



BLOCK 4

SOCIO-PSYCHOLOGICAL THINKERS

Pignou
THE PEOPLE'S
UNIVERSITY

UNIT 11 ABRAHAM MASLOW*

Structure

- 11.0 Objectives
- 11.1 Introduction
- 11.2 A Brief Biograph of Maslow
- 11.3 Maslow's Theory of Motivation
- 11.4 Functioning of the Hierarchy of Needs Theory
- 11.5 An Appraisal of Maslow's Theory
- 11.6 Conclusion
- 11.7 Glossary
- 11.8 References
- 11.9 Answers to Check Your Progress Exercises

11.0 OBJECTIVES

After reading this Unit, you should be able to:

- Explain the theory of motivation;
- Describe the concept of Hierarchy of Needs;
- Discuss the functioning of Maslow's Theory; and
- Critically evaluate the Needs Hierarchy Theory.

11.1 INTRODUCTION

'Motivation' is a very important component of organisational functioning in administration. Many thinkers have expressed their views on the Theory of Motivation and their contribution has been phenomenal. The modern era gave birth to a new field of research, that is the study of human behaviour or psychology. One of the earliest psychologists to focus attention on happy individuals and their psychological trajectory was Abraham Maslow, who is well-known for his concept of Hierarchy of Needs, which formed a part of the Social-psychological Approach across the globe. Therefore, the fact lies that the workers have to be motivated keeping in mind their needs and desires. This forms the essence of the Social-psychological Approach. Abraham Maslow essentially made self-fulfillment and happiness a central part of his life's work. In a break from the other experts of his time, he wanted to understand what motivated the great people of history and in order to understand human potential, he wanted to know what humans were capable of as their healthiest selves. In this Unit, we would explain Maslow's early life, his vision on motivation and the effectiveness of his Theory. We will also critically evaluate Maslow's Hierarchy of Needs Theory.

11.2 A BRIEF BIOGRAPH OF MASLOW

Abraham Harold Maslow was an American psychologist, who was best known for creating Hierarchy of Needs, a Theory of psychological health predicated on fulfilling

* Contributed by Dr. Sandhya Chopra, Consultant, Faculty of Public Administration, SOSS, IGNOU, New Delhi.

innate human needs in priority, culminating in self-actualisation. He studied at the City College, New York and later went to the University of Wisconsin to study Psychology. Later, he went on to teach at the Alliant International University, Brandeis University, Brooklyn College, New School for Social Research, and Columbia University. He compiled his early publications, which came out as a Book on 'Motivation and Personality' in 1954. He stressed on the importance of focusing on the positive qualities in people, as opposed to treating them as a "bag of symptoms".

It was Abraham Maslow who, in 1943, made a breakthrough in human motivation with the appearance of his Paper entitled "A Theory of Human Motivation" published in the Journal *Psychological Review*. In this Article, Maslow postulated the idea of a 'hierarchy of human needs'. He was of the view that human beings are pleasure-seeking beings and are motivated towards satisfaction of their needs. Subsequently, he extended to include his observations of man's (person's) innate curiosity. His Theory contends that as humans meet 'basic needs', they seek to satisfy successively 'higher needs' that occupy a set hierarchy.

Maslow studied exemplary people such as Mahatma Gandhi, Albert Einstein, Jane Adams, Eleanor Roosevelt, and Frederick Douglas before he formulated the Theory of Motivation. Before Maslow, all administrative thinkers belonging to the Human Relations School routinely took the instrumental view of man (human), believing in manipulating him to be a more productive tool of the organisation. Maslow made a departure from such thinking. He contended that the employee is not to be treated as an instrument, but as an autonomous being and hierarchy of needs motivated him. Man, in other words, is a self-actualising being. Maslow held the view that the best managers are the ones who improve the health of the employees.

