the field

guide to management theories



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How to Become the World's Best Boss

Dunder Mifflin is a company devoted to producing and distributing quality paper. Taking a closer look at the office, we learn that productivity is low and paper sales are down! After interviewing the employees, it is clear that the problem all starts with management.

The manager, Michael, says that he is the "World's Best Boss". In reality, there is much that Michael can learn to become a more effective manager. Sales are down, time is wasted, and there is conflict and chaos in the workplace.

Can Michael get his office under control before they're all out of work? Let's help Michael learn what it takes to be the



"World's Best Boss."

Episode 1: The Contingency Model

Michael is not very flexible, but he needs to learn how to match his leadership style with the demands of the situation he is in. The group's performance depends on matching his leadership style with the degree of favorableness, or degree that he has influence over the group. The same style will not be suitable for all situations.

Least Preferred Co-worker Scale

The scale determines whether your leadership style is task-oriented or relationshiporiented.

• Low = Task-ori	ented
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• High = Relationship-oriented

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8	7	6	(5)	4	3	2	1	Unpleasant
8	7	6	(5)	4	3	2	1	Unfriendly
8	7	6	(5)	4	3	2	1	Hostile
1	2	3	4	(5)	6	1	8	Interesting
1	2	3	4	(5)	6	7	8	Cheerful
1	2	3	4	(5)	6	7	8	Sincere
	8 8	8 7 8 7 8 7 1 2 1 2	8 7 6 8 7 6 8 7 6 1 2 3 1 2 3	8 7 6 5 8 7 6 5 8 7 6 5 1 2 3 4 1 2 3 4	8 7 6 5 4 8 7 6 5 4 8 7 6 5 4 1 2 3 4 5 1 2 3 4 5	8 7 6 5 4 3 8 7 6 5 4 3 8 7 6 5 4 3 1 2 3 4 5 6 1 2 3 4 5 6	8 7 6 5 4 3 2 8 7 6 5 4 3 2 8 7 6 5 4 3 2 1 2 3 4 5 6 7 1 2 3 4 5 6 7	8 7 6 5 4 3 2 1 8 7 6 5 4 3 2 1 1 2 3 4 5 6 7 8 1 2 3 4 5 6 7 8

Leadership style:

Fiedler's least preferred coworker (LPC) scale. How would you rank your least-preferred co-worker?

LPC described as:	Leadership Style
Positive	Relationship-oriented
Negative	Task-oriented
Moderately	Flexible

Leadership Styles: Is Michael Task-oriented or Relationship-oriented?

Task-oriented leaders:

- Obtain reinforcement through the work they perform.
- Are less concerned with outside recognition than achieving assigned tasks.
- Will build relationships, but only if they feel they are needed to perform the task.
- In stressful situations, will spend less effort trying to establish relations and become even more involved with the task to compensate.

Δ

Uh-oh, there's a stressful situation in the office. There's no more ink in the printer and the group doesn't have an order in until next week!

Should Michael become more or less involved in group relations?

Groups are more likely to work effectively with task-oriented leaders when the situation is unfavorable. In this case, successful leaders will decrease in group interaction and become less directive, less involved and structuring, and less considerate. The task oriented leader is more effective when the situation is really



good or really bad. In these situations, Michael needs to take charge and give his employees less freedom, instead of trying to be everybody's friend.

Relationship-oriented leaders:

- Obtain satisfaction by gaining recognition, achieving prominence, and developing interpersonal relationships
- Gain personal success from interacting with others
- Are more effective when the situation is fairly neutral

Michael is definitely a relationship oriented leader. He is more concerned with others' opinions and feelings because he gets his satisfaction that way. When things go well, Michael sees no need to exert himself. Being liked or accepted provides the job satisfaction that he needs. When things aren't going well, Michael tends to increase the rate and intensity of his interactions with the staff to establish relations and maintain control. He sometimes becomes demanding, dictatorial, and testy.

