viewed the various conceptual models of organization on a continuum, ranging from autocratic, mechanistic approaches to management to democratic, humanistic, holistic models. Not only did they favor the latter, they stated that the former is archaic and primitive, and that democratic forms of organizational structure are both desirable and inevitable in a complex, rapidly developing, and highly educated society. Although one could readily agree with their stance, they fail to support their contention with available research and documentation from studies of extant organizations. It should be remembered, however, that their work was primarily designed to be descriptive of conceptual models. Hence, empirical data are not of primary importance. Their analysis, however, does find empirical support in the research findings of Likert and Argyris.

An additional problematic area of Rice and Bishoprick's delineation, an area which indicates an inconsistency in their assertion of the priority of the relation-intensive orientation over the task-intensive orientation, is their understanding of the systems model. They describe the systems model as an organizational model which realizes the interrelation and interdependence of all dimensions of the organization, and they indicate that the systems approach takes into account that action in one area will impinge upon the various other constitutive elements. Yet, they later discuss the system as a composition of modules, each discrete and functioning separately, without any centralized coordinative element. They object to a centralization on the ground that each part could not act independently and each part would always be delayed in acting or could not freely act until consultation with the central element. But, such a modular interpretation contradicts the very essence of systems theory. To speak of systems theory which includes interpenetration, interrelationship, overlapping, and interdependency by its very nature, and then to describe the system as modules which function discretely and independently and without the necessity of correlating their activity with others is not to make distinctions; it is rather simply to be contradictory. I point this out because Rice and Bishoprick present the modular organization as their candidate for describing the way systems theory can be understood, in opposition to the organic model developed by Weiner and others. My point is that the modular model as developed by Rice and Bishoprick contradicts their own description of systems, a description which is adequately dealt with by the organic model which they reject, or by Argyris' organic model for that matter. The modular model as described by Rice and Bishoprick leads to fragmentation, distinctness, and separation which is not admissable under the systems theory, a theory which by their own description includes the mutual interdependency contradictory to the separateness their modular organization intends. This is important because they assert that the systems model is one model which any manager could employ regardless of his presuppositions regarding the nature of man (Rice and Bishoprick, p. 191). Yet, if organizations are composed of people working cooperatively toward designated goals, and if a systems approach includes the assumption of the interdependency, interrelationship, and interpenetration of the various constituencies, then the human element would be of such significance that each person's abilities and needs would be considered; for each would be understood as effecting the whole, regardless of the extent of influence. Hence, the systems model, if consistent with the assumption that it consists of interdependent relationships of men and machines, would of necessity emphasize the importance of human relations and human resource development. If an organization consists of the interdependent relations of men and machines, a mechanistic, autocratic systems theory is either internally inconsistent or contradictory.

McGregor and Morse and Lorsch can be considered together critically, for Morse and Lorsch develop their "contingency theory" as a critical response to what they feel is a limitation of McGregor's theory. Yet, upon close analysis, Morse and Lorsch's contingency theory does not go beyond McGregor. Morse and Lorsch object to McGregor's rejection of Theory X, and also feel that their contingency theory goes beyond Theory Y. It may be true that Morse and Lorsch's contingency theory goes beyond the assumptions of Theory Y, but they have criticized McGregor's stance as if the assumptions were all he has written about. McGregor's theory of integration and self-control is highly relational and does consider the proper meshing of task, organization, and people for which Morse and Lorsch call. In addition, McGregor's theory has the advantage of pointing out the inadequacy of Theory X assumptions regardless of the situation. While Morse and Lorsch imply that Theory X assumptions could be useful under certain circumstances, McGregor's theory of integration and self-control challenges the manager to attempt to implement the theory of integration and self-control under all circumstances. Management's utilization of Theory X assumptions, says McGregor, is to some degree an admission of failure to give proper consideration to human relations as well as a failure to develop human resources. Morse and Lorsch's "managers" turn out to be merely good diagnosticians who analyze the task, people, and organization and act accordingly. McGregor's manager can go "beyond" this, in that he is not merely a diagnostician; he can also be a catalyst to initiate and lead in the change process of task, people, and organization.

Regardless of these considerations, however, McGregor's relation-intensive theory of integration and self-control fails to delineate the presuppositions inherent in personalistic-humanistic theory. To this extent, the resources from the relational theories of Burber and Tillich can be supportive.

Turning to the writings of Robert L. Katz, we find a writer who rejects the emphasis on traits in ascertaining the effective administrator, and places the focus rather upon the skills necessary for effective administration. It was noted that some 20 years after his original writing, he wrote a "retrospective commentary." In this he placed greater emphasis on human skill, the ability of the administrator to relate to others. Whereas in the earlier writing he had asserted that human skill was more important in the lower echelons of management, his developed thought indicated that human skill was significant at all levels. He asserted that the need for human skills was more complex than he had originally thought. While it is true that interpersonal relational skills are important at the lower levels, at the higher levels interpersonal skills are also important, but at the higher levels an additional dimension of human skills becomes important. This is the dimension of intergroup relational skills.

Katz's "retrospective commentary" thus serves as a critique of his own position, a position which is relationally oriented. Admittedly, Katz has done a commendable job in a short essay, and, needless to say, a thorough treatment of the subject could not be expected. Yet, two interrelated considerations are noteworthy. First, Katz's position could be described as relation-intensive, but he does not really discuss the administrative skills in a relational context. That is, he describes the administrator and his skills in such a way that the discussion remains isolated from its direct applicability to the followers, the nonmanagers. Second, though Katz could probably not develop relational presuppositions within such a brief treatment, had Katz been aware of such relational assumptions, he would not have discussed the topic of administrative skills in such a way that their applicability to the followers was ignored.

Tannenbaum and Schmidt also present a view of administrative patterns which advocates participatory administration. They trace the move from autocracy to participatory management and indicate the importance of the nonmanagers' being aware of the way in which the manager is using the authority. Being consistently relational, they assert that it is even more important for the manager to know how the nonmanagers believe him to be using authority. How they see him to be operating is more important than how he thinks he is leading. In analyzing the various forces upon the manager--the forces in the manager, the forces in the subordinates, and the forces in the situation--Tannenbaum and Schmidt implicitly indicate that management is relational. They do not view the manager's tasks in a one-sided fashion in which he is free to act without relational constraints. They always view the situation relationally since they consistently indicate that the manager's decisions are not made in a vacuum, but in relation to non-managers, the situation, and the environment. An understanding of the assumptions underlying the relation-intensive orientation, however, would make explicit what they present merely implicitly. Such a consideration would apply relational theory to what they affirm to be necessary for the manager's use of authority. Just as they affirm that the manager should clearly show how he uses his authority, so also their analysis would be stronger if they clearly stated the implications of their relation-intensive orientation. Hence, their analysis would be compatible with the relational theories of Buber and Tillich.

