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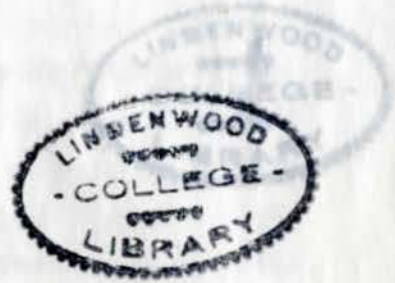
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MANAGEMENT THEORY AND PRACTICE IN HEALTH CARE SETTING



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A *Digest Presented to the Faculty of the Graduate School
of the Lindenwood Colleges in Partial Fulfillment of
the Requirements for the Degree of
Master of Science

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INTRODUCTION

In order to utilize people effectively in an organized effort, man has for centuries dealt with issues such as: 1) how to organize work and allocate it; 2) how to recruit, train, and manage workers; 3) how to create working conditions and reward/punishment systems which will enable workers to maintain effectiveness and morale; 4) how to adjust their organization to a changing environment and technology; and 5) how to deal with competition or harassment from other organizations or groups within their own organization.¹ These issues became increasingly important with the industrial revolution and the development of large scale manufacturing enterprises. However, in recent times there has not only been an unprecedented growth in industrial organizations, but in other institutions (government, education, health care) as well. Regardless of the nature of the enterprise, however, organizations in general can be considered as a rational coordination of activities in order to achieve a common goal, through a division of labor and a hierarchy of authority.²

Although industrial, governmental, and social institutions have existed in various forms, on smaller or larger scales, throughout history, it was not until the end of the 19th century that attempts were made to codify organization and management knowledge. Early management models which emphasized task management, efficiency, and structural relationships were followed by models that incorporated the systems approach and the social and psychological needs of workers. Despite these more recent theories on human relations, open systems, alternate leadership styles, and motivation, early management theory with its closed systems approach and mechanistic view of man may still have significant and often negative impact on management style. In few other settings would this impact have more serious repercussions than in health care settings where not only the human needs of workers are important but the social and psychological needs of those receiving services are crucial as well.

have a sense of responsibility in the 1

orientations are people are reflected in the following table.

The overall purpose of this project, then, is to: 1) review management theory and its implications for management models, leadership styles, and motivation of employees; 2) explore by research current management attitudes and methods utilized in health care settings in regard to management orientations and models, leadership styles, and motivation of workers; and 3) to analyze the findings and their implications for management and employees in diverse and highly professional and technical health care systems.

More specifically, the first section of the paper will review traditional theories of organization and management, including the scientific, bureaucratic and administrative management theories, as well as the modern theories of organization, the human relations and open systems approaches. It will be demonstrated that traditional, production-centered, closed systems approaches are reflected in Theory X assumptions about workers, which suggest that employees must be directed and controlled, and that they lack ambition, ingenuity, and the desire to assume responsibility. On the other hand, the modern, employee-centered, open systems approaches are reflected in Theory Y assumptions of workers, which suggest that under the right conditions employees can find work a source of satisfaction and that they can demonstrate a relatively high degree of ambition, independence, responsibility, and creativity in their jobs.

After reviewing theories of management and their assumptions about workers, we will then go on to explore management models and leadership styles within organizations. Traditional management models, i.e. the autocratic and custodial models, suggest that employees must be persuaded to perform on the basis of power and threat or be cajoled to perform with a reward of job security. Modern management models, the supportive and collegial models, on the other hand, suggest that employees will participate and assume responsibility if they receive support and have a sense of teamwork in their work situations. Management orientations and models are reflected in leadership styles.

Several approaches to leadership are reviewed in the paper and are delineated between the traditional approaches such as the exploitive and benevolent autocratic leadership styles, and modern approaches such as the participative and democratic leadership styles.

Finally, in the literature review, the process of motivation is examined. The content theories of motivation consider the hierarchy of worker needs, while the more recent process models consider the relationship between effort, satisfaction, performance, and reward in the motivational process. While the process theories are not yet able to be translated into use by management, they provide insight into the complex process of motivation and hold promise for future utilization by managers.

The second section of the paper focuses on the research methodology and findings. The research is designed to determine if health care managers utilize traditional or modern approaches to organizational management, leadership, and motivation.

MANAGEMENT THEORY AND PRACTICE IN HEALTH CARE SETTING

PAGE 2 - Masoud Mehranfar, A.S., B.S. OF COMPLETION

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CLASSICAL THEORY—SUMMARY: ELEMENTS AND FUNCTIONS

In the late 1900's a set of concepts about organizations, now known as classical theory, began to be extensively developed. The impact of classical theory of organizations has been profound. Its effect is seen in virtually all complex organizations. Indeed, classical concepts of organizations account in large measure for the existence of complex organizations; in many ways it made them and thus modern civilization possible.

Classical theory developed in three streams: bureaucracy, administrative theory, and scientific management. These three streams were founded on similar assumptions. The practical effects of all three are essentially the same. They were developed at about the same time (since 1900 - 1950).

Bureaucracy was developed by the most part by sociologists who took a relatively scholarly, detached, descriptive point of view. Administrative theory and scientific management, on the other hand, were developed by people whose primary interest was in directly improving practice.

PART 1 - SECTION A: BASIC CONCEPTS IN ORGANIZATION/ MANAGEMENT THEORIES

The term bureaucracy as developed by Weber refers to certain characteristics of organizational design; he viewed bureaucracy as the most efficient form that could be used most effectively for complex organization, e.g. business and government. Within his model, Weber suggests that the pattern of authority and influence resulting in any given situation depends in part on the basis of consent. The three major bases of consent are: traditional, rational-legal authority, and charisma. The view of rational-legal authority is central to Weber's concept of bureaucracy. According to his theory, power or authority should be assigned on the basis of rational criteria and in terms of procedures established in formal laws, contracts and informal codes. Rational criteria imply that in order to be given a position of authority, a person should have demonstrated the ability and motivation to fulfill the requirements of the position.

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In the organizational sphere, these principles are expressed in the idea of promotion based on merit and in the notion that authority ultimately derives from a person's ability to do something better than those under his.⁵ Weber's bureaucratic model has served as a departure point for many social scientists. Recently, Hall, a sociologist, suggested that the degree of bureaucratization can be determined by measuring the following dimensions: 1) a division of labor based upon functional specialization; 2) a well defined hierarchy of authority; 3) a system of rules governing the rights and duties of positional incumbents; 4) a system of procedures for dealing with work situations; 5) impersonality of inter-personal relationships; and 6) promotion and selection for employment based upon technical competence.

The elements of bureaucracy are vital parts of modern business, governmental, educational, and other complex organizations. A number of the more important of these elements or characteristics are described below. An effect of these elements is to structure an organization. These elements describe the perfect or ideal bureaucracy; in practice organizations often only partially meet these criteria.

In a bureaucracy, the broader objectives of the organization are divided into subobjectives. Tasks or work activities to accomplish these objectives are broken down, typically by specialization, to the smallest possible unit. Activities are combined, again with heavy emphasis on specialization, and assigned to specific positions. Power and authority are delegated downward, beginning at the top, from each supervisor to his subordinates.

Each position covers an area for which it has complete jurisdiction. There is clear-cut division of work, competence, authority, responsibility, and other job components. Basic or lowest-level positions are grouped together and assigned to a higher office. In turn, each supervisory office is under the control of a higher one. Each official is accountable to his superior for his and his subordinates' job-related actions and decisions.

All are accountable to the highest official at the top of the pyramidal hierarchy. Thus the entire operation is organized into an unbroken, ordered, and clearly defined hierarchy. Each position is responsible for the activities that it can best perform or supervise. Each position's jurisdiction is totally defined and mutually exclusive. That is, it does not share jurisdiction with any other position. Though this procedure bureaucracy creates the basic classical hierarchy or structure of an organization. In a bureaucracy authority and power rest in the institution or office. An individual holds an office, and the power does not personally belong to him, it is a part of the office. Because the office holder has been selected on his technical ability, he wields his influence because of expertise. The highest official is an exception; he may hold power through election, appropriation, or succession.

Bureaucracy makes it possible to achieve the large increases in productivity that can come from specialization. In modern society one can be expert in only a few lines of work. Bureaucracy permits him to specialize in those areas where he is expert. The economic system and other aspects of society make available to him the work output of millions of other similarly specialized persons.