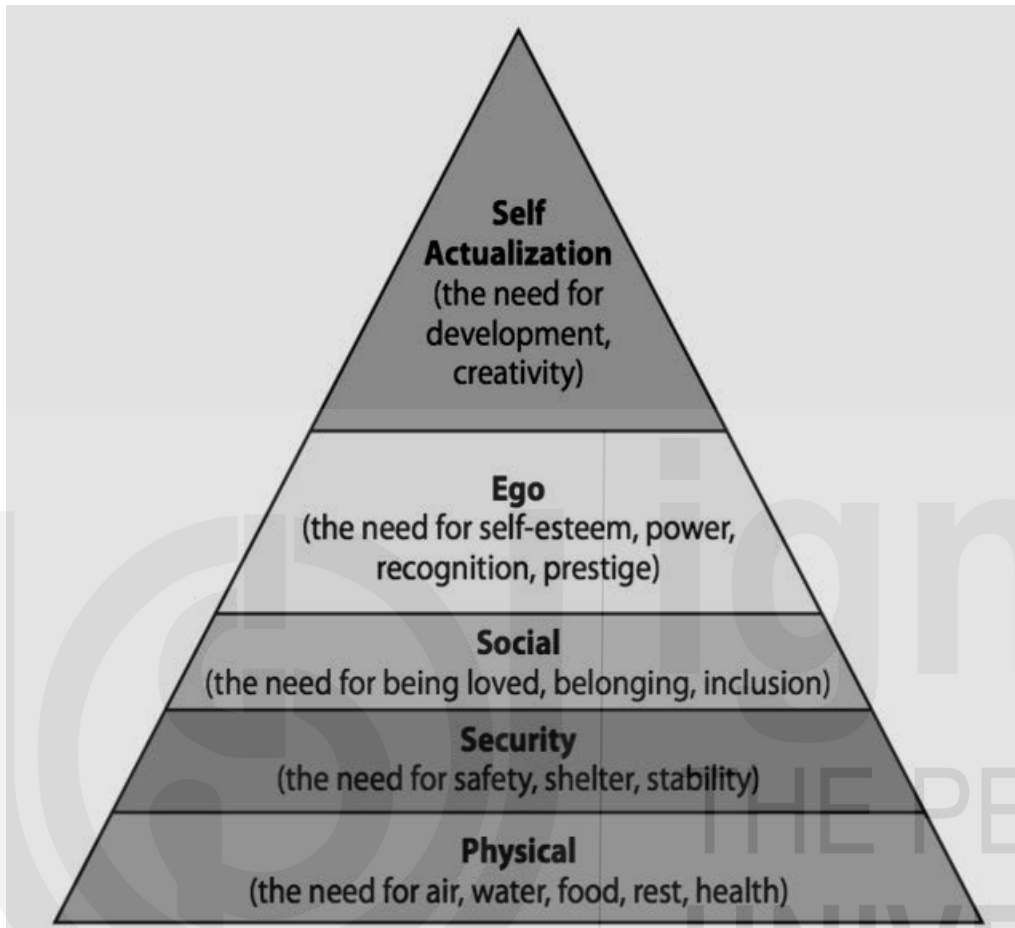
11.3 MASLOW'S THEORY OF MOTIVATION

Maslow's Approach emphasised the importance of human needs in an organisation. Every organisation has a set of goals and targets to accomplish, which further depend on the workers of the organisation. Motivation is possible if there are unfulfilled needs of organisational workers. An unfulfilled need or goal would always motivate the worker to fulfill or accomplish it. The organisations have to tap the level of needs in order to motivate the employees or workers.

Maslow in his classic Paper 'A Theory of Human Motivation'; as mentioned before, outlined an overall Theory of Motivation. He analysed the relationship between the human beings and organisations from the point of view of human needs. He was of the view that human beings became members of organisations to fulfill their needs, which may emanate from a variety of areas. Thus, the fulfillment of these needs motivates the human beings for a higher level of performance, whereas non-fulfillment of needs have an adverse effect on the motivation of individuals in terms of contribution to the organisations. As a result, the goals and objectives of the organisation lack fulfillment. Keeping this in mind, Abraham Maslow formulated the Hierarchy of Needs Theory, which would keep the employees motivated and, in turn, would lead to more productivity and satisfaction of the individuals and the organisation as a whole. As cited in Dhameja and Mishra(2016), Maslow believed that individual behaviour was the result of the conscious and sub-conscious goals that the individual harboured. These goals were personal as well as organisational. He placed the personal needs at a lower level and the organisational needs at a higher level.