Task Structure and Position Power

Based on Michael's relations with the employees, the task structure, and his position power, he can determine if he should be task-oriented or relationship-oriented with the help of this chart.

Leader- Member Relations	Task Structure	Leader's Position Power	Most Effective Leader
Good	Structured	Strong	Low LPC
Good	Structured	Weak	Low LPC
Good	Unstructured	Strong	Low LPC
Good	Unstructured	Weak	High LPC
Poor	Structured	Strong	High LPC
Poor	Structured	Weak	High LPC
Poor	Unstructured	Strong	High LPC
Poor	Unstructured	Weak	Low LPC

As shown by the chart, it is impossible for one leadership style to serve in every context. Performance will improve when Michael can change to fit the situation or change the situation to fit his leadership style.

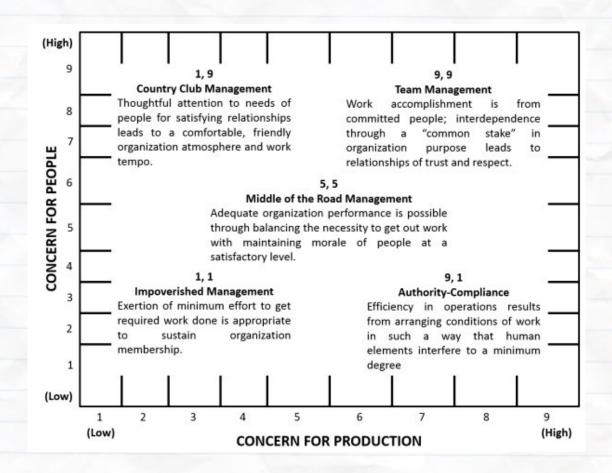
Follow up

Michael didn't come into this position with any leadership experience. Leadership training should focus on providing Michael and other managers with methods for diagnosing the favorableness of the situation and adapting the situation to his style of leadership. He can change the task assignments, change his position power, or change his relations with the group.

Episode 2: "Don't go off the grid!"

The Blake Moulton Managerial Grid

This grid was developed in 1964 by management theorists Robert Blake and Jane Mouton. The managerial grid is a way to compare different styles of leadership based on concerns for production and concerns for people. 1 represents low concern, 5 represents an average amount of concern, and 9 represents high concern.



9,1 Authority-Compliance

Characteristics of a 9,1 Manager

- Maximum concern for production is combined with a minimum concern for people
- Maximizes production by exercising power and authority, and achieving control over people by dictating what they should do and how they should do it
- Planning is retained, doing is delegated
- All decision making is done by the manager
- Often uses threats and punishments

Consequences

- Short term: production is higher compared to other managerial styles
- Long term: subordinates become resentful and resist being pushed around, which decreases morale and leads to bad behavior

- Increase the involvement of your subordinates
- Test whether or not consulting others could lead to better results
- Do not discount information just because it comes from someone you may dislike



1,9 Country Club Management

Characteristics of a 1,9 Manager

- Minimum concern for production is combined with a maximum concern for people
- Leads in ways that promotes friendship and camaraderie but deemphasizes productivity
- Tends to ignore or avoid negative things and be very thorough with positive things
- Reluctant to speak up on controversial issues

Consequences

- When disagreements arise, the manager will smooth over or yield one's point of view, even though a price is paid
- Subordinates either feel safe and secure within a friendly atmosphere or feel smothered, stifled, unchallenged, and wanting to escape

- Be among the first to speak when opinions are being presented. Don't wait to see what others have to say before deciding they might not like your opinion
- Feedback does not have to be painful. Describe what you observe others doing and what the consequences should be

1,1 Impoverished Management

Characteristics of a 1,1 Manager

- Minimum concern for both production and people
- Accomplishes only the minimum required to remain with organization
- Although bored, drifting, and listless, hides these feelings from others
- Always gives a neutral answer and easily gives up in an argument