Bureaucracy is a means of coping with complexity, which it converts into relative simplicity with each position. The person filling each position is competent to handle the details of that position. Bureaucracy permits specialization at the fundamental worker level and at the manager level as well, where it is equally necessary. As Simon wrote, "Concentration on a limited range of values is almost essential if the administrator is to be held accountable for his decisions."⁶

ADMINISTRATIVE MANAGEMENT THEORY:

Henri Fayol, considered the father of management theory, defined administration in terms of five primary elements: planning,

organization, command, coordination, and control. From this framework, he went on to develop fourteen principles to be used as guidelines for managers: 1) division of work - the principle of specialization of labor in order to concentrate activities for more efficiency; 2) authority and responsibility - authority is the right to give an order and the power to enact obedience; 3) discipline - discipline is essential for the smooth running of business, and without discipline no enterprise could prosper; 4) unity of command - an employee should receive orders from one superior only; 5) unity of direction - one head and one plan for a group of activities having the same objectives; 6) subordination of individual interest to general interests - the interest of one employee or a group should not prevail over that of the organization; 7) remuneration of personnel - compensation should be fair and as far as possible afford satisfaction both to personnel and to the firm; 8) Centralization - centralization is essential to the organization and is a natural consequence of organizing; 9) scalar chain - this is the chain of superiors ranging from the ultimate authority to the lowest rank; 10) order - the organization should provide an orderly place for every individual; 11) equity - equity and a sense of justice should pervade the organization; 12) stability of tenure and personnel - time is needed for the employee to adapt to his work and to perform it effectively; 13) initiative - at all levels of the organizational ladder, zeal and energy should be augmented by initiative; and 14) esprit de corps - this principle emphasized the need for teamwork and the maintenance of interpersonal relationships.⁷

Utilizing the principles of Fayol and other theorists such as Gulick and Urwick, further refinements in administrative management theory were made by Mooney and Reiley. They delineated four major management principles: 1) The coordinative principle, which provided for a unity of action in the pursuit of a common goal; 2) The scalar principle, which stressed the hierarchical organizational form and authority; 3) The functional

principle, which organized tasks into departmental units; and 4) The staff principle, which recognized the role of line management in exercising authority but providing the staff with opportunities to give advice and information. These concepts were related to the development of a pyramidal organizational structure with a clear delineation of authority, specialization of work tasks, coordination of activities, and the utilization of staff specialists. In addition, application of these concepts led to the development of formal organization charts, organizational manuals, and position descriptions⁸ (21, quoted in 13, pg. 60).

Finally, another important contributor to this school of thought was Mary Parker Follett. In many ways her ideas can be viewed as a link between the classical administrative management theorists and the behavioral scientists because she emphasized the psychological and sociological aspects of management. She viewed management as a social process and the organization as a social system. Her concepts regarding the acceptance of authority, the importance of lateral coordination, the necessity for change in a dynamic administrative process, and the integration of organizational participants differed substantially from those of other administrative management theorists⁹ (20, quoted in 13, pg. 60).

The administrative management approach, then focuses on structural relationships among production, personnel, supply, and other service units of the organization. It employs economic efficiency as the ultimate criterion. Efficiency is maximized by specializing tasks and grouping them into departments, fixing responsibility according to such principles as span of control or delegation and controlling action to plans. Administrative management theory achieves closure by assuming that ultimately a master plan is known, against which specialization, departmentalization, and control are determined.

Relationship of administrative theory to bureaucracy: *scientific, technological, and lack of specialization.*

Administrative theory and bureaucracy are closely related. In some respects they are identical.

Both are largely deductive and view the organization normatively, as an abstract entity - a mental construct. Both advocate formal organizations that take advantage of specialization, a fundamental feature of formal organizations.

The two streams of thought were developed apparently almost totally independently. Bureaucracy was developed by sociologists who took a comparatively detached, scholarly view. They described bureaucracy as a normative model of organizations. Generally, bureaucratic theorists stopped short of specific prescriptions of how to implement this normative model.

In contrast, administrative theorists usually were practical men of action; often they were practicing managers. Their major orientation was to prescribe principles and other concepts for achieving formal organizations. Bureaucratic theorists said what an organization ought to be; administrative theorists told how to accomplish it.¹⁰ This statement no doubt is an oversimplification, but it seems to summarize a principal difference between the two groups.

There is a second difference in emphasis between bureaucratic and administrative theorists. In bureaucracy the focus is on the organization, while administrative theorists emphasize management, a component of the organization. This distinction is not total, but it is significant, if sometimes subtle.

Negative views of administrative theory: *has been criticized as merely a set of principles or techniques - the bag of tricks.*

The general criticism of administrative theory is that it has not been verified under controlled, repeatable scientific conditions. Critics maintain that empirical evidence developed in the classical tradition of the scientific method is inadequate to support most elements of administrative theory. They have

suggested that administrative theory is full of "inconsistencies, tautologies, and lack of sophistication."¹¹

Positive views of administrative theory:

Despite the apparently devastating criticisms above of administrative theory, it remains important. Why? The answer in brief is: because it works. Administrative theory is a way to achieve bureaucracy. Thus, if bureaucracy is desired, then administrative theory will also likely be valued.

CLASSICAL THEORY - SCIENTIFIC MANAGEMENT:

The third major component of classical theory is scientific management. Scientific management, which was developed beginning around 1900, has been widely used. It probably has been an important factor in the creation of the high standard of living in the United States and some other highly industrial societies. Many contributions of the scientific management movement are significant components of widely accepted professional modern management practice.

The meanings of scientific management are found in the literature, first, scientific management has been thought of broadly as the application of the scientific method of study, analysis, and problem solving to organizational problems. This objective is clearly in the classical scientific methodology tradition. Much of the scientific management movement qualifies as scientific in this meaning.

A second view of scientific management has been that it is merely a set of mechanisms or techniques - "a bag of tricks" - for improving organizational efficiency. Although scientific management certainly generated a plethora of valuable managerial techniques, this view seems too narrow. Regrettably, some have emphasized merely the techniques out of content of broader scientific management philosophy, inviting sometimes unfair criticism

of the entire movement. Scientific management has numerous deficiencies, but these should not obscure its many positive contributions.

Scientific management focuses its unit of analysis on the physical activities of work, whereas bureaucracy and administrative theory emphasize the structure and processes of the human organization. Thus, compared with one another, scientific management is micro theory, while bureaucracy and administrative theory are macro.¹² Scientific management (for example, motion and time study) deals mainly with the relationship of a worker to his work. There is emphasis on man - machine relationships with the objective of improving performance of routine, repetitive production tasks. The other two sets of theories focus upon organizational structure, relationships, and processes at man - to - man and higher levels. For example, administrative theory emphasizes principles and functions of management. Thus scientific management can be thought of as bottom - up theory; the other two, in a comparative sense, are top - down theories.

Scientific management advocates an inductive, empirical, detailed study of each job to determine how it could be done most efficiently. Bureaucracy and administrative theory are less empirical; they are more axiomatic or deductive with prescriptive models not necessarily based on particular empirical studies. The prescriptions of bureaucracy and administrative theory are distilled from experience or general observations of many situations. In contrast, the prescriptions of scientific management are derived from specific studies in each case.¹³

An assumption of scientific management is that improved practice will come from the application of the scientific method of analysis to organizational problems. Urwick wrote that scientific management is the "substitution of inductive thinking, thinking based on facts, for the old deductive thinking, thinking based on theories or opinions, in all matters concerning the organization of human groups."¹⁴

Thus, advocates hold that scientific management develops

solutions superior to those of other approaches. In large measure, the validity of scientific management rests upon the validity of scientific methodology.

A second set of assumptions of scientific management concerns the relation of a worker to his work. There is a primary focus on work itself and not on the particular person doing the work. The good worker is viewed as one who accepts orders, but does not initiate actions. The worker is told how to do his job based upon scientific analysis of the job. The focus is at this basic work-worker level, typically in a production shop. Scientific management does not emphasize the integration and coordination of higher levels of the organization as do bureaucracy and administrative management.

Third, scientific management assumes rationality in the classical sense. Each worker is assumed to be the classical "economic man", interested in maximizing his monetary income. The organization is seen as a rational instrument of production. The complicated motivational, emotional, and social actions and reactions of persons in organizations are not emphasized.

NEOCLASSICAL THEORY--HUMAN RELATIONS APPROACH TO MANAGEMENT

Around 1920, some business leaders and social scientists began to appreciate the problems and consequences of scientific management, with broader recognition of the human relations aspects of organization being gained after the Hawthorne studies were published. While studying the effect of different amounts of illumination, ventilation and rest periods upon the production of industrial workers at the Western Electric plant in Hawthorne, the researchers discovered that moral and motivation factors were so important that they completely obscured the effects of the factors being studied.¹⁵

In continuing their research, the "human relations" findings of Mayo and his associates, Roethlisberger and Dickson, documented that the behavior of workers cannot be understood apart from their

feelings and sentiments and that social structure is an intricate web of human relations bound together by a system of sentiment. The studies showed conclusively that workers were responding to scientific management methods by restricting production to levels that workers felt were appropriate; that workers had developed an informal organization which differed from the formal organization; and that when the hostilities, resentment, suspicions, and fears of workers were replaced by favorable attitudes, a substantial increase in production occurred.¹⁶ Further studies following the human relations trend were undertaken to find what kinds of organizational structure and what principles and methods of leadership and management result in the highest productivity, least absence, lowest turnover, and the greatest job satisfaction. Research findings conclude that when supervisors are employee - centered (i.e., they place primary emphasis on the human problems of their workers rather than on production). They get the best production, the best motivation, and the highest level of worker satisfaction; that close supervision tends to be associated with lower productivity and more general supervision with high productivity; and that direct pressure from one's superior for production tends to be resented, while group pressure from one's colleagues is not.¹⁷ Likert suggests that the human relations approach has as its greatest strength viewing motivation as a broad - based concept, rather than the restrictive concept (motivation = money) of the scientific, administrative management schools of thought. Human relations research has gained understanding and insight into: 1) the character and magnitude of the motivational forces which control human behavior in working situations; and 2) the manner in which these forces can be used so that they reinforce rather than conflict with each other. Likert goes on to suggest that the fundamental problem is to develop an organization and management theory and related supervisory and managerial practices for operating under this theory, which make use of the scientific management concepts while utilizing the major motivational forces which influence human be-

havior, e.g., economic motives; ego motives including desire for status, recognition and approval; desire for new experiences; and desire for security.¹⁸

The human relations approach, then, emphasizes the worker as a person who responds negatively to "being engineered," who has motives and sentiments, and who responds to different types and closeness of supervision. Further, the human relations theory defines the existence of an informal organization and deals with variables not found in rational models, e.g. sentiments, cliques, social controls via informal norms, status and status striving, and so on. It is clear that human relations theorists regard these variables not as random deviations, but as patterned, adaptive responses of human beings in problematic situations. In this view, the informal organization is a spontaneous and functional development in complex organizations, permitting the system to adapt and survive.¹⁹

Elements of neoclassical theory:

Classical theories of organizations emphasize order, rationality, structure, and specialization. Moreover, classical theory generally accepts the "economic incentives. Human relations approach theory generally builds upon classical theory by modifying and extending certain classical concepts. However, there is one basic change - human relations theory directly challenges the economic man concept. In contrast to classical theory, human relations theory holds that every person is different; this view contrasts with the homogenous, economic man philosophy. Further according to human relations theory, a person's work group and other social factors are profoundly important.