Hersey and Blanchard's Situational Leadership Theory is by their own description a synthesis of theories. One of the major contributions of their study is their synopsis of all the varying theories which they use as constituents of their own eclectic theory. Hersey and Blanchard give a view of the variety of theories as well as the additional services of their own mixing of these as ingredients of one complex theory. These include the following: the motivation theories of Maslow and Herzberg, McGregor's Theory X and Theory Y, Likert's Management Systems, Argyris' Immaturity-Maturity Continuum, Schein's understanding of human nature and the four managerial styles implied, Berne's and Harris' Transactional Analysis, Thomas Gordon's Parent Effectiveness Training, Greiner's understanding of growth in organizations, Lewin's force field analysis, Homme's contingency contracting, and Skinner's behavior modification. Recall that Hersey and Blanchard's contention is that with the knowledge of these theories, the leader can analyze the situation and ascertain what task behavior or relation behavior he should use as leader.

To be sure, Hersey and Blanchard's approach is relation-oriented. That this is true is evidenced by their insistence that the effective leader should be interested not only in the productivity of the nonmanagers but should also take an active role in facilitating the development of the potentialities of his followers (Hersey and Blanchard, p. 189).

Yet, there are problems with Hersey and Blanchard's theory concerning the development of the relationship orientation in Situational Leadership Theory. Their theory tends to be a smorgasbord of theories from which the manager draws data to help him diagnose the situation. The weakness is not merely with the eclecticism--which may or may not be a weakness contingent upon the compatibility of the eclectic elements. The weakness has to do with the fact that for Hersey and Blanchard the leader is finally viewed as a good diagnostician, who analyzes the situation and then applies whatever measures are necessary, based on his knowledge of the applicability of certain components of the various theories that he has in his theoretical filing cabinet. Such as approach implicitly indicates that Hersey and Blanchard take seriously neither the relational dimensions of the situation nor the human resources, however greatly developed, of the leader. Their understanding indicates that the leader is really bound by the situation. Yet, an insightful, competent leader is himself a dynamic factor who may alter a situation otherwise diagnosed as virtually hopeless. His diagnosis is a most important dimension of his role, but diagnostic skill is only the beginning. Hersey and Blanchard's failure to realize this indicates that they do not consider the importance of the human relational factor, all their references to human resource development to the contrary. In addition, they have not given explicit consideration to the assumptions entailed by affirming the priority of a relation orientation in management. Again, Tillich's and Buber's thought will prove helpful.

Of all the theorists considered in this study, Reddin initially appeared to have the most to offer, yet fails to contribute a meaningful alternative. His contribution rests in his presentation of the basic managerial styles and the description of their effective and less effective instantiations. Such description is a helpful analytical tool to assist the manager to ascertain what his basic style tends to be. (Reddin would say, what his style is.) With this, Reddin completes his contribution; for after this the problems are evident. First, Reddin insists that a manager cannot change his basic style. If this is true, all Reddin's system can do is make the manager aware of what his style is and of the fact that there are other styles, which he cannot use. After insisting that a manager cannot change his style, Reddin describes style flex, by which is meant the manager's ability to broaden the applicability of his basic style. Through flex, the manager is supposed to be able to be less rigid and more resilient. By resilient Reddin means the manager's ability to maintain a proper style, i.e., the style most effective for the situation. Yet, if the manager cannot change his style, he can only maintain a proper style if the particular style which he uses happily is the style for which the situation calls. If the style cannot be changed, then all of Reddin's managerial terminology--style drift,rigidity, resiliency, flex--become virtually meaningless.

Yet, there is a more basic problem. Reddin specifically defines managerial effectiveness in terms of the manager's output. He states that "there is only one realistic and unambiguous definition of managerial effectiveness." Then he asserts: "Effectiveness is the extent to which a manager achieves the output requirements of his position" (Reddin, p. 3). Once this definition is affirmed, his talk of the relative strength of task orientation versus relation orientation is ultimately meaningless because it is considered within a closed framework in which the final task--the output--is always the most important factor. Hence, by definition, the major concern is always a task concern, getting the job done. This means that any alleged relational orientation is relational only in that people are relating with people rather than with things. The relationships may well be relationships in which people are related to as things,as means to accomplish a task, not as persons,as ends in themselves. Relations are cultivated, not out of concern for human resource development, but really for the purpose of accomplishing a task, producing the output, and being effective.

This leads to another problem, one which Hersey and Blanchard cautioned against. In their Situational Leadership Theory, they--while contending that there is no one "best" leadership style--warned against going to the other extreme and assuming that "anything goes," so long as productivity is enhanced. This view, which Hersey and Blanchard decry, Reddin is in reality advocating; for he states that there are four styles. Any one of them may be the most effective, given the situation; any one of them is just as worthy or unworthy. Their proper use is to be ascertained solely in terms of which will more readily produce the desired output. This may completely ignore the worth of the persons within the organization, except insofar as they contribute to the organization's output. There are no provisions for the manager's responsibility relative to the development of human resources.

One would needlessly suggest the importance for Reddin's theory to employ the insights of Buber's and Tillich's relational theory, for even though he does not develop these assumptions, one would not expect him to do so, for such development would necessitate a radical revision of his complete system.

In evaluating the stance of Likert and Argyris concerning their understanding of the relative importance of the task-intensive--relation-intensive dimension in managerial theory, little need be said. Both theorists explicitly affirm the importance of the relation-intensive orientation over the task-intensive. The delineation of their theories in preceding sections of this study offers ample evidence of the strength of their assertions supporting relation-intensive management. Likert's Principle of Supportive Relations would readily be affirmed by Argyris. Argyris' integration model, fusion theory or mix model is adamantly relationally oriented. Both men support their contention with appropriate empirical evidence. Argyris' organic model, which opposes the mechanistic model, entertains no significant differences from Likert's System IV. Both their theories find succinct summary in Likert's Principle of Supportive Relations:

> The leadership and other processes of the organization must be such as to ensure a maximum probability that in all interactions and all relationships with the organization each member will, in the light of his background, values and expectations, view the experience as supportive and one which builds and maintains his sense of personal worth and importance (Likert, 1971, p. 286).

In addition, Argyris emphasizes the importance of trust, openness, mutuality, and even directly refers to Buber's concept of "confirmation." It is evident that both Likert and Argyris presuppose an essentially relation-intensive orientation as necessary for organizational health, growth, and development. Neither of them explicitly develops the assumptions upon which the orientation rests. Yet, they explicitly and consistently advocate such a position. Hence, especially in the case of Likert and Argyris, whose advocacy of a highly relational orientation is thorough-going, will Buber's and Tillich's relational ontology serve as an important supplement.

CHAPTER IV

THE RELATIONAL THEORIES OF MARTIN BUBER AND PAUL TILLICH AND THEIR APPLICABILITY TO MANAGEMENT THEORY

Introduction

The purpose of this part of the study is to present a synopsis of the personalistic-relational theories of Martin Buber and Paul Tillich and to indicate that their writings can be used to provide the knowledge of the assumptions entailed in relation-oriented management, a provision which is not considered, except in a very tangential way, by any of the management theorists considered thus far in this study. As the critique of their work revealed, the absence of a consideration of the assumptions entailed by relation-oriented management theory is a critical one. If one is to espouse a relation-oriented theory, the assumptions which are entailed by such a theory should be made clear so that its attempted application can be approached with as much knowledge, understanding, and precision as possible.