Consequences

- Low productivity is tolerated, ignored, or blamed on something else
- No creativity or satisfaction in the workplace
- Managers rarely get promoted

- Reach agreements instead of avoiding disagreements
- Become more involved in solving complex problems
- Ask for feedback from your subordinates
- Assess the consequences of being fired



5,5 Organization Man Management

Characteristics of a 5,5 Manager

- Unlikely to seek the best position for either production or people, but to find a middle ground
- Solves problems with what was traditionally done in the past
- Maintains status quo and avoids risky decisions

Consequences

- Because things are done the same way they have always been, the organization loses the capacity to compete or to provide services efficiently
- No creativity or innovation is inspired

- Solve problems based on the logic of the situation without always relying on what has been done in the past
- Ask for feedback and critique from your subordinates



9,9 Team Management

Characteristics of a 9,9 Manager

- The ideal manager
- Integrates maximum production and people concerns
- Uses a goal-centered, team approach that seeks to gain optimum results through participation, involvement, commitment, and conflict solving of everyone who can contribute

Principles of 9,9 Management

- Fulfillment through contribution is the motivation that supports productivity and creativity
- Open communication is essential for the exercise of self and shared responsibility
- Conflicts are solved by confrontation, with understanding and agreement as the basis of cooperative effort
- Being responsible for one's own actions represents the highest level of maturity and is only possible through widespread delegation of power and authority
- Shared participation in problem solving and decision making stimulates active involvement in productivity and creative thinking
- Management is by objectives
- Merit is the basis of reward
- Norms and standards support personal and organizational excellence
- Learning from work experience is through critique

Other Grid Styles

Paternalism

- A combination of 9,1 direction and control coupled with 1,9 rewards through praising compliance
- The attitude that subordinates should be controlled in a fatherly way for their own good



Opportunism

• A combination of any management styles based on whatever will advance the manager's personal gain

Facades

• Role plays a 9,9 to hide true motivations

Episode 3: A Winning Leadership Style

Michael has been on other floors in the building and it seems to him that other offices have a different feeling in the air, a different dynamic. Maybe it's the environment? Maybe it's the employees? Well, maybe it's the boss? Everyone seems so much happier and less confused in other offices. Michael wants to know how to provide this type of place for his own employees. Let's take a look at some Q & A with Michael.

Becoming the People's Man

Q: What characteristics should I focus on as a manager?

A: It is important to care about your team and show genuine interest in each member. Make it a priority to talk with each person about themselves and their personal struggles. Getting to know your team will allow you to "sense the group's power", and build an effective work group with high productivity rates, performance skills, and happy attitudes.

Q: Will employees feel bothered or uncomfortable if I try to talk to them about their personal life?

A: You may be surprised, but no! Studies have shown that employees do not find personal conversations offensive or intruding. In fact, they welcome it. This relationship will benefit you later on when work related issues come up. If an employee can talk to you about anything, in particular work related issues, you will have lower absence rates.

Working Conditions

Production rates are stressful, and can make a manager feel pressured. But "Move faster!" and "I've got my eye on you," do not work when it comes to motivating your team. Unnecessary pressure on employees decreases overall production rates. Workers need their space and time.

> Q: Won't my team become lazy if I do not motivate them with stressful deadlines, production goals, and conduct less supervision? How can I trust them to get the job done?

> A: Motivation, incentives, and supervision do not lead to high production rates or success. You may have heard of the technique KITA, or kick in the pants. KITA strategies, such as reducing hours at work, reducing wages, or excessive employee counseling, are not long lasting motivators.

> Q: Anything else I need to completely change about myself, beliefs, and how I run my office?

A: Michael, don't forget about YOUR personality. It matters! As a manager strive to be:

Unselfish

•

- Cooperative
 - Full of encouragement and support
- Enthusiastic
- Sympathetic
- Interested in employee success

So what can you do?