Human relations theory emphasizes differences among individuals that are ignored by classical theory. Classical theory sees the worker as motivated almost solely by economic factors. The only significant relationship that a worker has in classical theory is with his supervisor. This relationship is seen as unemotional

and rational. Any feelings likely would be expressed in a paternalistic-dependency or autocratic-obedient relationship.

A finding of the human relations movement is... each person is unique. Each is bringing to the job situation certain attitudes, beliefs, and ways of life, as well as certain skills, technical, social, and logical. In terms of his previous experience, each person has certain hopes and expectations of his job situation.²⁰

Emotions and perception are recognized as important. The human situation and the "feelings" involved are seen as possibly being more important than the "facts". The benefit of "just talking" is recognized. Further, the human situation and individual feelings of the worker and not just his words are considered. The "inner world" of the worker is viewed as important as external reality in determining productivity.

Thus, increases or decreases in production are seen as more heavily dependent upon the human relations at work than upon physical and economic conditions of work. Perhaps the caution that physical and economic factors must be "satisfactory" should be stated; human relations movement often appear to have been negligent in failing to emphasize this point. Nevertheless, the human relations movement makes a clear contribution by providing a base from which a multidimensional (individual and social factors in addition to economic) theory of motivation can be constructed. The earlier unidimensional (economic) model of motivation is severely discredited.²¹ Debate between students of management and organizations and economists continues unabated on this point.

Since many of the findings and concepts of the human relations approach have been integrated into the open systems approach to organizations, we should briefly review this as our final theory of organization and management.

OPEN SYSTEMS APPROACH:

Shein argues convincingly that given the complex interactions

between how an individual is inducted into an organization, trained, assigned, and managed; the interaction between the formal organization and the various informal groups which arise inevitably within it; the disintegrative forces which formal organizational mechanisms stimulate among sub-groups; and the inconsistencies which arise out of assumptions about man which fit normal organizational logic but not the realities of how he functions - all give rise to a redefinition of organizations along more dynamic lines than previously suggested by organizational theorists.²² Let us, then examine the constructs utilized in the open systems model of organizations, i.e. dynamic; complex and organized; open; and social and technical.

An organization as dynamic:

Though historically organizations were viewed as static, more recent theorists and analysts of organizations have argued for a more dynamic framework within which to view organization.²³ In addition to Shein quoted previously, Allport states that social structures consist of an inter-related set of events which return upon themselves to complete and renew a cycle of activities. It is events rather than things which are structured, so that social structure is a dynamic rather than a static concept.

Expanding upon the concept of organizations as being dynamic, Starkweather and Kisch have conceptualized the life cycle dynamics of health organizations. They believe that health service organizations not only are in constant evolution, influenced by and impacting on their environment, but that they progress through four stages or cycles: The search phase, the success phase, the bureaucratic phase, and the succession phase.²⁴ Thus, organizations can be viewed as dynamic, evolving organizations that pass through various cycles and even within the succession stage possess capabilities for regeneration.

The organization as complex and organized:

Shein states that an organization is a rational coordination of activities of a large number of people for the achievement of some common explicit purpose or goal through a division of labor and function and through a hierarchy of authority and responsibility. He further purports that an organization must be conceived of as a system with multiple purposes or functions that involve multiple interactions between the organization and its environment; that the organization consists of many sub-systems that are in dynamic interaction with one another; that sub-systems are mutually dependent and changes in one sub-system are likely to effect the behavior of other sub-systems, that the organization exists in a dynamic environment which consists of other systems, some larger, some smaller than the organization; and that there are multiple links between the organization and its environment.²⁵ Katz and Kahn pose a similar definition stating that an organization is a social device for efficiently accomplishing through group means, some stated purpose. They go on to suggest that all social systems consist of the patterned activities of a number of individuals. These patterned activities are complimentary or inter-dependent with respect to some common outcome; they are repeated, relatively enduring and bounded in time and space.²⁶

An organization as open:

Though the relationships between organizations and their environments are complex and not yet well conceptualized, Shein argues that it is essential to understand the environment within which organizations exist, particularly as the environment becomes increasingly unstable.²⁷ In looking at social organizations, Katz and Kahn state that they are flagrantly open systems in that the input of energies and the conversion of output into further energetic input consists of transactions between the organiza-

tion and its environment. They suggest that all social systems, including organizations, consist of patterned activities of a number of individuals and that the stability of these activities can be examined in relation to this energetic input into the system, the transformation of energies within the system, and the resulting product or energetic output.

Another triad is suggested in Rice's open systems model of organizations. Rice states that any organization "imports" various things from its environment, utilizes these imports in some kind of conversion process, and then "exports" products which have resulted from the conversion process.²⁸ Rice would seem to agree with Katz and Kahn that most organizations produce something that is exportable and meets some environmental demands.

The organization as social and technical:

When one accepts that organizations in general are open to their environment, then a variety of social and technical issues come to the force. The concept of a socio-technical system was developed by Trist who suggests that any productive organization is a combination of technology (e.g., tasks, facilities, equipment) and a social system (relationships among those who must perform the job).²⁹ Trist further argues that the technology and social system are in mutual interaction with each other and that each determines the other. Consequently, the organization must deal with the demands and constraints imposed by the environment on raw materials, money and consumer wishes, but must also deal with the expectations, values and norms of the people who must operate the work organization.

A somewhat more differentiated model is proposed by Homans who specifies a three part environment, i.e. the physical environment, (e.g., the terrain, climate and lay-out); a cultural environment (e.g. norms, values and goals); and a technological environment (e.g. the state of knowledge and technology available to the system to perform its task).³⁰ He goes on to differenti-

ate between the external system, i.e. the combination of activities, interactions, and sentiments which are primarily determined by the environment, and the internal system which is a pattern arising out of increasing interaction, new sentiments, new norms, and shared frames of reference which generate new activities not specified by the external environment. The internal and external system and the environment are mutually dependent and just as changes in the environment will produce changes in the formal and informal work organization, so the norms and activities developed in the internal system will eventually alter the physical, technical and cultural environment.

The open systems approach, then, recognizes that an organization is a dynamic, complex, and organized system, composed of sub-systems that interact with each other and with their environment. The system imports things from its environment, e.g. materials and personnel, and through a conversion process, produces and exports goods and/or services. The system operates under internal controls such as standards and criteria and external constraints such as consumer wishes and the sociopolitical climate. Systems are social and technical by nature and must take into account cultural norms, expectations, and sentiments of employees, as well as the interplay between the technology and the social system.

This, then, concludes our review of the evolution of organization and management theory; it is appropriate at this point to examine the impact of these theories on management practice.

As demonstrated in the preceding section, theories of organization and management - from scientific management to the human relations and group systems models - reflect a wide and varying scope of philosophical thought about the nature of man, sociological thought about societal order and social behavior, and psychological thought about individual needs and motivations. In this section of the paper, let us go on to examine the influence of these theories of organization or management assumptions, management models, and leadership styles. First, we will briefly review McGregor's theory X and theory Y since they reflect management assumptions, and then we will look at the management models and leadership styles which are based on these assumptions.

THEORETICAL FOUNDATIONS: THE HUMAN VIEW OF MOTIVATION AND CONTROL:

PART 1 - SECTION B: MANAGEMENT ASSUMPTIONS

As McGregor suggests, basic MANAGEMENT MODELS decision-making and assumptions about human LEADERSHIP STYLES behavior. She reports that three specific assumptions are pervasive, implicit in much of the organization literature, and are evident in current managerial policy and practice. These assumptions, theory X, are:

1. The average human being has an inherent dislike of work and will avoid it if he can;
2. Because of this human characteristic 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; and
3. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, wants security.²¹

These views are readily apparent in early models of organization and management theory (scientific, bureaucratic and administrative management) as we have seen in the preceding section of this paper. These theories according to McGregor ignore the nature of the worker and the nature of human motivation. Nonetheless, if an administrator or manager operates under theory

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THEORY X: THE TRADITIONAL VIEW OF DIRECTION AND CONTROL:

As McGregor suggests, behind every managerial decision or action are assumptions about human nature and human behavior. He purports that three specific assumptions are pervasive, implicit in much of the organization literature, and are evident in current managerial policy and practice. These assumptions, theory X, are:

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X, the managerial style reflects these assumptions. Under theory X, management emphasis is placed on such factors as power, authority, security, monetary reward, and control. However, McGregor suggests that the philosophy of management by direction and control - regardless of whether it is hard or soft - is inadequate because the human needs on which this approach relies are relatively unimportant motivators of behavior in our society today.³² Consequently, McGregor suggests that organization and management behavior based on theory X must formulate a different framework within which to view man and his needs in the organizational structure. McGregor's answer is theory Y.

