

Chapter 2

Introduction to Management Theory

Teaching Points

- Management is an operational function used to guide an organization involving adherence to established policies and practices. Leadership is a people-oriented concept that operates outside and beyond the perimeters of rules and policies. Leadership permeates all levels of an organization from the line staff to the chief executive.
- The history of management can be divided into two broad perspectives: classical and humanistic management (provided in Exhibit 2.1).
- Scientific Management (Taylor, Gantt, and Gilbreths)

Frederick Winslow Taylor is considered the father of scientific management. A major component of Taylor's system was determining a time for each step in a work process and then using a strict management system to keep the workers on that timetable. In 1911, Taylor published *The Principles of Scientific Management*. Taylor also made other contributions, including the **principle of exception**, which meant that lower-level managers should handle routine matters, and higher-level managers should only receive reports of deviations above or below standard performances.

Henry Gantt was an associate of Frederick Taylor and a pioneer in the area of scheduling and rewarding employees. He is most noted for the development of the **Gantt Chart**, which emphasized time rather than quantity, volume, or weight as the key factor in planning production. Gantt viewed production inefficiency as the result of management's inability to formulate realistic standards. He believed that work needed to be effectively scheduled and that workers needed to be motivated through offers of production bonuses.

Frank and Lillian Gilbreth devoted themselves to efficiency. They studied the movement and motions of baseball players, physicians, disabled veterans, and workers. By observing and analyzing how repetitive tasks were performed, the Gilbreths believed they could discover the single best way of performing any job. After analyzing hundreds of workers, the Gilbreths claimed to discover the existence of sixteen “therbligs”, which they considered the basic units of movements.

- Bureaucratic Management (Max Weber)

Max Weber, the founder of modern sociology, was the first to observe and write on the bureaucracies that developed in Germany during the nineteenth century. He considered them to be efficient, rational, and honest, a big improvement over the haphazard administration that they replaced. Weber suggested that well-established organizations functioned according to six principles.

Max Weber was the first to use the term **bureaucracy**. His bureaucracies were based on authority, and he analyzed the bases of authority and found three basic types: Legal or rational authority; charismatic authority; and traditional authority.

- Administrative Management (Fayol, Follett, Barnard)

Henri Fayol identified five functions of management and 14 principles of management.

Mary Parker Follett was attentive to the practical realities of relationships in organizations. She referred to “functional relating” and “coordination” within organizations and their impacts on the dynamics of the whole.

Chester Barnard acknowledges communication principles in *Functions of the Executive*, which reflected his experience and thinking.

- The Human Relations Movement (Mayo and Maslow)

George Mayo guided the famous experiments known as the Hawthorne Studies. When employees were allowed to have a friendly relationship with their supervisor, they felt happier at work. When they were allowed to discuss changes prior to them occurring, they felt part of a team and were extremely loyal to the plant. The power of the social setting and peer group dynamics became known as the **Hawthorne Effect** and the foundation for democratic management, participatory decision making and team building. Abraham Maslow developed the **need hierarchy**, provided in Exhibit 2.4, suggesting that there are five sets of goals that may be called basic needs. Maslow's concepts were originally offered as general explanations of human behavior but quickly became a significant contribution to workplace motivation theory.

- Behavioral Systems (Lewin)

Lewin is most noted for his development of the field theory, a proposition that human behavior is the function of both the person and the environment. Lewin developed **force field analysis**, a technique for diagnosing situations. Lewin assumes that in any situation there are both driving and restraining forces that influence any change that may occur.

- The Human Resources Perspective (McGregor and Likert)

Douglas McGregor formulated **Theory X** (people dislike work, must be coerced, dislikes responsibility) and **Theory Y** (people are creative, have great potential, committed).

Rensis Likert contended that organizations that make the greatest use of the human capacity were those in which effective work groups were linked together in overlapping patterns. This **linking pin** pattern occurs when one person serves simultaneously in two groups: a member of one group (a higher group in the hierarchy) and the leader of another group (a lower group in the hierarchy). In his book *New Patterns of Management*,

Likert identified four different management systems or climates: (1) exploitive-authoritative, (2) benevolent-authoritative, (3) consultative, and (4) participative groups.

- **Systems Approach (Drucker and Deming)**

Peter Drucker introduced the phrase **management by objectives (MBO)**. MBO is a bottom-up, process-oriented, and team-oriented planning system. Objectives are defined as being relatively few and long term in their focus. Goals are defined as being relatively more numerous and short term in their focus. Steps in the MBO process in Exhibit 2.6.

W. Edwards Deming considered the founder of **Total Quality Management**. Deming developed his “system of profound knowledge” involving a systematic approach to problem solving, which later became known as the plan-do-check-act cycle. Deming suggested that every organization should promote continuous quality improvement by implementing fourteen management principles.