All of the theorists examined in this study, with the exception of Reddin, have advocated a relation-oriented approach to management as opposed to a task-orientation. Reddin is the outstanding example of one who attempted to maintain openness relative to the use of either orientation. He gave priority to neither relation-orientation nor task-orientation; and attempted merely to describe the various managerial options, indicating that either one of the four basic styles could be appropriate, contingent upon the situation. Hence, neither is preferable in and of itself nor to be rejected in and of itself; but each may be utilized with validity given its congruence with the demands of effectiveness, i.e., the output requirements of the job.

Morse and Lorsch, too, develop a contingency theory which gives equal validity to the use of task-oriented and relation-oriented management, contingent upon its congruence with the people, the task, and the organization. They object to McGregor's attempts to dismiss out-of-hand Theory X as a valid option in certain situations.

The other writers examined, however, all directly and forthrightly advocate a relation orientation to management in opposition to a task orientation. Yet, as has been shown in the explication of their theories, none of them has explicitly examined the assumptions entailed by a relation intensive management theory. To be sure, McGregor's Theory Y assumptions point in the right direction. It is true that Hersey and Blanchard emphasize that one of the important tasks of the manager is that of developing the human resources within his unit. It is noteworthy that Likert insists, both in his Principle of Supportive Relations and his System IV, that all activities and relationships within the organization should be such that each person will view the experience as supportive and as contributive to his sense of personal worth and importance. Recall that Katz altered his opinion 20 years after the initial publication of "The Skills of an Effective Administrator." At the latter writing, he noted that experience had taught him that the manager's possession of human skill is important at all levels of management. Tannenbaum and Schmidt emphasize the progression from the autocratic, dictatorial manager to the management situation which is relation intensive; and they affirm that the managerial climate should be one of mutual confidence and respect and that a relation orientation in which both managers and non-managers jointly make decisions is by far preferable to a task-oriented, autocratic type of management (Tannenbaum and Schmidt, pp. 183, 177). McGregor's affirmation of the priority of Theory Y readily opts for a relation model, and unequivocally rejects the authoritarian model of management. Rice and Bishoprick's typology of organizational models likewise rejects the machine model or authoritarian approaches. Argyris' mix model rejects the mechanistic organization, which is essentially a Theory X organization, and affirms unequivocally the priority of the organic organization which emphasizes participative management, trust, confidence, intergroup and interindividual cooperation, and individual responsibility, productivity, and commitment (Argyris, 1964, pp. 184-185). The most evident statements espousing a relation orientation are those of Likert in his development of System IV and Argyris who speaks of trust, commitment, and the development of individual competence. One looks in vain, however, for an explicit and specific delineation of what such a person-oriented management theory presupposes concerning relationships. We are told that personal relations are important and that personal worth is to be affirmed in each situation, but none of the theorists indicate what such a relational affirmation presupposes. No consideration of relational theory is offered as a support for developing relation-oriented management.

Since these presuppositions are not delineated by any of the theorists with any specificity, other resources must be examined in an effort to provide the foundational support upon which relation oriented management is based.

For some time I have thought that the relational theory of Martin Buber could serve as the theoretical base from which the relational dimension of administrative theory could develop. His existential approach to relations and his emphasis on maintaining "Thouness," or personhood, in relationships could be applied meaningfully to administrative relational theory.

Similarly, Paul Tillich's existential-relational schema which he develops in his Christology,* if demythologized and secularized, could have far-reaching implications for everyday interpersonal relationships. In addition, his analysis could be utilized, in conjunction with Buber's, to add breadth, depth, and increased applicability to administrative theory.

These two philosophical-theological approaches** can be fruitfully utilized in conjunction to provide one dimension for understanding administrative relationships. The following examination explores

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*Note that my use of Tillich's Christological analysis is to be demythologized and secularized, i.e., viewed from a non-religious standpoint. This is not an attempt to approach the problem of administrative-management theory from a religious standpoint.

**I also believe Albert Camus, coming from an atheistic and existentialist position, could be utilized in conjunction with Buber and Tillich, but such an inclusion is beyond the scope of the present study. Such a consideration would be an interesting topic for study at a later time.

Buber's and Tillich's thought in an effort to show how their relational theories can contribute to an application of relational theory to management theory.

Martin Buber's Relational Theory

Martin Buber's theory of reality is relational throughout. For him, all reality is dyadic. In I and Thou, he affirms that "In the beginning is relation" (Buber, 1958, p. 18). The first sentences of I and Thou summarize Buber's ontology, and contain the subject of what he will explicate in the rest of his book. His words are poetic and concise:

> To man the world is twofold, in accordance with his twofold attitude.
> The attitude of man is twofold, in accordance with the twofold nature of the primary words which he speaks.
> The primary words are not isolated words, but combined words.
> The primary word is the combination I-Thou.
> The other primary word is the combination I-It; wherein, without a change in the primary word, one of the words He and She can replace It.
> Hence the I of man is also twofold.
> For the I of the primary word I-Thou is a different I from that of the primary word I-It.
> Primary words do not signify things, but they intimate relations.
> Primary words do not describe something that might exist independently of them, but being spoken they bring about existence (Buber, 1958, p. 3).

Buber's stress is dyadic, which is to say that he would oppose any attempt to locate the primary reality in one entity, whether it be an individual substance, an individual law, or even an individual supreme being.* If Buber were arguing systematically, he would no

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*This of course opposes any of traditional philosophy's attempts from the pre-Socratics--Thales, Heraclitus, Parmenides, et al--through Plato and Aristotle and on to modern philosophy, to locate ultimate reality in one being.

doubt affirm that the reality which we experience in the everyday world of our lives is always relational. There is no such thing as an isolated individual, unrelated to something or someone. Since the reality we experience is relational, the basic reality must be relational. Reality, then, is never monadic; it is always dyadic. As Buber observes:

> There is no I taken in itself, but only the I of the primary word I-Thou and the I of the primary word I-It. When a man says I he refers to one or other of these. The I to which he refers is present when he says I. Further, when he says Thou or It, the I of one of the two primary words is present (Buber, 1958, p. 34).

Buber, then, describes reality as always being relational, and relational reality is of two different kinds, namely, "I-It" relations and "I-Thou" relations. These two relations arise in three spheres. First, there is man's relation within nature. Buber describes our life with nature: "There the relation sways in gloom, beneath the level of speech. Creatures live and move over against us, but cannot come to us; and when we address them as Thou, our words cling to the threshold of speech" (Buber, 1958, p. 6). The second relation is our relation with man. Buber describes this relation as "open and in the form of speech" (Buber, 1958, p. 6). In this relation, "We can give and accept Thou" (Buber, 1958, p. 6). The third sphere of relation is "our life with spiritual beings," which Buber describes as "clouded, yet it discloses itself" (Buber, 1958, p. 6). This is the realm of the eternal and unconditioned Thou who is the ground of all relations, or that without which there could be no relation at all. Our consideration in this study will concentrate on the first two spheres of relation, and will consider the distinction between the two.