THEORY Y: THE INTEGRATION OF GOALS:

Although McGregor recognizes that during the last several decades the human side of enterprise has become a pre-occupation of management (e.g., improvement in programs, policies and practices), he contends that these improvements have been made without changing the fundamental theory of management - theory X. He goes on to suggest that the progress and tactical possibilities within conventional management strategies have been pretty completely exploited and that significant new developments will not be forthcoming without major modifications in theory.³³

As an alternative to the assumptions of theory X, McGregor proposes assumptions about human behavior and motivation regarded to as theory Y:

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 seek responsibility. Avoidance of responsibility, lack of ambition, and emphasis of 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.³⁴

McGregor asserts, and logically so, that the assumptions of theory Y have very different implications for managerial strategy and behavior that do those of theory X. Theory Y assumptions are dynamic rather than static, indicating the possibility of human growth and development, and stressing the necessity for selective adaptation rather than for a single absolute form of control. More importantly, theory Y points out the fact that the limits on human collaboration in the organizational setting are not limits of human nature but of management's ability to discover how to realize the potential of its human resources.³⁵

Whereas a central principle in theory X is the scalar principle, i.e. direction and control through the exercise of authority, the central principle in theory Y is that of integration, i.e. the creation of conditions such that the members of the organization can achieve their own goals best by directing their efforts toward the success of the enterprise. Though concepts of integration and self-control are foreign to out thinking about the employment relationship. these concepts imply that the organization will be more effective in achieving its economic objectives if significant adjustments are made to meet the needs and goals of its members.³⁶

Given these two defferent orientations and assumptions

MODELS OF ORGANIZATIONAL BEHAVIOR RELATED TO SELECTED POPULAR IDEAS ON THE SUBJECT

	AUTOCRATIC	CUSTODIAL	SUPPORTIVE	COLLEGIAL
Depends on:	Power	Economic resources	Leadership	Partnership
Managerial orientation:	Authority	Money	Support	Teamwork
Employee orientation:	Obedience	Security	Job performance	Responsibility
Employee psychological result:	Dependence on boss	Dependence on organization	Participation	Self-discipline
Employee needs met:	Subsistence	Maintenance	Higher order	Self-actualization
Performance result:	Minimum	Passive cooperation	Awakened drives	Some enthusiasm
Relation to other ideas:				
McGregor's theories:	Theory X	Theory X	Theory Y	Theory Y

From: Davis, Keith. Human Behavior at Work. New York: McGraw-Hill, 1972, from pages 96 and 342.

The supportive model depends on leadership rather than supervisory management orientation is to support the employee's job performance with the psychological result being feelings of participation and high involvement in the organization. The manager's

about workers, i.e., theory X and theory Y, let us go on to look at their implications for management models and leadership styles.

MANAGEMENT MODELS:

Davis, Keith (as illustrated in figure 1) suggests four management models. The autocratic model depends on power, uses threat, and produces negative motivation. Under autocratic conditions, the employee orientation is obedience to a boss who has the power to hire and fire and upon whom employees are dependent for direction. Management orientation is that employees obey orders. Davis goes on to suggest that this leadership style produces only moderate results at high human costs.³⁷

In an attempt by employers to develop employee satisfactions and security - and perhaps more productivity - the custodial model of management evolved to improve employee conditions and provide fringe benefits. The custodial approach depends on economic resources to provide these benefits and provides some degree of security as a motivation factor. Nonetheless, Davis suggests that this model engenders passive cooperation from employees but does not provide sufficient motivation for increased productivity.³⁸

While the autocratic and custodial models are based on theory X assumptions, the supportive and collegial models are based on theory Y. The supportive model is founded on Likert's proposition that "The leadership and other processes of the organization must be such as to ensure a maximum probability that in all interactions and all relationships within 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."³⁹ The supportive model depends on leadership rather than power or money; management orientation is to support the employee's job performance with the psychological result being feelings of participation and task involvement in the organization. The manager's

role is one of helping employees solve their problems and accomplish their work resulting in higher productivity and job satisfaction.⁴⁰ (See figure 1)

Finally, Davis, proposes the collegial model for dealing with scientific and professional employees. The collegial model is applicable in situations in which there is unprogrammed work, an intellectual environment, and relative job autonomy. The collegial model depends on managements' building a feeling of partnership among participants so that they feel a sense of contribution and responsibility to the organization; managerial orientation is toward teamwork. The manager's role is one of being "coach" and creating an environment in which employees to feel some degree of fulfillment and enthusiasm in job performance.⁴¹

As demonstrated above, organizational theory provides assumptions about workers, and these assumptions are reflected in management models, in turn management models are translated into leadership styles. Let us go on, then, to briefly examine some theories of leadership.

LEADERSHIP - the leader is friendly and approachable and shows
LEADERSHIP STYLES: 1) authoritarian; 2) participative leader-

While earlier theories of leadership focused on "traits" of leaders or "exchange theories." These approaches did not provide an adequate over-all view of leadership. In the later 1960's, Fred Fiedler developed a technique to measure leadership style and proposed two leadership models: 1) the human relations or "lenient" style which is associated with the leader who does not discern a great deal of difference between the most and least preferred co-workers or who gives a relatively favorable description of the least preferred co-worker, and 2) the task-directed or "hard-nosed" style which is associated with the leader who perceives a great difference between the most and least preferred co-worker.⁴²

After considerable testing, however, Fiedler decided that

there was no simple relationship between leadership style and group performance and concluded that more attention had to be given to situational variables. He developed a contingency model of leadership that considered both leadership style and the following situational variables; 1) the leader-member relationship, which is the most critical variable in determining the situation's favorableness; 2) the degree of task structure, which is the second most important input into the favorableness of the situation; and 3) the leader's position of power obtained through formal authority, which is the third most critical dimension of the situation.⁴³

More recently the "path goal" leadership theory has come to the force. George Poulos and his colleagues have looked at the impact that leader behavior has on subordinate motivation, satisfaction, and performance. They suggest four major types or styles of leadership behavior: 1) directive leadership - similar to the authoritarian leader, subordinates know exactly what is expected of them, specific directions are given by the leader, and there is no participation by subordinates; 2) supportive leadership - the leader is friendly and approachable and shows genuine human concern for subordinates; 3) participative leadership - the leader asks for and uses suggestions from subordinates but still makes the decisions; and 4) achievement - oriented leadership - the leader sets challenging goals for subordinates and shows confidence in them to attain goals and perform well.⁴⁴

The path goal theory suggests that various leadership styles can be used by the same leader in different situations; two situational factors which have been identified at this point in the theory are: 1) the personal characteristics of subordinates, and 2) the environmental pressures and demands facing subordinates. Thus, contingent upon the situational factors. The leader utilizes one of the four leadership styles in order to motivate subordinates and engender satisfaction and performance.⁴⁵

Finally, in regard to leadership styles, Likert suggests four systems of organizational leadership. These are illustrated

LIKERT'S SYSTEMS OF MANAGEMENT LEADERSHIP

Leadership variable	System 1 (exploitive autocratic)	System 2 (benevolent autocratic)	System 3 (participative)	System 4 (democratic)
Confidence and trust in subordinates	Has no confidence and trust in subordinates	Has descending confidence and trust, such as master has to servant	Substantial but not complete confidence and trust; still wishes to keep control of decisions	Complete confidence and trust in all matters
Subordinates' feeling of freedom	Subordinates do not feel at all free to discuss things about the job with their superior	Subordinates do not feel very free to discuss things about the job with their superior	Subordinates feel rather free to discuss things about the job with their superior	Subordinates feel completely free to discuss things about the job with their superior
Superiors seeking involvement with subordinates	Seldom gets ideas and opinions of subordinates in solving job problems	Sometimes gets ideas and opinions of subordinates in solving job problems	Usually gets ideas and opinions and usually tries to make constructive use of them	Always asks subordinates for ideas and opinions and always tries to make constructive use of them

Source: Adapted from Likert, Rensis. The Human Organization.
New York: McGraw-Hill Book Company, 1967 Page 4.

in figure 2. Briefly, the manager who operates under a system 1 approach is very authoritarian and actually tries to exploit subordinates. The system 2 manager is also authoritarian but in paternalistic manner; he keeps strict control and never delegates to subordinates "in their own best interests." The system 3 manager uses a consultative style, asking for and receiving participation from subordinates but maintaining the right to make the final decision. The system 4 manager uses a democratic style, giving some direction to subordinates but providing for total participation and decision by consensus and majority.⁴⁶ (See figure 2)

Inherent in the preceding discussion of organizational theory, management orientation models, and leadership styles is a central issue, i.e., the motivation of workers in order to accomplish organizational goals and maximize productivity.