Abraham Maslow stated that healthy human beings have a certain number of needs, which follow a hierarchical pattern and therefore these needs are arranged in a

hierarchy. These needs are physiological needs, security needs, social needs, esteem needs and self-actualisation needs. Some needs (such as physiological and safety needs) are more primitive or basic than others (such as social and ego needs). Maslow's so-called 'hierarchy of needs' is often presented as a five-level pyramid, with higher needs coming into focus only once lower, or more basic needs are met. The structure of the needs is as follows:



The *first* in the hierarchy are the *Physical Needs*: These needs pertain to the basic things necessary for survival that are hunger, thirst, shelter etc. The human beings initially try to satisfy this need and once it is fulfilled, this need ceases to satisfy them. In other words, these needs no longer motivate them.

The *second* needs are the *Security Needs*: These needs talk about the job security or safety at workplace that further provides a sense of psychological security to human beings. Maslow here talks about both physical and emotional safety and he opines that once the safety and security needs are ensured, they no longer motivate the human beings.

The *third* are the *Social Needs*: These needs represent the relationships between and among groups of people working in the organisation. These needs provide emotional security to the people and also a sense of belongingness and association. Man is a social animal and likes to be friendly with others and if these needs are not met, the employee becomes resistant and hostile.

The *fourth* in line are the *Esteem Needs*: These needs are those needs where the human beings strive for power, achievement and status. Esteem here denotes both self-esteem and esteem from others.

The *highest* level need is the *Need for Self-actualisation*: This need represents the

culmination of all other needs. The fulfillment of this need gives a higher sense of satisfaction to the individual in work and life, which improves the performance of a person in an organisation. The term self-actualisation was coined by Kurt Goldstein, which is directed towards searching the meaning and purpose in life. The desire for self-fulfillment and a meaningful life is the essence of this need.

Maslow called the bottom levels of the pyramid as 'deficiency needs' because a person does not feel anything if they are met, but becomes anxious if they are not. Thus, physiological needs such as eating, drinking, and sleeping are deficiency needs, as are safety needs, social needs such as friendship and physical intimacy, and ego needs such as self-esteem and recognition. In contrast, Maslow called the fifth level of the pyramid a 'growth need', because it enables persons to 'self-actualise' or reach their fullest potential as human beings. Once a person has met his deficiency needs, he can turn his attention to self-actualisation. However, only a small minority of people are able to self-actualise because self-actualisation requires uncommon qualities such as honesty, independence, awareness, objectivity, creativity, and originality.

Check Your Progress 1

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1) What is unique about Maslow's Theory of Motivation?

.....
.....
.....
.....

2) Explain Maslow's Hierarchy of Needs Theory.

.....
.....
.....
.....

11.4 FUNCTIONING OF THE HIERARCHY OF NEEDS THEORY

The Hierarchy of Needs Theory has *five* levels. Each need serves as a goal for an individual for e.g., the first need is the physiological need and the individual concentrates on fulfilling this need till it actually gets fulfilled and he attains satisfaction, and only when he is thoroughly satisfied in that need area, does he move to the next order need. This pertains to mostly all individuals in their daily life and non-achievement of a particular goal in a need area motivates a person to achieve it. Once it is achieved, it no longer continues to motivate an individual and thereafter the individual ceases to show interest and further work in that area.

Now, if we take the physiological needs like hunger, thirst, shelter etc., such needs correspond to contributions from the organisation in the form of salary and other

amenities. Once these needs are fulfilled, the individual climbs up the rung of the next order needs, which are the security needs. Individual in today's times fear many untoward incidents and mishaps. So the security needs play a very important role in an individual's life, and more so, a dominant role because security has become a key factor in a person's life.