The relational world of It is basically man's relation with things, with objects. Objects or things can be used; they are at man's disposal. He may use things and discard them virtually at will (Buber, 1958, pp. 39, 40, 39, 60). Things do not respond to man as persons do. Hence, man's relation to things could be described as non-responsive, non-reciprocal and "dead." Since there is no response from the world of things, the It relationship is static, predictable, and limited. It is repetitive or "closed," and does not involve novelty or surprise. Since it is closed, and since the It relation permits the entertainment of only limited possibilities, it can be described as "finished" (Buber, 1958, p. 58). Moreover, the It can be manipulated, for since it does not respond, it doesn't "stand over against us" either as a reciprocal challenge or as a threat. It does not confront us as a being in itself. It is not an end, but rather a means.

The Thou relation is describable in terms of the polar opposite of the It relation. Whereas the It relation is described as a relation with things or objects, the Thou relation is a relation involving subjects. The Thou is not to be used; it is not at our disposal; and it cannot be discarded as can the It. In relation to this understanding, Buber observes: "If I face a human being as my Thou, and say the primary word I-Thou to him, he is not a thing among things, and does not consist of things" (Buber, 1958, p. 8).

The Thou relation is always a relation between subjects. In the Thou relationship, therefore, there is response, mutuality, and reciprocity. The Thou relation is mutual while the It relation does not comprise mutuality (Buber, 1958, p. 15). In Buber's words: "The man who has become conscious of I, that is the man who says I-It, stands before things, but not over against them in the flow of mutual action" (Buber, 1958, p. 29). This indicates another dimension of the I-Thou relation, namely, the Thou limits us and "stands over aginst us" in a way that the It does not. The Thou relation is not manipulative.

Whereas the It relation can be described as closed, static, "dead," predictable, and repetitive (Buber, 1958, p. 58); the Thou relation can be described as open, dynamic, "living," unpredictable, and novel (Buber, 1958, pp. 88, 74). As Buber describes the situation: "But the world of _Thou_ is not closed. He who goes out to it with concentrated being and risen power to enter into relation becomes aware of freedom. And to be free from belief that there is no freedom is indeed to be free" (Buber, 1958, p. 58).

This reference to freedom points to the unlimited dimension of the Thou relation as contrasted with the limited nature of the It relation. Buber refers to the unlimited characteristic of the Thou when he says:

> When _Thou_ is spoken, the speaker has no thing for his object. For where there is a thing there is another thing. Every _It_ is bounded by others: _It_ exists only through being bounded by others. But when _Thou_ is spoken, there is no thing. _Thou_ has no bounds (Buber, 1958, p. 4).

Hence, although the It relation is limited, static, and "finished," in the sense that the It offers only a limited number of possible relational alternatives, the Thou relation is unlimited, for both partners in the relation are in constant, dynamic change. As a result, the Thou relation is never closed, for novel possibilities continuously arise. The It to which one relates is always the same It, even though it may be viewed from different perspectives or intentions. The Thou to whom one relates is always in some way an ever changing Thou. The Thou cannot be captured or concretized.

A final distinction between the It and the Thou relation has to do with the epistemological differentiation between the two. The way of knowing the It is different from the way of knowing the Thou. When one has knowledge of It, he has objective knowledge derived on the basis of sense data or some quantifiable or measurable criteria. One "knows about" something, and the something neither actively contributes the knowledge nor hampers the derivation of knowledge. An It, an object, can be observed and analyzed; its weight, color, dimensions, and density can be known without its contributing any data whatsoever. Moreover, the object cannot "hide itself" or prohibit the observer from obtaining such knowledge about it. The epistemological relation with the Thou is quite different. We can really know another Thou if--and only if--he chooses to reveal himself or give knowledge of himself to us. He may reveal himself or choose to hide himself from us. Knowledge of the Thou is dependent upon the Thou's choosing to share himself. In addition, the active subject, the Thou, unlike the It can present himself in such a way that what he presents is not really who he is. A mundane example of this is simply that a person may present himself to be known as happy or carefree in a particular situation when in reality he is unhappy or deeply troubled and concerned.* Knowledge

*An in-depth delineation of this area of relations is beyond the scope of this consideration. For the interested reader's information, Buber goes into considerable detail relative to this topic in Good and Evil (New York: Charles Scribner's Sons, 1952).

of the It, just like the It itself, is at our disposal, and the It does not actively contribute to the knowing situation.*

Buber's anthropology, then, describes reality as dyadic. Primary reality is not monadic; it cannot be reduced to one solitary substance or reality. Reality is relational, and the relations consist of either I-It relations or I-Thou relations. One must have I-It relations; but, without the person to person meeting in the I-Thou relation, one never becomes a person, a Thou. Moreover, one can also relate to subjects as if they were "Its" and, in so doing, reduce even those relations which have the possibility of I-Thou relations to the level of I-It relations. These considerations are summed up in Buber's words, which serve as a summary of Buber's philosophical anthropology, when he says: " . . . without _It_ man cannot live. But he who lives with _It_ along is not a man" (Buber, 1958, p. 34). The importance of this insight for Buber is such that he says, "All real living is meeting" (Buber, 1958, p. 11).

Buber's understanding of individual relationships is an important contribution to relational theory or to relation-oriented management because it can help the individual within the organization--both manager and nonmanager--to ascertain the quality of his relations with others. First, unlike much managerial theory, which implicitly denies its relational stance by viewing the organization one-sidedly from management's perspective, Buber's relational theory is applicable both to managers

*Of course, when Buber refers to knowledge of the It, he is not even considering the question of the possibility of knowledge of the It in some Kantian understanding of the "ding an sich" since such consideration is foreign to relational epistemology.

and to nonmanagers. His analysis cannot be applied one-way; to attempt such is to deny real relationship. Its dialogical nature conveys individual responsibility for relationships upon all. The nonmanager no less than the manager is responsible for the relational quality of the situation, and each bears individual responsibility for entering and maintaining the relation. Secondly, the existential nature of I-Thou relations precludes the attempt to make of relations a theory which can be objectively applied to test, evaluate, or judge relations either in general or from outside the relationship. As Buber observes: "Every real relation in the world is exclusive" (Buber, 1958, p. 99). That this is the case, however, does not adumbrate the significance of the theory, for each person in the particular case can confront himself with the question of whether he is relating in mutuality, trust, and reciprocity in the particular relation. Each manager can ask the question regarding each of the nonmanagers with whom he works. The application of the relational theory itself is a relational activity.