Clearly, traditional theory, management models and leadership styles based on theory X ignored, misinterpreted, or simplified motivational factors. However, more recent management models and leadership patterns are based on theory Y assumptions, look carefully at worker motivation, and have stimulated considerable study in this area. Let us, then, complete our progression by reviewing some of the theories of motivation.

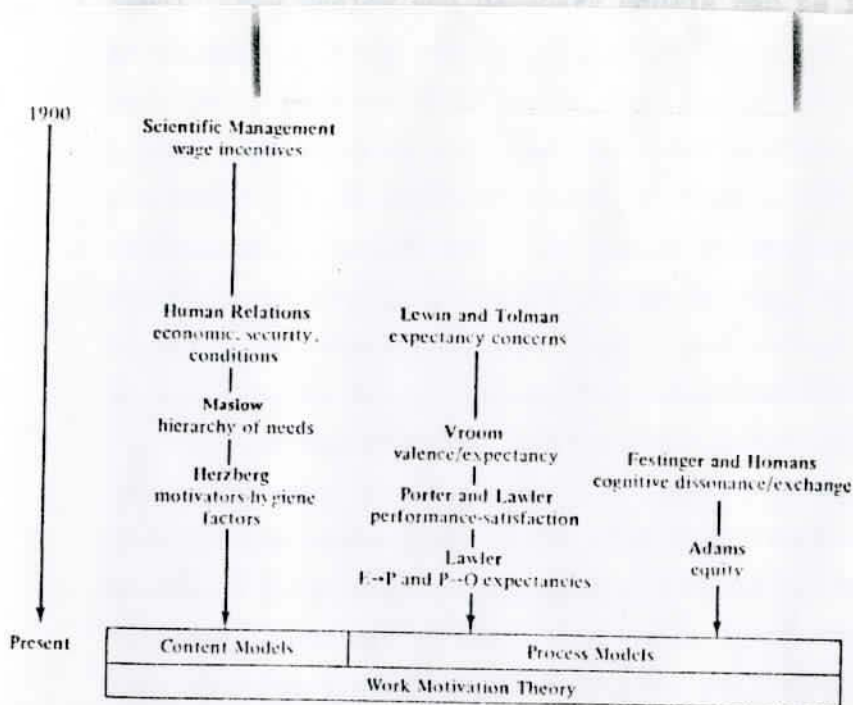
PART 1 - SECTION C: MOTIVATIONAL PROCESS

MOTIVATION: for confidence, independence, prestige, and recognition

Background - Motivation, a complex concept, is defined by Berelson, and Steiner,⁴⁷ as follows, "a motive is an inner state that energizes, activates, or moves, and that directs or channels behavior toward goals." Luthans⁴⁸ states that the key to understanding motivation lies in the meaning and relationship between means, drives and goals; he illustrates the motivation process as follows:

NEEDS	DRIVES	GOALS
(Deprivation)	(Deprivation with direction)	(Reduction of drives)

He goes on to suggest that the following diagram illustrates the theoretical development of work motivation: ⁴⁹



and comparing two content models: Maslow's hierarchy of needs and Herzberg's two factor theory. According to Maslow, basic needs are organized as follows: 1) physiological needs, e.g. homeostasis, hunger, thirst, etc.; 2) safety needs, e.g. the need to have a relatively safe, predictable, organized world; 3) belongingness and love needs, e.g. the need for affectionate relationships with people, for a place in a group; 4) esteem needs, e.g. the need for self-respect and the respect of others, as well as the need for confidence, independence, prestige, and recognition; and 5) self-actualization needs, e.g. the need and desire of a man for self-fulfillment, namely, the tendency for an individual to become actualized in what he has potential in, to become everything he is capable of becoming. ⁵⁰

Extending the work of Maslow, Herzberg developed a specific content theory of work motivation known as the two factor theory of motivation. He concluded from his study that job satisfiers were related to job content and job dissatisfiers were allied to job content. Herzberg labelled satisfiers as motivators;

dissatisfiers were labelled hygiene factors (or maintenance factors). The Maslow and Herzberg models can be illustrated as shown in figure 3. As Davis⁵¹ and Luthans⁵² suggest, Herzberg's theory is closely related to Maslow's need hierarchy. The hygiene or maintenance factors are preventive and environmental in nature and are roughly equivalent to Maslow's lower level needs. Only the motivational factors motivate humans on the job; these are roughly equivalent to Maslow's higher level needs. Thus according to Herzberg, an individual must have a job with a challenging content in order to be truly motivated. (See figure 3)

Though Maslow's and Herzberg's "factor or content" theories are relatively easy to understand and for management to apply, nonetheless researchers found that they are too simplistic for so complex a concept. Consequently, theorists went on to develop "process" theories of work motivation which examined such factors as effort, satisfaction, reward, and performance - and the relationships between these variables. (See figure 3) Though these more recent models of motivation do not yet lend themselves to application by manager, nonetheless they are important and a review of motivational theory would not be complete without them. Thus, let us begin a brief review of process theories beginning with the expectancy models which have made a significant contribution to understanding the cognitive processes involved in work motivation.

From: Davis, Jeffrey H. *Human Behavior at Work*, New York: McGraw-Hill, 1967, p. 100.

PROCESS THEORIES OF MOTIVATION:

The expectancy theory of motivation developed by Victor Vroom in 1964 has its roots in the pioneering of cognitive concepts by Lewin and Tolman. Vroom's theory has become the most widely accepted explanation of work motivation and serves as the theoretical foundation for the research on performance - satisfaction. The model is built around the concepts of valence, expectancy and outcomes, with the basic assumption being that "choices made by a person among alternative courses of action

FIGURE 3

COMPARISON OF THE THEORIES OF MASLOW AND HERZBERG

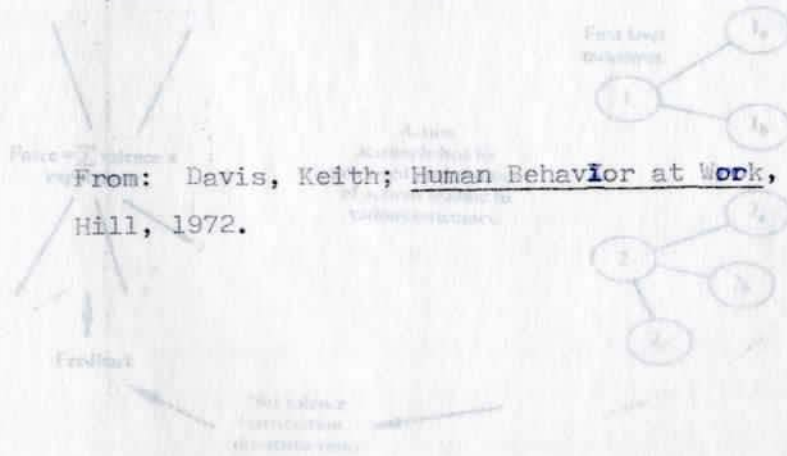
Maslow's
need priority model

Herzberg's motivation -
maintenance model

Self- actualization and fulfillment
Esteem and status
Belonging and social needs
Safety and security
Physiological needs

Motivational Factors	Work itself Achievement Possibility of growth Responsibility
	Advancement Recognition Status
Maintenance Factors	Interpersonal relations supervision peers subordinates
	Supervision - technical
	Company policy and administration
	Job security
	Working conditions
	Salary Personal life

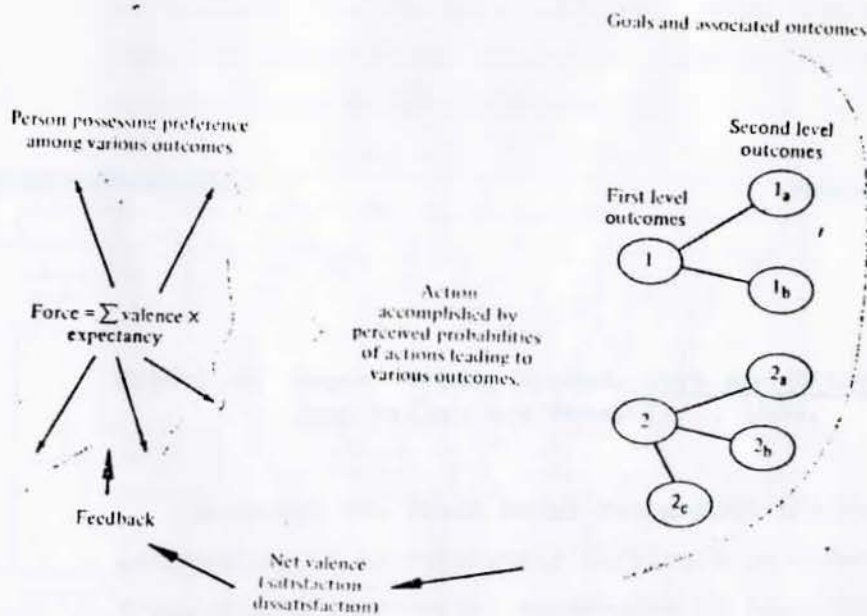
(Overlapping items)



From: Davis, Keith; Human Behavior at Work, New York: McGraw - Hill, 1972.

are related to psychological events occurring contemporaneously with the behavior."⁵³ In this model, Vroom defines valence as the strength of an individual's preference for a particular outcome; expectancy is defined as the probability that a particular effort will lead to a first level outcome. In summary, his theory suggests that the strength of the motivation to perform a certain act will depend upon the algebraic sum of the products of the valences for the outcomes times the expectancies. Vroom's model can be illustrated as seen in figure 4.