- Let your team members take a 5 minute "breather" during their shifts
- Cut back on supervision
- Reduce any stress to a reasonable amount
- Turn mistakes into teaching moments
- Do not criticize or point out mistakes made
- Care more about your team's growth, less about the production number



Remember this...

Every individual works on their own time frame. Employees are more productive when given a general goal by their manager and then allowed to reach that goal in their own work pace. Self-freedom makes an employee feel responsible for their roles. They will set goals, know what is expected of themselves, and get to work!

Too much supervision leads to the belief that you do not trust your team members, and in return, your employees will have little confidence and trust in you. Visit and make an appearance with your team daily, but trust them to do what they were hired to accomplish.

Communication

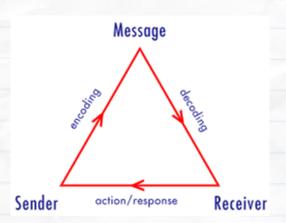
Communication is essential for a company to function, and is one the most important roles you will have as a manager. Good communication and high team performances go together. On the other hand, poor communication will interfere with completing a job.



Q: I never have bad communication. Just ask! Right team?

A: Typical complications of communication include:

- Interpenetration of a message depends on cognitive thinking, motivations, and emotions
- Reception of information in comparison to what is really meant differs
- Message acceptation or rejection



Misinterpretation

One common mistake in communication is the misinterpretation of a message. In other words, most of the time employees do not know what you would like them to do. The confusion not only slows an operation down, but the goals of the manager versus the goals of the employees are not the same. Communication will help you successfully direct and influence your team.

But remember ...

Not all communication is oral. As the old term states, "Actions speak louder than words." Silent communication shows an employee genuine recognition for their efforts. Responsibility, authority, or promotions are all great ways to say "good job." Do not underestimate your communication through actions.



The Power of Promotion



Group Loyalty

Group loyalty will help you create team goals that are consistent with your company's objectives. Better employee relationships, a feeling of job stability, better communication, and less stress are all outcomes of a well-knit team. This tool will guide your members into becoming efficient, setting high standards for production, and wasting less time.

Q: How will group loyalty make my employees work harder?

A: Group loyalty has a psychological effect.

- The greater the loyalty felt by the entire group, the more influence group goals will have on all of the team members.
- Productivity levels will be constant from worker to worker. This comes from more motivation to produce at the appropriate work level set by the group.

Group loyalty is a handy tool, but beware, if your team is lead to reject your company's goals, you will find yourself in one messy battle.



Episode 4: Get Moving

The holiday season is around the corner and the office is running low on motivation. Everyone just wants to go home to their pumpkin pie and honey glazed hams. Michael is pacing around trying to think of ways to keep everyone motivated because there are still deadlines to be met!

The three main motivating factors:

- 1. Intrinsic and Hygiene factors
- 2. The Triangle of Philosophies of Personal Management
- 3. Job Enrichment vs. Job Loading

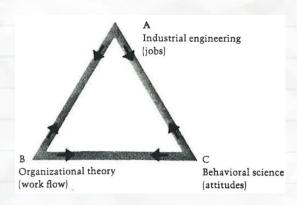
Intrinsic and Hygiene Factors

Intrinsic factors are "true motivating factors." They are things that you can change within your network of employees to promote individual growth. Mistaken for intrinsic factors are called hygiene, or extrinsic factors. **DO NOT BE FOOLED**. Hygiene factors are typically outside of your control, and do not lead to a permanent change in an employee's motivation.

Hygiene		
Changing:		
Company policy and administration		
Supervision		
Working conditions, such as salary,		
status ranking, and security		

The Triangle of Philosophies of Personal Management

The triangle can be broken down into three main categories of human thinking:



Industrial engineers

People are mechanically oriented and economically motivated. Therefore, they preform best in the most efficient work set-up. Make the most productive use of the "human machine."

Organizational

If a job is organized in properly, you will have the most efficient job structure and favorable job attitudes.