In addition to an application of Buberian relational theory to individual, unique relations, Buber's thought also contributes to our understanding of the relational dynamic within an organization as a whole. Buber's contribution in this area is seen through his understanding of the phenomenon of "collective" on the one hand and "community" on the other. Just as he makes distinctions between I-It relations and I-Thou relations, he makes distinctions between the collective and the community. Buber's contribution at this point serves to enhance the distinctions made by McGregor, Likert, Hersey and Blanchard, and Argyris relative to different types of organizational structure. Note that Buber's understanding of the distinction between collective and community can serve to enhance the works of McGregor, Likert, Argyris, and others; for Buber's collective provides a deeper understanding of McGregor's Theory X organization, Likert's System I, and Argyris' mechanistic organization; while his understanding of community enriches McGregor's description of Theory Y, Likert's System IV, and Argyris' understanding of the essential properties of organization or of his "organic" organization.

Buber's distinction between collectivity and community is summed up in Figure 18.

Collectivity	Community
Forced	Free Association
Side-by-Side	With one another
Bundling (as sticks wired in a pile)	Free Entry and Exit
Individuality a Threat	Individuality a Resource
Amalgamation	Unity of Relation
Loss of Identity	Identity Enhanced
Sameness	Variety/Novelty
Assent to Action	Consent to Action
Fragmented	Holistic
External Discipline	Internal Discipline
Heteronomous	Autonomous
Individual, a means	Individual, an end
Conditional acceptance	Confirmation
Person: an It Relation	Person: a Thou Relation

Figure 18. Buber's distinction between collectivity and community.

But Burber's own words, written in his inimitable poetic style, go to the heart of the matter in summing up the idea of collectivity. The description includes implicitly, but clearly, the description of an autocratic, mechanistic organization.

> In the view customary today, which is defined by politics, the only important thing in groups, in the present as in history, is what they aim at and what they accomplish. Significance is ascribed to what goes on within them only in as far as it influences the group's action with regard to its aim. Thus it is conceded to a band conspiring to conquer the state power that the comradeship which fills it is of value, just because it strengthens the band's reliable assault power. Precise obedience will do as well, if enthusiastic drill makes up for the associates remaining strangers to one another; there are indeed good grounds for preferring the rigid system. If the group is striving even to reach a higher form of society then it can seem dangerous if in the life of the group itself something of this higher form begins to be realized in embryo. For from such a premature seriousness a suppression of the "effective" impetus is feared. The opinion apparently is that the man who whiles away his time as a guest on an oasis may be accounted lost for the project of irrigating the Sahara.
>
> By this simplified mode of valuation the real and individual worth of a group remains as uncomprehended as when we judge a person by his effect alone and not by his qualities (Buber, 1965, pp. 30-31).

The collective is an organization which cares only for the output, and those things which are done for individual fulfillment and growth are only seemingly done for that purpose, for the real purpose is that these activities will enhance the effectiveness, i.e., the output of the organization. As Buber points out, if the rigid system would work just as well, then the collective would prefer the rigid system. This, of course, is analogous to the "human relations" movement, in infaras human relations were developed not for the purpose of establishing and maintaining a better quality of life for the worker, but rather because such relations were deemed as impetus for greater organizational productivity. To the extent to which this is the case, the human relations movement was just another, but perhaps more subtle, attempt to manipulate the worker.

The community is a group in which I-Thou relations are constitutive of the group. In the collective, I-It relations predominate: Buber even implies that I-Thou relations are viewed as problematic, for they are seen as interfering with the accomplishment of the organizational goals. They lessen the output. While the collective is formed and maintained by forced associations, the community is composed of members associating freely. In the collective the members are "bundled" together and work side-by-side. In a community they freely enter and work "with" one another. There is mutuality and reciprocity (Buber, 1965, p. 31). In the collective, the individual is merely a means to an end; while in a community, the individual is an end in and of himself. In a collective, the individual's identity is lost in the mass; individuality and novelty are viewed as a threat. In a community individuality is enhanced, and creativity and novelty are viewed as a resource, as new possibility. A collective is characterized by external discipline, heteronomous law, and fragmented, stratified relations. The community is characterized by internal discipline, autonomous action, and holistic relations. In a collective, the person responds by assent rather than by consent. When one <u>assents</u> to activity, law, or propositions, he does so because he feels forced to do so, or he responds out of fear. He does so unwillingly and therefore not wholeheartedly. When one <u>consents</u> to an activity, law, proposition, he does so freely and holistically, with his whole being because he views the response as coming from, and not adverse to, his very being, within the collective, the person only experiences conditional acceptance, if he experiences any acceptance at all. Buber's summary is well worth noting:

> Collectivity is not a binding but a bundling together: individuals packed together, armed and equipped in common, with only as much life from man to man as will inflame the marching step. But community, growing community [which is all we have known so far] is the being no longer side by side but with one another of a multitude of persons. And this multitude, though it also moves towards one goal, yet experiences everywhere a turning to, a dynamic facing of, the other, a flowing from I to Thou. Collectivity is based on an organized atrophy of personal existence, community on its increase and confirmation in life lived towards one another. The modern zeal for collectivity is a flight from community's testing and consecration of the person, a flight from the vital dialogic, demanding the staking of the self, which is in the heart of the world (Buber, 1965, pp. 31-32; Herberg, pp. 185-186).

Buber's understanding of collective describes equally well McGregor's Theory X, Likert's System I, Argyris' mechanistic organization, Rice and Bishoprick's authoritarian organization, and any other organization in which "output" is the only consideration for determining effectiveness. On the other hand, Buber's understanding of community offers the management theorist a description of the organization in which the relations are ideal, an organization in which human worth is the primary value. Buber's understanding of community is a description of that toward which McGregor's theory of integration and self-control, Likert's System IV, Rice and Bishoprick's egalitarian organization, and Argyris' organic organization are aiming. All these attempts at describing the organization which is a community are well described by Alfred N. Whitehead in one concise and meaningful sentence, when he describes the culmination of the creative process as a reality "in which the many are one . . . without the qualification of any loss either of individual identity or of completeness of unity" (Whitehead, p. 532). This, of course, would be an ideal organization; but the idea itself gives the theorist something by which to evaluate organizations, and it also gives the manager some indication of that toward which he can strive.

Paul Tillich's Rational Theory

Paul Tillich develops a systematic relational schema quite similar to that of Martin Buber. Although Tillich develops this schema relative to a Christian understanding of existence and specifically relative to his Christological understanding, it nevertheless lends itself to applicability as a non-religious or secular understanding of existential relationships.

In the second volume of his Systematic Theology, Tillich delineates his relational theory for the specific reason of explaining why Jesus came to be accepted as the Messiah and was designated as "the Christ." Tillich then applies the categories to Christian existence. Although I am not questioning that Tillich's approach is legitimate within the Christian milieu, I am, for the purposes of this study, demythologizing Tillich's theory and presenting it as a general relational theory. My thesis is, then, that Tillich's Christological theory can be secularized and used legitimately as a non-religious relational theory. Therefore, I will not consider Tillich's complex and systematic Christological analysis. Rather, I refer to it as a basis for a non-religious relational theory. My emphasis is that Tillich's relational theory is valid whether or not one approaches it from a Christian viewpoint. Its applicability does not presuppose a Christian orientation, no more than does Buber's theory presuppose a Jewish worldview.