FIGURE 1



right direction, but it does not give managers much practical help in solving their motivational problems. In addition, although satisfactions make an input into Vroom's concept of valence and the

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As described on the following page, Figure 5, contains the Porter - Lawler multi-variable model and their perception of the complex relationships between satisfaction, performance and motivation.

As described in the following pages 1, 2, and 3 are specifically the Vroom model. Unmistakably however, Porter and Lawler suggest that effort does not directly lead to performance, rather it is mediated by skill, ability, motivation, and role perceptions. Further, they propose that after performance, the degree that individuals feel their needs are fulfilled will determine satisfaction. In other words, the Porter - Lawler model suggests that performance leads to satisfaction.

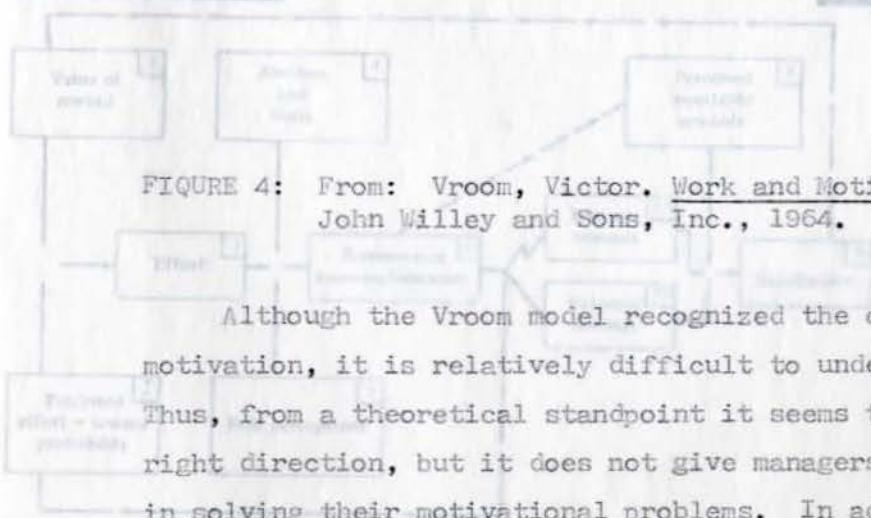


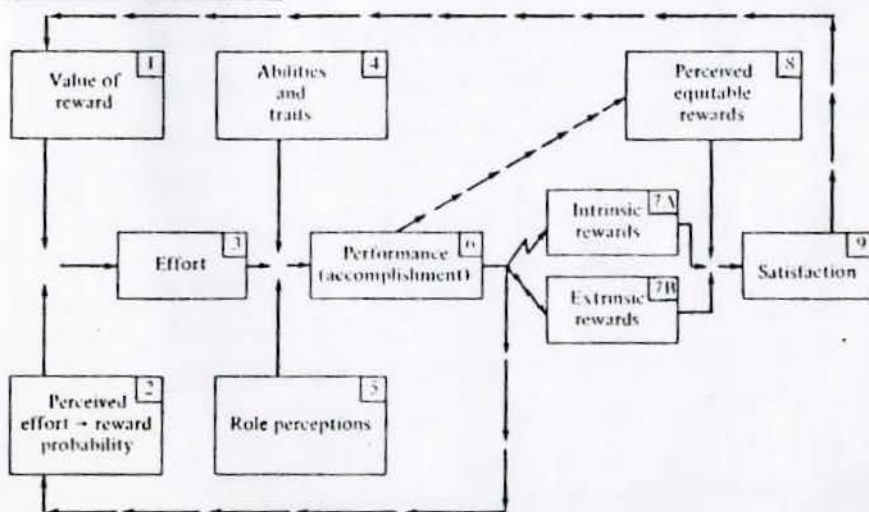
FIGURE 4: From: Vroom, Victor. Work and Motivation. New York: John Willey and Sons, Inc., 1964.

Although the Vroom model recognized the complexities of work motivation, it is relatively difficult to understand and apply. Thus, from a theoretical standpoint it seems to be a step in the right direction, but it does not give managers much practical help in solving their motivational problems. In addition, although satisfactions make an input into Vroom's concept of valence and the

outcomes have performance implications, it was not until Porter and Lawler refined and extended Vroom's model that the relationship between satisfaction and performance was dealt with directly by a motivation model.⁵⁴

Porter and Lawler begin with the premise that motivation does not equal satisfaction and, or performance. Rather, they suggest that motivation, satisfaction and performance are all separate variables and are related in different ways than what was traditionally assumed. The illustration on the following page, figure 5, depicts the Porter - Lawler multivariable model and their conception of the complex relationships between motivation, performance and satisfaction.⁵⁵

As demonstrated in the model, squares 1, 2, and 3 are basically the Vroom equation. Importantly, however, Porter and Lawler suggest that effort does not directly lead to performance, rather it is mediated by abilities, traits, and role perceptions. Further, they propose that after performance, the rewards that follow and how these rewards are perceived will determine satisfaction. In other words, the Porter - Lawler model suggests that performance leads to satisfaction.



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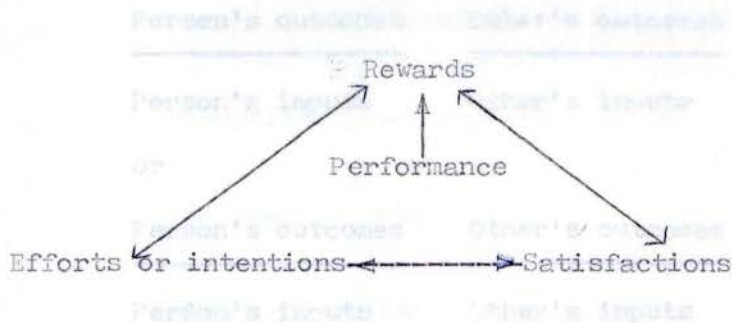
The equity model as a theory of work motivation is attributed to Stacy Adams; the theory contends that a person's effort (job performance and satisfaction) is the degree of equity (the rewards that people perceive in their work situation).

Validating the theory, Adams' research has shown that when equity is perceived to exist and "others" to whom one compares.

From: Porter, Lyman and Lawler, Edward. Managerial Attitudes and Performance. Homewood: Richard D. Irwin, Inc. 1968, p. 165.

Validating the theory, Adams' research has shown that when equity is perceived to exist and "others" to whom one compares.

In contrast to the complex Porter - Lawler expectancy model, Smith and Cranny propose the most simplistic three-way relationship between effort, satisfaction and reward as illustrated in the following diagram.⁵⁶



As shown, each variable in the corners of the triangle has casual effects on the others, either individually or in combination. However, as in the other expectancy models, the key to the Smith and Cranny model lies in the concept of effort; performance is affected only by effort, not by reward or by satisfaction. Performance is centered in the model and can influence rewards and satisfactions, but can itself only be influenced by effort or intention. Although the Smith and Cranny model effectively relates the important variables of work motivation and has practical implications for management, Luthans⁵⁷ contends that it falls short of the theoretical goals of full understanding, prediction, and control. However, he goes on to suggest that both the content and expectancy models, as well as the equity model to be considered next, are additions to the better understanding of work motivation.

The equity model as a theory of work motivation is attributed to Stacy Adams; the theory contends that a major input into job performance and satisfaction is the degree of equity (or inequity) that people perceive in their work situation.

Utilizing the terminology "person" to mean any individual for whom equity or inequity exists and "other" to mean any individual with whom the person is in a relevant exchange relationship or with whom the person compares himself, Adams contends that "inequity exists for the person whenever he perceives that the

ratio of his outcomes to inputs and the ratio of the other's outcomes to the other's inputs are unequal."⁵⁸ Inequity occurs when:

$$\frac{\text{Person's outcomes}}{\text{Person's inputs}} \neq \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

or

or

$$\frac{\text{Person's outcomes}}{\text{Person's inputs}} > \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

$$\frac{\text{Person's outcomes}}{\text{Person's inputs}} < \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

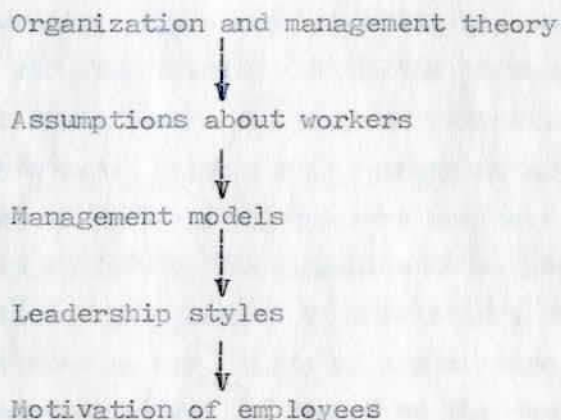
and equity occurs when:

$$\frac{\text{Person's outcomes}}{\text{Person's inputs}} = \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

Both the inputs and the outputs of the person and the other are based upon the person's perceptions input variables might include education, organizational position, qualification, how hard the person works, etc.; outcomes would include rewards such as pay, status, promotion, interest in the job, etc. In essence, the ratio is based upon the person's perception of what the person is giving and receiving versus the ratio of what the relevant other is giving and receiving. If the person's perceived ratio is not equal to the other's, he will strive to restore the ratio to equity. This striving to restore equity is, according to Adams the explanation of work motivation. Although the equity theory has achieved research validity, it has not yet reached the important goals of prediction and control for use by human resource managers,⁵⁹ and thus, further research and development of motivational theories and models is indicated.