Behavioral

Group feelings, attitudes of employees, and the organization's social and psychological environment all effect job efficiency and the organizational structure.

Job Loading vs. Job Enrichment

When motivating, be careful to not fall into the trap of "job loading."

Managers who use Job Loading:

- Increase the amount of production expected to add more pressure to a job
- Add more meaningless tasks to an existing job
- Rotate the employee through more boring jobs throughout the day
- Remove the most difficult part of a worker's main job in order to allow them to accomplish more of the less challenging jobs



Employees do not want extra meaningless work, or feel more motivation in doing so. Instead, offer them the chance to contribute more through job enrichment.

Managers who use Job Enrichment:

- Supply employees with enriching work that will bring out efficiency and utilization
- Remember to manipulate true motivating factors
- Allow for employee growth

Job Enrichment Implementation:

- 1. Select a job in which:
 - (a) the investment is not too costly
 - (b) attitudes are poor
 - (c) hygiene is becoming very costly
 - (d) motivation will make a difference
- 2. Remind yourself that these jobs can be changed
- 3. Brainstorm a list of changes that could enrich the job. Do not be concerned about their practicality
- 4. Screen your list to eliminate suggestions that involve:
 - (a) hygiene instead of actual motivations
 - (b) ideas that are too general
 - (c) job loading suggestions
- 5. Avoid participation by the employees whose jobs will be directly enriched
- 6. Set up a controlled experiment in an initial attempt for your change
- 7. Be prepared for drop in performance at first, the new change may lead to temporary reduction in efficiency
- 8. Expect supervisors to experience some anxiety or hostility over the changes you make

In the end, successful job enrichment will:

- Make changes that will last for a long time
- Bring the job up to a level of challenge comparable to the skill that was initially hired for the job
- Lead to long term effects on employee's attitudes

Episode 5: Motivation & Personality

Michael must get his employees to meet new performance standards. However, he has been unsuccessful at motivating his employees. He's tried everything from yelling to bribery. All gets back from his employees are blank stares. How can he motivate them to do their work?

A.H. Maslow created a theory on motivation that can lend some insight. Let's take a look into this theory to help out Michael.



What motivates people?

Average desires in daily life are usually a means to an end rather than an end in themselves. Let's take Jim for example- he started working at Dunder Mifflin as a paper salesman. When asked why he decided to be a paper salesman, he says it's because he wants more money and the sales give him good commissions.



What Drives Motivation?

Motivation is rarely driven by money itself. This is usually only a means to an end. What is Jim's true motivation? We need to take a deeper look. Why does he want more money? He wants money because he wants a car, and he wants a car so that he can ask girls out and drive them on dates. He wants to be able to drive his dates so he can be respected and esteemed highly. Therefore, Jim's true motivation is to be respected. Because he now has money, Jim bought a car, and asked Pam on a date. She said, "Yes!"



Thus we see that the outside desire is only a representation of a different inner desire. It is important to realize that there are usually several motivations behind a behavior, and they are usually hidden. Motivation is constant, fluctuating, and complex.

Theory of Human Motivation

According to Maslow, people are motivated by their basic needs. There are 7 basic needs that must be satisfied. It is a human characteristic that when one need is met, another comes to take its place. Therefore, we are never satisfied for long before we move on to the next need.

1. Physiological Needs

- Includes hunger, thirst, sleep, and the need for homeostasis
- These are our first priority before we can move on to other motivations

2. Safety Needs

- Includes security, stability, freedom from fear, structure and order
- These needs emerge after the physiological needs are satisfied
- 3. Belongingness and Love Needs
 - •These needs emerge if the previous needs have been satisfied

4. Esteem Needs

- Self respect, high evaluation of themselves
- Satisfaction in these needs leads to: self confidence, strength, capability, feeling useful in the world. Thwarting these needs gives feelings of inadequacy, weakness, helplessness.