Just as Buber views the relational possibilities of man as two-fold, so also does Tillich. Tillich describes the basic relational possibilities under the categories of "Estrangement" and "Reconciliation." When man acts in relation to others, his actions constitute either relations of estrangement or relations of reconciliation or unity. Man tends to act from self-centeredness, which isolates him from other men and estranges him from others since he is wrapped up in himself rather than reaching out to the other.

Tillich's Christological explanation is that the man Jesus comes to be accepted as the Christ because he always acts from a reconciling or unifying dynamic rather than an estranging dynamic. Jesus was a man who came to be viewed as "the Christ" or "the Messiah" because of the way he related both to God and to his fellowman (Tillich, Vol. II, 1957, pp. 98-117).

In Tillich's understanding, relations of estrangement in which the actions lead to the separating of persons from one another are characterized by the dynamics of "unbelief," "hubris," and "concupiscence" or lust (Tillich, Vol. II, 1957, pp. 47-51). The relation of reconciliation is characterized by the polar opposites of these, namely, "faith," or "trust," "surrender," and "agape," respectively. The former ways of relating engendered reunion, reconciliation or "atonement." The following illustration provides an outline to Tillich's relational theory (Figure 19), the Appendix present a comparison of Buber's and Tillich's relational theories.

RELATIONAL POSSIBILITIES

Estrangement (Separation)	Reconciliation (At-onement)
Unbelief	Trust/Faith
"Hubris"	Surrender (of aggressiveness)
Lust	"Agape"

Figure 19. Tillich's Relation of Estrangement and Relation of Reconciliation.

It is worthwhile to note that while Tillich's relational theory deals with the possibilities of human relations, his category of "Estrangement" is comparable to Buber's "I-It" relations among people while his category of "Reconciliation" is analogous with Buber's "I-Thou" relations.

What did Tillich mean by these concepts? In answering this question, I will not apply the concepts to man's relation to God, as Tillich did. Rather, I will indicate what Tillich meant by these, and apply them to human interpersonal relations, an application which Tillich does not specifically make--except in reference to Jesus--since his interest is primarily theological. Their significance lies in the fact that, as I have said, they can be applied existentially to human relations.

The first concept which Tillich considers under the category of Estrangement is estrangement as "unbelief." Tillich defines unbelief when he says: "'Unbelief' for Protestant Christianity means the act or state in which man in the totality of his being turns away from God (Tillich, Vol. II, 1957, p. 47). If this is applied to interpersonal relations, the act of unbelief would be that of a person "in the totality of his being" turning away from another person. Unbelief toward another person means that the person, so acting, has no faith in the other's possibilities. He is closed to the potential in the other. Instead of trust, he demands proof. Instead of acceptance, he is aloof, requires evidence or collateral, and is legalistic. This is not a cause-effect relationship. That is to say, unbelief is not something which the person does which subsequently causes estrangement. Rather, unbelief is itself symptomatic of the estranged relationship. This attitude indicates that estrangement is already present. The dynamic of unbelief separates persons from one another and reveals their estranged condition, i.e., they are as strangers to one another (Tillich, Vol. II, 1957, pp. 47-49).

The polar opposite of the dynamic of unbelief is that of faith or trust. The relation of trust opens the person to the other's possibilities, does not demand proof or evidence, is not legalistic or contractual. It assumes the risk of acceptance. Such a relational dynamic, by its very action, gives birth to unified, "at-one" relations.

The second concept under the category of estrangement is "hubris." Coming from the Greek, "hubris" has no exact English equivalent. Theologically, "hubris" refers to the self-elevation of man into the sphere of the divine. Tillich describes "hubris" when he says:

> If a man does not acknowledge . . . the fact that he is excluded from the infinity of the gods--he falls into <u>hubris</u>. . . . <u>Hubris</u> is not one form of sin beside others.

> It is sin in its total form, namely, the other side of unbelief or man's turning away from the divine center to which he belongs. It is turning toward one's self as the center of one's self and one's world. This turning toward one's self is not an act done by a special part of man, such as his spirit. Man's whole life, including his sensual life, is spiritual. And it is in the totality of his personal being that man makes himself the center of his world. This is hubris. . . (Tillich, Vol. II, pp. 50-51).

Transferring Tillich's understanding to the secular plain, one may describe "hubris" as the tendency on the part of man to elevate himself not merely as the center of himself but as the center of whole world. As such, he views everyone and everything from his own standpoint and expects everyone else to see everything from his standpoint. The estrangement producing dynamic of this stance is self-evident. It sets the person up as the absolute, solitary center. It is an act of self-elevation which separates the person from everyone else, for it sets him above everyone else. Man's setting himself up as the only center precludes there being other centers with whom he can relate. This destroys the very possibility of mutual relation.

The dynamic which overcomes "hubris" is man's surrender of his aggressiveness, his denial of attempts to be the center of the whole universe. To clarify this stance, one should differentiate between agressive and assertive behavior. Aggression may be viewed as activity in which one attempts to affirm himself by infringement upon or denial of the self of the other. Assertive behavior, on the other hand, would be self-affirmative action which did not infringe upon the other. Aggressive behavior would be destructive of the other; assertive behavior would not. The former would constitute "hubris," while the latter would be creative for the person so acting. To overcome "hubris," therefore, the person surrenders his aggressive will to be the center and in so doing overcomes his isolation and opens himself up to interpersonal relations of mutuality with the other.

The third and final concept descriptive of the dynamic of estrangement is that of "concupiscence" or lust. "Concupiscence" is man's attempt to possess, control, and own everything which comes under his province. Tillich describes this tendency in man when he affirms:

> The possibility of reaching unlimited abundance is the temptation of man who is a self and has a world. The classical name for this desire is concupiscentia "concupiscence"--the unlimited desire to draw the whole of reality into one's self. It refers to all aspects of man's relation to himself and his world. It refers to physical hunger as well as to sex, to knowledge as well as to power, to material wealth as well as to spiritual values (Tillich, Vol. II, 1975, p. 52).

Again, as in the case of "hubris" the estranging dynamic is self-evident. The person whose central concern is to control, use, own, or have power over the other, by this very concern estranges himself from the other. He treats the other as an It, to be used, manipulated and controlled.

The dynamic which overcomes "concupiscence" is "agape." "Agape" is one of the Greek words for "love." It refers to self-giving love. "Agape" is concern for the other person's welfare "no matter what." It is a love that wants no harm to befall the other and functions to prevent harm's occurrence. This understanding has significant implications for management theory because it transforms the entire meaning of "power." Power is often viewed from the standpoint of "concupiscence," complete self-centeredness, or lust, the power to control, possess and use. But within the framework of "agape," power is seen not as the power to control and use but as the power to give and to help. He is powerful who can give. For example, the "agapic" manager's power would be exemplified by his having the knowledge to give appropriate leadership, to lead and facilitate people's development toward their own fulfillment, and to give of his expertise for greater organizational and participant development.