In summary, through a literature review, we have traced the evolution of organizational and management theory and reviewed the assumptions about workers inherent in these theories. We then proceeded to examine management practices by reviewing

management models and leadership styles. Finally we looked at a core concept in the management process—motivation. Diagrammatically, our progression has been as follows:



PURPOSE OF THE RESEARCH:

Whereas traditional organization and management models utilize a closed system, production oriented approach with a deterministic view of workers, more recent theories and research in the human relations and open systems approaches to management take into account the human needs, values, and motivation factors of employees. Nonetheless, traditional management approaches may still be utilized by health care managers and have negative impact in regard to achieving both organizational goals and employee satisfaction. The purpose of this study, then, is to elicit basic attitudes and practices of health care administrators and department directors in regard to the management theory, assumptions, models, and motivational factors they utilize in health care organizations.

PART II

SURVEY: MANAGEMENT THEORY AND PRACTICE IN HEALTH CARE SETTING

METHODOLOGY AND POPULATION AND FINDINGS

A questionnaire (refer to appendix 1) was distributed to administrators and department directors at various hospitals and ambulatory health centers in the St. Louis area and southern part of Illinois, overall. 49 questionnaires were distributed and 28 were returned. The return rate of 57% is considered to be good. The population was varied and thought to be a good cross section of hospital and community health center managers. In the whole population, however, the number of hospital administrators heavily outweighed the number of health center administrators.

ANALYSIS:

Data analysis will follow and will demonstrate if health care administrators and department heads are:

1. taking their management practices or the factors of their management theory;
2. operating under Theory X or Theory Y assumptions with their workers;

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METHODOLOGY AND POPULATION:

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ANALYSIS:

Data analysis will follow and will demonstrate if health care administrators and department reads are:

1. basing their management practices on traditional or more recent management theory;
2. operating under theory X or theory Y assumptions about workers;

3. basing their management techniques on traditional (autocratic/custodial) or more recent (democratic/collegial) management models;
4. utilizing traditional (autocratic/directive) or more recent (democratic/participative) leadership styles; and
5. basing their motivational techniques on lower or higher order needs of employees.

RESPONDENT PROFILE:

Of the 28 respondents, there are 21 from hospitals and 7 from health centers, 12 of them are administrators and 16 are department directors.

Last educational level:

High school	3
Associate degree	5
College degree	11
Graduate degree	7
Post graduate degree	2

On the job management training:

YES	NO
26	2

MANAGEMENT THEORY:

Purpose: The first series of questions on the questionnaire is designed to determine the organizational theories which administrators and department directors utilize in their management practices, i.e., whether they base their practice on traditional or more recent organizational and management theory.

Questions: Questions 1, 3, and 4 are based on concepts of traditional theories:

- Question 1 - Administrative management
- Question 3 - Scientific management
- Question 4 - Bureaucratic management

Questions 2, 5 are based on more recent organizational and management theories:

Question 2 - Human relations management

Question 5 - Open systems management

Responses: The overall responses to this series of questions can be illustrated as follows:

QUESTION NUMBER AND THEORY	AGREE	DISAGREE
QUESTION 1 ADMINISTRATIVE MANAGEMENT	97%	3%
QUESTION 2 HUMAN RELATION MANAGEMENT	44%	56%
QUESTION 3 SCIENTIFIC MANAGEMENT	93%	7%
QUESTION 4 BUREAUCRATIC MANAGEMENT	87%	13%
QUESTION 5 OPEN SYSTEMS MANAGEMENT	51%	49%

Conclusion: The overwhelming majority of both administrator and department heads strongly favor traditional management concepts, while being almost equally divided in regard to the human relations and open systems approaches to management.

Last educational level for those who disagreed and agreed with question 1, 3, and 4:

	AGREE	DISAGREE
HIGH SCHOOL	67%	33%
ASSOCIATE DEGREE	80%	20%
COLLEGE DEGREE	90%	10%
GRADUATE DEGREE	50%	50%
POST GRADUATE DEGREE	87%	13%
ON THE JOB MANAGEMENT TRAINING	92%	8%

Last educational level for those who disagreed and agreed with question 2, and 5:

High school	33%	67%
Associate degree	40%	60%
College degree	45%	55%
Graduate degree	42%	58%
Post graduate	100%	0%
On the job management training	YES	NO
	89%	11%

MANAGEMENT ASSUMPTIONS:

Purpose: The second series of questions is designed to determine if health care administrators and department directors operate on theory X or theory Y assumptions about employees, i.e. whether they base their management practice on traditional views of the workers or on more recent assumptions about the nature of workers and the integration of individual and organizational goals.

Questions: Question 6 is based on theory Y assumptions; Questions 7 and 8 are based on theory X assumptions.

Responses: The overall responses to this series of questions are illustrated as follows:

Question number and assumption	Agree	Disagree
Question 6 Theory Y	81%	19%
Question 7 Theory X	71%	29%
Question 8 Theory X	84%	16%

Conclusion: As demonstrated by the data, theory X assumptions (questions 7 and 8) were overwhelming agreed to by the respondents with agree answer for each theory's X question, and also the majority of respondents agreed to the theory Y assumption. In general, however, from this data it can be concluded that administrators and department directors more often operate on theory X assumptions.

Last educational level for those who agreed or disagreed with question 6, 7, and 8:

	Agree	Disagree
High school	34%	66%
Associate degree	48%	52%
College degree	72%	28%
Graduate degree	95%	5%
Post graduate	100%	0%
On the job management training	YES	NO
	87%	13%

MANAGEMENT MODELS:

Purpose: The third series of questions is designed to determine the management models, health care administrators, and department directors are utilizing in their management practice, i.e. whether they utilize more traditional models (autocratic and custodial) or more recent models (supportive and collegial).

Questions: Question 9 - Collegial model - "The worker should view his relationship with his superior as that of a team member to a coach."
 Question 10 - Autocratic model - "The worker should view his major responsibility as a complying with or carrying out the directions provided by management."
 Question 11 - Custodial model - "The major expectations a worker should have of his employer are a fair salary, job security, and adequate working conditions."

Question 12 - Supportive model - "The worker should expect assistance from his superior in solving his problems in order to accomplish his work."

Responses: The overall responses to this series of questions can be illustrated as follows:

Question number and model	Agree	Disagree
Question 9 Collegial model	45%	55%
Question 10 Autocratic model	75%	25%
Question 11 Custodial model	87%	13%
Question 12 Supportive model	90%	10%

Conclusions: As demonstrated by the data, health care administrators and department heads appear to give credence to key factors in three of the four management models, i.e. the autocratic, custodial, and supportive models. The only model which did not have overwhelming agreement is the collegial model which views workers as team members who will assume responsibility for accomplishing work if challenging goals are set:

	Agree	Disagree	
High school	44%	56%	Last educational level: For question number 9, 10, 11 and 12
Associate degree	72%	28%	
College degree	88%	12%	
Graduate degree	87%	13%	
Post graduate	75%	25%	
On the job management training	YES 92%	NO 8%	

In addition to strongly favoring concepts in the autocratic and custodial management models, health care managers also subscribe to a major concept in the supportive model, i.e. the worker should expect assistance from his superior in solving problems in order to accomplish his work.

LEADERSHIP STYLES:

Purpose: This fourth series of questions is designed to determine the predominant leadership styles utilized by health care administrators and department directors, i.e. whether they are autocratic/directive or participative/democratic/achievement oriented leaders.

Questions: Questions are based on traditional and more recently developed concepts in regard to leadership styles.

- Question 13 - Achievement oriented leadership
- Question 14 - Directive leadership
- Question 15 - Supportive leadership
- Question 16 - Autocratic leadership
- Question 17 - Democratic leadership

Responses: The overall responses to this series of questions are illustrated in the diagram below:

Question number and leadership styles	Agree	Disagree
Question 13 Achievement - oriented	49%	51%
Question 14 Directive	98%	2%
Question 15 Supportive	54%	46%
Question 16 Autocratic	49%	51%
Question 17 Democratic	57%	43%

	Agree	Disagree
Last educational level:	High school	55%
	Associate degree	77%
For questions numbers 13, 14, 15, 16, and 17	College degree	81%
	Graduate degree	85%
	Post graduate	50%
	On the job management training	95%
	YES	NO
	5%	5%

Conclusion: As documented in the data, responses to achievement oriented leadership are virtually equally divided between agree and disagree, demonstrating that there is not a strong preference for this approach. In contrast, the directive approach is strongly favored with 98% of the respondents agreeing that specific expectations and directions should be given by managers. The supportive approach is also fairly evenly divided with 54% agreeing that a manager should be friendly and approachable and 46% disagreeing with this approach. The autocratic approach, i.e. the manager assumes sole responsibility for defining and solving department problems, again found the respondents fairly well divided, with 49% favoring the approach and 51% disagreeing. Finally, the democratic approach received the support of 57% of the respondents, though 43% disagreed with the concept that managers should always ask for and use the ideas of subordinates. Overall, the traditional directive approach seemed favored, though other supportive democratic approaches also had significant support.