5. Need for Self Actualization

• This includes being true to your own nature and doing what you are fitted to do

6. Need for knowledge

• Cognitive growth, seeking to understand mysteries

7. Aesthetic needs

• Need for beauty in the world and beautiful things in your life

Remember, every day desires are surface indicators of more basic needs.

Self-Actualizing People

Gratification of the basic needs leads to healthy development of character. Those who have had their needs met are generally emotionally healthy and stable people. Therefore the more needs that are met, the greater the psychological health. As a manager, it is helpful to be aware of the needs of your employees and make efforts in fulfilling those needs in the workplace.

Maslow described people who have had their needs met as "self-actualizing" people. These people are generally more successful than others. Some of their characteristics include:

- Seeing reality without confusing their hopes, dreams, and beliefs with it
- Lack of defensiveness and hypocrisy
- Accept their own human nature and don't feel guilty about it
- Deeper and more profound interpersonal relations
- Highly ethical and strong moral standards
- Motivated by character growth and development

Michael decides to try out this theory of human motivation. He evaluates his employees and decides that instead of yelling and bribery, he is going to motivate through satisfying basic needs. He makes the workplace somewhere his employees can find safety, belongingness and love, self esteem, and self actualization. He noticed a change in his employees as they are now working harder and successfully hitting the new standards of performance.



Episode 6: "But I'm Only Human!"

Michael finally understands his faults and shortcomings in the office, and realizes just how human he is. While he has a desire to change, he does not know how to execute his plan to become a better leader and manager. Luckily, Angela and Toby have some theories that might aid Michael's resolution to change.

Theory X

What is it?

- Since the beginning of time, people have never liked working. They only do it because they have to.
- Because people do not inherently like working, many may feel forced to put forth adequate effort, but, in reality, are not ambitious enough to do so.
- People want to be directed, avoid responsibility, and most of all, they want security.



Theory X doesn't work because it ...

- assumes that control means forcing people to do what they don't want to do.
- makes employees feel insecure, have low self esteem, and limits their potential for greatness.
- relies on authority for control and rewards only for good behavior.



I guess I see your point Toby. I'll take it into consideration. What other ideas do you have Angela?

Fine! I'll explain. Just a sec., I've got to put down the cat.



Theory Y

What is it?

- Physical or mental efforts expended at work are nothing more than work or • play.
- External control and punishment are not the only ways to increase efforts • towards certain goals and objectives.
- Being rewarded for accomplishments drive the human's commitment to goals ٠ and objectives.
- Humans learn to accept and seek responsibility. •
- Humans are full of imagination and creativity. •
- Humans living in the modern industrial world are only exercising half of their • potential.



Application of Theory Y

- Theory Y sees people as they really are: people with the capacity for growth and development.
- If people are committed to the objective, they will exercise self-control and self-direction.
- With an environment that encourages and allows the nature of relationships to exist, employees can exercise ingenuity and imagination.
- Theory Y recognizes the need for employees to be motivated. They need safety, social, and self-fulfillment opportunities.

Conclusion

Management is more than leadership. As Michael becomes a better leader, his managing skills will greatly increase!

Some key points to remember:

- Leadership training should focus on providing managers with methods for diagnosing the favorableness of the situation and adapting the situation to his style of leadership.
- The ideal manager uses a goal-centered, team approach that seeks to gain optimum results through participation, involvement, commitment, and conflict solving of everyone who can contribute.
- Employees are more productive when given a general goal by their manager and then allowed to reach that goal in their own work pace.
- Knowing your team, communication, and group loyalty are key factors in an effective leadership style.
- Successful job enrichment will make changes that will last for a long time, bring the job up to a level of challenge comparable to the skill that was initially hired, and lead to long term effects on employee's attitudes.
- It is important to meet the basic needs of employees and encourage selfactualization.
- Being rewarded for accomplishments drive the human's commitment to goals and objectives.

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