Earlier it was pointed out that Buber's contribution to administrative-management theory is twofold. First, his relational theory is helpful in understanding interpersonal relations. Second, his "organizational" theory (i.e., his understanding of collectivity and community) contributes to an understanding of the differences between organizations that are mechanistic, Theory X, or autocratic and organizations that are organic, Theory Y, humanistic, and egalitarian. Likewise, Tillich's contribution is twofold. Not only does his Christological thought when demythologized enhance our understanding of individuals in relationship, but his ontology contributes to our understanding both of individuals in relation and groups or organizations in relation. His description of the ontological polarities provides the ontological grounding for the integration of the individual and the organization which is advocated by Likert's System IV, the mix model, fusion model or organic model or Argyris and Bakke, the egalitarian models of Rice and Bishoprick, the participation model of Tannenbaum and Schmidt, McGregor's integration and and self-control model, and Hersey and Blanchard's Situational Leadership Theory.

The second area of contribution by Tillich is in the area of ontology. "Ontology" literally means "reasoning about being." Ontology is the attempt to describe the very conditions necessary for there to be any being whatsoever. Ontology attempts to describe the characteristics of being which are the conditions for existence. In other words, ontology deals with the question of what must be presupposed as necessary for there to be anything at all. Ontological concepts, therefore, are *a priori*; they are *a priori* in that they are present in every actual experience. They are not *a priori* in the sense of being known prior to experience; they are *a priori* in that they are the conditions of experience.

Although Tillich does not use the Buberian terminology, he nevertheless asserts that the initial ontological assertion must be the affirmation that reality is dyadic, i.e., that reality is relational. Tillich indicates that the basic ontological structure is the subject-object structure. This, in turn, entails a self-world structure. The basic reality is relational, and this is revealed in the self-world structure. By "self" Tillich means a centered structure, a Gestalt. A self for him "is not a thing that may or may not exist; it is an original phenomenon which logically precedes all questions of existence" (Tillich, Vol. I, 1951, p. 166).

Being a self entails several meanings. It means being separated in some way from everything else. It means having everything else opposite one's self, yet being able to look at it and to act upon it.

In Buber's words, being a self entails both distance and relation. Being a self entails both a distance from and a relation to other entities. The self, though separate, is at the same time related. The self has an environment. Each being both has an environment and belongs to its environment. Man, who "'possesses' himself in the form of self-consciousness" has a world although he is in the world at the same time (Tillich, Vol. I, 1951, p. 170). Yet, man is never bound completely to an environment. As long as he is human he is able to transcend his environment by grasping and shaping it according to universal norms and ideals. The basic expression of man's ability to transcend his environment is his language. Man is both self-conscious and world-conscious. He is both in the world and has a world. This interdependence of ego-self and world is the basic ontological structure and the presupposition of all others (Tillich, Vol. I, 1951, p. 171). This, of course, is the same thing which Buber is saying when he asserts that "In the beginning is relation" (Buber, 1958, p. 18).

From the basic ontological structure of the self-world relation are exhibited the elements which constitute that structure. These ontological elements exhibit a polar character, with each pole being meaningful only in sofaras it refers by implication to the opposite pole. In other words, the ontological elements are experienced in polar tension; both are to be affirmed continuously; and each finds its limitation and its meaning in relation to the other. Neither can be understood alone. These polar elements are: individualization and participation, dynamics and form, freedom and destiny. By understanding these polar elements we can more readily understand the relationship between the individual and the organization which is such a great concern in management theory, for these polar elements describe the conditions which are presupposed by such a relation.

Consider first the ontological elements of individualization and participation. Individualization is a quality of everything. Without individualization nothing could exist. Self is defined as a structured center, and everything that is has such a center. Individualization, therefore, is an ontological element. Individualization implies participation. Without participation the category of relation would have no basis in reality. The individual self participates in its environment. Man participates in the universe through the rational structure of his mind.

Both individualization and participation reach their highest form in what we call "person." As Tillich explains:

> When individualization reaches the perfect form which we call a "person," participation reaches the perfect form which we call "communion." Man participates in all levels of life, but he participates fully only in that level of life which he is himself--he has communion only with persons. Communion is participation in another completely centered and completely individual self. In this sense communion is not something an individual might or might not have. Participation is essential for the individual, not accidental. No individual exists without participation, and no personal being exists without communal being (Tillich, Vol. I, 1951, p. 176).

This emphasis that the height of both individualization and participation is achieved in the intense affirmation of both of them points to Tillich's continuous assertion of the necessity of maintaining both poles of the di-polar ontological elements; for to emphasize one pole in attempting to clarify its meaning results in a de-emphasis of the other pole, so that instead of clarifying reality, one distorts it. A balanced emphasis on both individualization and participation maintains the distinctiveness of individuality while allowing for the necessity of the individual-in-participation.

The second pair of ontological elements is that of dynamics and form. "Being something" means having a form. Without form there is no individual being. Tillich cautions that form should not be contrasted with content; for the "form which makes a thing what it is, is its content, its _essentia_, its definite power of being" (Tillich, Vol. I, 1951, p. 178). For example, the form of a tree is both that which makes it a tree, that which gives it the general character of treehood, as well as that which gives it the special and unique form of an individual tree.

Form, however, is not a static or dormant concept. Every form forms something. This "something" which every form forms points to the other element in the polarity of dynamics and form. The "something" which form forms, Tillich calls "dynamics." Dynamics cannot be thought of as something that is or as something that is not. It is the _me on_,* the potentiality of being. The _me on_, dynamics, is nonbeing in contrast to things that have form, and it is the power of being in contrast to pure nonbeing. It is to be considered as "that which does not yet have being" (Tillich, Vol. I, 1951, p. 179).

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*The early Greek philosophers, employing the precision and versatility of their language, had two words for "non-being." One of these, _me on_, referred to relative nonbeing, or that which is not yet but can become, the potential. The other word was _ouk on_, or absolute nonbeing, that which is not nor can ever be, for example, something which is logically contradictory would be classified as "ouk ontic."

The polarity of dynamics and form evidences itself in man's immediate experience as the polar structure of vitality and intentionality. Vitality refers to that which keeps a living being alive and growing. Intentionality, the dynamic element in man, is open in all directions. It is bound by no a priori realm, and through it man is able to create a world beyond the given world. Tillich stresses that in this sense "intention" does not mean the will to act for a purpose. Rather, it means "being related to meaningful structures, living in universals, grasping and shaping reality" (Tillich, Vol. I, 1951, p. 180). It means "living in tension with (and toward) something objectively valid" (Tillich, Vol. I, 1951, p. 180). Man's dynamics is his creative vitality. It is not undirected, chaotic, self-contained activity; but rather it is directed, formed, and transcends itself toward meaningfulcontents (Tillich, Vol. I, 1951, p. 181). There is no vitality per se and no intentionality per se; for they, like the other polar elements, are interdependent.

In the interdependence of dynamics and form is revealed the relationship of becoming and being. While the dynamic character of being points to the tendency of everything to transcend itself and create new forms, everything likewise has a tendency to conserve its own form as the basis of its self-transcendence. Hence, just as it is necessary to speak of both dynamics and form, omitting neither of these polar elements, it is also necessary to speak of becoming and being as interdependent (Tillich, Vol. I, 1951, p. 181).