MOTIVATIONAL FACTORS IN MANAGEMENT:

Purpose: The fifth series of questions is designed to determine what factors administrators and department directors

perceive are motivation factors for employees, i.e. whether health care managers recognize both lower and higher level human needs and motivational factors.

Questions: Questions are based on lower level and higher level needs of workers.

Questions 18 and 20 reflect lower level needs, e.g. monetary reward and security. Questions 19 and 21 relate to higher level needs, e.g. a sense of responsibility and accomplishment.

Responses: The overall responses to this series of questions are illustrated below:

Question and level of needs	Agree	Disagree
Question 18 Lower level needs	91%	9%
Question 19 Higher level needs	98%	2%
Question 20 Lower level needs	90%	10%
Question 21 Higher level needs	82%	18%

Conclusion: As demonstrated by the data, all four questions relating to motivation factors were overwhelmingly answered in agreement. The most disagree responses involved the importance of status in motivation workers, with 18% of the respondents believing that it is not a significant motivating factor.

	Agree	Disagree
High school	90%	10%
Associate degree	93%	7%
College degree	96%	4%
Graduate degree	95%	5%
Post graduate	100%	0%
On the job management training	YES 98%	NO 2%

It should be noted that question 22 is on leadership style and the findings of question 22 is similar to findings of questions 13-17.

EMPLOYEE PARTICIPATION IN EVALUATION:

Purpose: Finally, one last question will be analyzed, and that is "What is the role of the employee in his own evaluation process?"

- Question 23 - "In evaluation your employees (and setting goals) which of the following approaches do you take?"
- Answer "A" reflects a participative management style.
- Answer "B" reflects an autocratic management style.
- Answer "C" reflects an autocratic management style.

Responses: Responses to the above question are illustrated as follows:

Question number and model	Percent of responses
23 - A Participative	25%
23 - B Autocratic	16%
23 - C Autocratic	59%

Conclusion: According to the data, a large majority (75%) of health care administrators and department directors do not afford their employees significant input into their own evaluation process.

SECTION III: ANALYSIS OF RESEARCH FINDINGS:

Management theories: From the survey findings, it is clear that health care managers are more likely to utilize

traditional versus modern theories of organization and management. Responses to questions which purpose concepts in administrative, bureaucratic, and scientific management were overwhelming agreed to by respondents, while more than half of the respondents disagreed with the open systems approach to management. It is concluded, then, that health care managers strongly focus on task management and organizational structure of the organization and place less importance on the human problems; which I think it is because of today's bad economy.

Management assumption: As demonstrated in the survey data. The majority of health care managers agree with theory X assumptions. While the majority of respondent also agreed with the theory Y assumption. But over all there are more managers who support theory X. In general, then, health care managers focus their management assumptions more strongly on the goals of the organization and the need to provide direction and control for workers, than on the abilities, ingenuity, potential contributions, and needs of employees.

Management models: The data demonstrated that health care managers strongly agree to traditional models (autocratic and custodial), have mild agreement with supportive model, and do not subscribe to the collegial management model. On the balance between traditional and modern management models, it is evident that health care administrators and department directors utilize traditional models, and only have mild confidence in the supportive model.

Leadership styles: The directive leadership concept was by far the most popular with 98% of the respondents agreeing; The supportive and democratic leadership styles obtained over 50% of agree responses; and the achievement oriented style obtained less than 50% of agree responses.

Motivation factors: While all factors relating to motivation were viewed by the respondents as important, lower level needs clearly were viewed as the most important.

Practical application of management practice: Finally, in

the question which addressed the method managers utilize in evaluation of employees, majority of administrators and department directors utilize a directive rather than a participative approach. Rather than allowing employees to examine their own performance, 75% of the health care managers formulated their employee evaluations independent of employee input.

CONCLUSION:

As demonstrated in the data, it must be concluded that a significant percentage of health care administrators and department directors base their management practices on a more traditional, production oriented framework, than on more recent employee-centered concepts. From my stand point this result is somewhat understandable because of hard economic times, but it should not go very far, because in health care settings, the importance of attending to human needs is particularly crucial-not only in terms of providing health care workers and professionals with a positive, cooperative work atmosphere which is sensitive to the needs of patients seeking care. Thus, it would seem particularly important that health care workers, many of whom have direct responsibility in patient care, physicians, nurses, social workers, technicians, etc., who are meeting human needs of patients, have a work atmosphere that recognizes their needs as well.

As a graduate student in Health Care Administration, I am gathering data concerning management approaches and practices utilized by administrators and department directors in health care settings. The data will be used in my thesis.

I appreciate your willingness to complete the attached questionnaire. The questions are designed to determine some of your particular approaches, attitudes, and practices in managing health care workers.

This is an anonymous study. Your name and your organization will not be identified in this research.

Thank you for your cooperation.

1. In managing workers, it is important to place emphasis on the basic problems of workers rather than on production.

2. Dividing workers into departments based on functional specializations, developing rules, covering the rights and duties of workers, and developing a systematic procedure for performing the work are extremely important management tasks.

3. The most important tasks for management are standardizing the best method for performing a job, choosing workers to fit specific jobs, and training workers to perform their jobs efficiently.

4. Recognizing that the organization is a social system that interacts with its environment and dealing with its demands, expectations, and behavioral norms of workers are essential management tasks.

5. The average worker demonstrates a positive response to responsibility and has a significant degree of initiative.

<u>Setting</u>	<u>Position</u>	<u>Education</u>
<u> </u> Hospital	<u> </u> Administrator	<u> </u> High School
<u> </u> Health center	<u> </u> Dept. Director	<u> </u> Associate degree
<u> </u> Other	<u> </u> Name of department	<u> </u> College degree
		<u> </u> Graduate degree
		<u> </u> Post Graduate

Have you had on the job management training?

 Yes No

1. Fitting people to the organizational structure and making responsibility equal in measure with authority are important management tasks. Agree Disagree

2. In managing workers, it is important to place emphasis on the human problems of workers rather than on production. Agree Disagree

3. Dividing workers into departments based on functional specialization, developing rules, governing the rights and duties of workers, and developing a system of procedures for performing the work are extremely important management tasks. Agree Disagree

4. The most important tasks for management are standardizing the best method for performing a job, choosing workers to fit specific jobs, and training workers to perform their jobs efficiently. Agree Disagree

5. Recognizing that the organization is a social system that interacts with its environment and dealing with the demands, expectations, and cultural norms of workers are essential management tasks. Agree Disagree

6. The average employee demonstrates a desire to assume responsibility and has a significant degree of ambition. Agree Disagree

7. The two most important needs a job satisfies a worker are monetary reward and security.

_____ Agree _____ Disagree

8. The average employee requires specific directions, guidelines, and controls to help him meet the expectations of his job.

_____ Agree _____ Disagree

9. The worker should view his relationship with his superior as that of a team member to a coach.

_____ Agree _____ Disagree

10. The workers should view his major responsibility as a complying with and carrying out the directions provided by management.

_____ Agree _____ Disagree

11. The major expectations a worker should have of his employer are a fair salary, job security, and adequate working conditions.

_____ Agree _____ Disagree

12. The worker should expect assistance from his superior in solving his problems in order to accomplish his work.

_____ Agree _____ Disagree

13. Setting challenging goals and showing confidence in subordinates will ensure that work will be accomplished.

_____ Agree _____ Disagree

14. A manager should let workers know exactly what is expected of them and provide specific direction.

_____ Agree _____ Disagree

15. A manager should be friendly and approachable to his subordinates.

_____ Agree _____ Disagree

16. A manager, based on his knowledge and experience, should assume sole responsibility for defining and solving problems in his department.

_____ Agree _____ Disagree

17. In solving department problems, a manager should always ask for and use the ideas of subordinates.

_____ Agree _____ Disagree

18. Providing workers with monetary reward and job security is important in motivating workers.

_____ Agree _____ Disagree

19. Providing workers with a sense of responsibility and a sense of accomplishment is essential in motivating workers.

_____ Agree _____ Disagree

20. Good working conditions and fringe benefits are very important in motivating workers.

_____ Agree _____ Disagree

21. Providing status is an important factor in motivating employees.

_____ Agree _____ Disagree

22. When you have a management decision to make, which of the following approaches do you take?

- a. Define the situation, always asking and using subordinate recommendations.
- b. Carefully evaluate the situation, formulate my decision and present it to my employees for questions and comments.
- c. Analyze the situation, make the decision, and share the decision with my employees.
- d. Analyze the situation, present it to my employees for their opinions and then make my decision.

23. In evaluation your employees and setting goals, which of the following approaches do you use. (Select one from a through c and one from d through e).

- a. I prepare an evaluation, my employee prepares a self evaluation, and we meet the mutually discuss the evaluations.
- b. I prepare an evaluation and submit it to my employee to review and sign.
- c. I prepare an evaluation of my employee, discuss it with him, and invite questions and comments.

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