CHAPTER 2 TEST BANK

True and False

1. Frederick Taylor’s contribution known as the *principle of exception* meant that lower-level managers should handle routine matters, and higher-level managers should only receive reports of deviations above or below standard performances. Answer: T
2. A *Gantt Chart* emphasizes time rather than quantity, volume, or weight as the key factor in planning production. Answer: T
3. According to Douglas McGregor understanding and eliminating fatigue is essential to countering the potential negative consequences of physiological, psychological, and behavioral stresses associated with the work. Answer: F
4. In Abraham Maslow’s *hierarchy of basic needs*, physiological needs such as food, water and sleep must be satisfied before self-actualization can occur. Answer: T
5. *Linking pin* patterns in an organization occur when one person serves simultaneously in two groups: a member of one group (a higher group in the hierarchy) and the leader of another group (a lower group in the hierarchy). Answer: T

6. Rensis Likert suggests that a *participative-group system* exists in organizations where personnel at all levels feel real responsibility for the organizational goals. Answer: T
7. In the 1960s and 1970s many police agencies adopted some form of *Management by Objectives (MBO)* which asks managers to focus on results or outputs. Answer: T
8. One of the difficulties that police managers' experience when using a *Gantt Chart* is that no computer software currently exists to create task lists and monitor progress. Answer: F
9. Peter Drucker developed his *system of profound knowledge* as a comprehensive theory for improving police organizations through total quality management. Answer: F
10. *Total Quality Management (TQM)* is an organizational approach to customer satisfaction involving customers, people, and the continuous improvement of processes. Answer: T

Multiple Choice

11. _____ is considered the father of scientific management.
 - a. Henry Gantt
 - b. Frederick Taylor
 - c. Kurt Lewin
 - d. Douglas McGregorAnswer: b
12. George Mayo guided a famous series of experiments at the Western Electric Hawthorne Works Plant known as the _____ Studies.
 - a. Mayo Clinic
 - b. Objective Authority
 - c. Hawthorne
 - d. Theory X and YAnswer: c
13. _____ is a management technique for diagnosing situations that considers driving forces and restraining forces affecting a situation.
 - a. Objective Authority
 - b. Theory X and Y
 - c. Force Field Analysis
 - d. Linking Pin TheoryAnswer: b

14. Which of the following statements is correct according to Douglas McGregor's Theory X and Y Assumptions about employee behavior at work?
- a. Theory X employees have an inherent dislike of work and will avoid it if possible.
 - b. Theory Y employees view physical and mental effort in work as natural as play or rest.
 - c. Theory Y employees learn, under proper conditions, not only to accept but to seek responsibility.
 - d. All of the above.
- Answer: d
15. In an exploitive-authoritative management climate, which of the following statement is correct?
- a. Decisions are imposed on subordinates.
 - b. High levels of management have great responsibilities, but lower levels have virtually none.
 - c. There is very little communication and no joint teamwork.
 - d. All of the above.
- Answer: d
16. The three key elements of the Gantt chart include ____.
- a. tasks to be performed, timetable to accomplish the tasks, and personnel assigned to perform the tasks
 - b. reduction of personnel, reduction of expenditures, and reduction of overtime pay
 - c. increasing personnel, increasing expenditures, and increasing overtime pay
 - d. None of the above
- Answer: a
17. By observing and analyzing how repetitive tasks were performed, ____ believed a manager in an organization could discover the single best way of performing any job.
- a. Orlando Wilson
 - b. William Parker
 - c. George Kelling
 - d. None of the above.
- Answer: d
18. The Pulaski, Tennessee Police Department videotaping of employees at their daily work as they performed routine law enforcement activities ____.
- a. provided motivational support from the managers and reaffirmed the employees' importance to the agency
 - b. caused employees to become paranoid about management practices
 - c. was circulated by WikiLeaks and created lawsuits with the department
 - c. None of the above
- Answer: a

19. Which of the following statements associated with Total Quality Management is correct?
- a. Eliminate slogans, exhortations, and targets for the work force asking for zero defects and new levels of productivity.
 - b. Eliminate management by numbers, numerical goals.
 - c. The responsibility of supervisors must be changed from sheer numbers to quality.
 - d. All of the above

Answer: d

20. _____ developed his system of profound knowledge as a comprehensive theory for improving police organizations through total quality management.
- a. Peter Drucker
 - b. W. Edwards Deming
 - c. Chester Barnard
 - d. Mary Follett

Answer b

Essay Questions

- 21. Max Weber suggested that well-established organizations functioned according to six principles. Name any two of Weber's principles.
- 22. Henri Fayol, the founder of the administrative school of management, identified five functions of management. Name any two of Fayol's functions.
- 23. Abraham Maslow identified five concepts as a general explanation of human behavior that became a significant contribution to workplace motivational theory. List the concepts and provide an explanation of each.
- 24. Describe Douglas McGregor's Theory X and Y.
- 25. W. Edward Deming suggested that every organization should promote continuous quality improvement by implementing 14 management principles. Describe any three of these principles.