The third pair of ontological elements consists of freedom and destiny. In discussing these elements, Tillich says: "Freedom in polarity with destiny is the structural element which mades existence possible because it transcends the essential necessity of being without destroying it" (Tillich, Vol. I, 1951, p. 182). This immediately offers insight into the balance which Tillich wishes to maintain with reference to these ontological elements. Freedom is not to be seen in contrast with necessity. If freedom is seen as set over gainst necessity, then necessity is seen as mechanistic determinancy; while freedom is viewed as indeterministic contingency (Tillich, Vol. I, 1951, p. 182). In terms of his freedom, man does not experience such an either-or of chance and necessity.

Tillich rejects as invalid the traditional discussion between determinism and indeterminism, for in such discussions both parties assume that there is such a "thing" as "will" which may or may not have freedom. In rejecting this discussion, Tillich first notes that the "'freedom' of a 'thing' is a contradiction in terms" (Tillich, Vol. I, 1951, p. 184). One should not speak merely of the freedom of the will, but of the freedom of man, thus indicating that every part and function of man participates in his freedom.

Man experiences freedom as deliberation, decision, and responsibility (Tillich, Vol. I, 1951, p. 184). Deliberation, coming from the Latin _librare_, points to man's ability to weight arguments and motives, the self-centered person reacts as a whole. This reaction is man's "decision." "Decision" involves the image of cutting. A decision cuts off possibilities. That such real possibilities are available is to be noted in that were this not the case then no decision would be necessary (Tillich, Vol. I, 1951, p. 184). Freedom entails responsibility.

"Responsibility" points to the obligation of the person to account for his decision. He must answer for himself. He cannot ask someone else to answer for him.

The correlate of freedom is destiny. Destiny is that given, that matrix, out of which our decisions arise. Destiny is not a strange power which determines what the person shall be. Destiny is the person as given and formed by nature, history, and himself (Tillich, Vol. I, 1951, p. 184-185). It does not point to the opposite of freedom but to its conditions and limits. Freedom and destiny constitute an ontological polarity in which everything which participates in being must participate. But only man, who has a complete self and world, is free in the sense of deliberation, decision, and responsibility (Tillich, Vol. I, 1951, p. 185). One can speak of freedom and destiny with respect to subhuman nature only by way of analogy. Freedom may be spoken of with regard to the inorganic inthat the inorganic Gestalten react from the centered and self-related whole of their being; they react according to their individual structure. Such reaction or spontaneity is interdependent with law which determines spontaneous actions (Tillich, Vol. I, 1951, p. 186). Hence, Tillich concludes that the polarity of freedom and destiny is valid for everything that is (Tillich, Vol. I, 1951, p. 186).

The dimension of Tillich's thought is complex and highly abstract, yet it serves the purpose of bringing to the surface the underlying prerequisites for any reality whatsoever or any relationship whatsoever. Knowing that these polar relations--freedom and destiny, dynamics and form, individualization and participation--are the ontological foundations of relation and organizational reality can offer valuable insights into organizational and relational understanding. Of the theorists examined in this study, only Argyris really attempted a thorough analysis of the factors which were presupposed by the very idea of organization. His attempt to describe the essential properties of organizations is analogous to the way in which Tillich's ontological elements can serve as resources for understanding organizational structure. Both writers describe the necessary constitutive elements which always are operative in any organization, elements which are the sine qua non of organizations.

Tillich's ontological elements tell the manager and the non-manager that there will be freedom, dynamics, and individualization within the organization. There will also be destiny, form, and participation as operative elements. In addition, these elements will be operative--not merely within the organization as a whole but also within each individual within the organization. Argyris, Likert, Hersey and Blanchard, and others have made us aware of the organization's producing certain unintended results. A knowledge of the ontological elements constitutive of organizations will help the manager to attempt--consciously and with forethought and planning--to consider the presence of these ontological dynamics, and try to design the organization in such a way that the possibility of balanced instantiations of them will be enhanced. Otherwise, since they will be present, they will surface in unintended, non-productive or even destructive ways. For example, consider freedom in relation to the nonmanagers. If the organization does not allow for the nonmanagers to experience freedom within the structure, freedom could surface uncontrolled in the form of license;

and dynamics could become destructive revolution. Moreover, a denial of proper freedom--an organization too highly structured--will mitigate or even destroy the creative forces necessary for organizational growth and development. From the standpoint of the managers, participation could become collectivism, and destiny could become distorted into autocratic determinism.

Summary and Implications

In summary, in the foregoing, I have maintained that Buber's and Tillich's relational theories are complementary and--what is more--that they can be applied meaningfully and fruitfully to a better understanding of organizational theory and management of organizational behavior. Moreover, Buber's understanding of the differentiation between collective and community is significantly applicable for a deeper understanding of the differences between mechanistic, autocratic organizations and organic, egalitarian, humanistic organizations. Finally, I indicated that Tillich's ontological analysis, in which he described the basic ontological elements constitutive of all relations and organizational constructs, could be helpful for understanding the dynamics which are necessarily active in any relationship or organization whatsoever. Tillich's view is especially helpful as an accompaniment of Argyris' delineation of those factors essential to any organization.

Another observation has been implicit in this entire analysis, but its being made explicit can well serve as a conclusion--both in terms of an ending and in terms of a culmination--of this study. Realizing that the basic structure of reality is relational gives us an important--but often ignored--insight into the management of organizations. Just as all reality is relational, just as there is no isolated "I," or no isolated "Thou," so also there is no such thing as an isolated "manager." Just as "I" is a relational term, so also is "manager." There are no managers without nonmanagers, no leaders without followers; and each of the di-polar elements must be maintained, for they can help or hinder, support or negate each other's efforts. To Buber's two primary words--"I-It" and "I-Thou"--should be added, for the purpose of management theory, one other primary word, namely, "Manager-Nonmanager." Organizations cannot even exist without the interrelationship of these elements in some form; even less so could organizations function effectively. Whatever mitigates this interdependent interrelationship undermines the effectiveness of the organization. Whatever contributes to the fulfillment of these constitutive elements contributes to organizational and individual growth.

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APPENDIX

BUBER'S AND TILLICH'S RELATIONAL THEORIES COMPARED

For the purposes of summary and clarification, Buber and Tillich views could be schematized as follows:

Relations of Estrangement (I-It) (Separation)	Relations of Reconciliation (I-Thou) (At-oneness)
Tillich:	**Tillich:**
unbelief	faith/trust
"hubris"	surrender of aggressiveness
"concupiscence"	"agape"
Buber:	**Buber:**
use	not subject to use
at disposal	not at our disposal
discard	cannot discard
no mutuality	mutual relations
no reciprocity	reciprocal relations
doesn't respond	responsive
doesn't stand over against	limits/stand over against
manipulative	not manipulative
closed	open
static	dynamic
"dead"	"living"
predictable	unpredictable
repetitive	novel
limited	unlimited/no bounds
"finished"	lasting/continuous
know about	know

VITA

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