Thus, only when the person is completely satisfied with his safety aspect, does he aim to achieve the next need. The next level needs are the social order needs. The individual is a social animal and longs for association and affiliation. This includes fulfillment of psychological needs like acceptance in the society and organisation. This also comprises of improving inter-personal relations. Once these needs are fulfilled, the next level of needs are the esteem needs, where the person wants recognition and respect in the organisation in which he is working. He longs for prestige, freedom of work and autonomy. The fulfillment of these needs give greater level of satisfaction and motivates the individual to give his best to the organisation. It instills greater confidence and boosts the morale of the worker, which further prepares him to take up leadership positions and guide others.

The next order need is the need of self-actualisation, which is the culmination of all needs. This need signifies excellence in society and organisation, and is expressed by achieving higher performance in any role. It also relates to achieving meaning and purpose in all the endeavours undertaken by an individual. Their energies are channeled in achieving the developmental goals of their organisation. This need arises only when all the lower order needs are fulfilled. However, this need has to be understood in the right connotation. As cited in Prasad *et al.*, (2010), there are certain attributes, which are required to fulfill the need of self-actualisation and they are:

- Lack of overriding guilt and anxiety.
- Inclination for solitude and privacy.
- Desire for autonomy and freedom.
- Derivation of ecstasy, inspiration and strength from the basic experiences of life.
- Deep feeling of identification and sympathy for humanity.
- Experiences of mystic happenings.
- Interpersonal relations with a few people.
- Ability to differentiate between ends and means, as well as right and wrong, and
- Sense of humour, creativity and originality.

Maslow believed that the deficiency and growth needs have to be explained in detail as these are similar to instincts and play a major role in motivating behaviour. He also segregated the needs into deficiency and growth needs. Physiological, security, social, and esteem needs are deficiency needs, which arise due to deprivation. Satisfying these lower-level needs is important in order to avoid unpleasant feelings or consequences. Maslow termed the highest level of the pyramid as growth needs. These needs don't stem from a lack of something, but rather from a desire to grow as a person.

While the Theory is generally portrayed as a fairly rigid hierarchy, Maslow noted that the order in which these needs are fulfilled does not always follow this standard progression. For example, he noted that for some individuals, the need for self-esteem is more important than the need for love. For others, the need for creative fulfillment may supersede even the most basic needs. Each satisfied need does not motivate a person and thereafter urgency of a need decreases and another unsatisfied need emerges.

11.5 AN APPRAISAL OF MASLOW'S THEORY

Maslow's Theory of Hierarchy of Needs made a headway in the Social-psychological Approach of public administration. Maslow valued human emotions and sentiments and tried to give the individual their due worth in an organisation depending on their hierarchy of needs that played a vital role in motivating them to perform better.

While some research showed some support for Maslow's theories, most of the researches have not been able to substantiate the idea of a 'needs hierarchy'. It has been reported that there was little evidence for Maslow's ranking of these needs and even less evidence that these needs were in a hierarchical order. Maslow's theory was criticised for choosing a small sample size and even his validation and methodology has been highly controversial. The hierarchy has no scope for deviations for e.g., people have varied preferences for various needs, some may have a strong preference for esteem needs and some for security needs. Also, the hierarchy of needs cannot be compartmentalised. In other words, it cannot be watertight. Even the emergence of a need is not sudden, it is a gradual phenomenon. Most importantly, human behaviour is multi-motivated and cannot be influenced by any single need.

Other criticisms of Maslow's Theory note that his definition of self-actualisation is difficult to test scientifically. His concept of self-actualisation is vague and more so it cannot be replicated as a motivation model to increase the productivity of people in any organisation. His research on self-actualisation was also based on a very limited sample of individuals, including people he knew as well as biographies of famous individuals that Maslow believed to be self-actualised.

11.6 CONCLUSION

Regardless of these criticisms, Maslow's Hierarchy of Needs represents part of an important shift in psychology. Rather than focusing on abnormal behaviour and development, Maslow's humanistic psychology was focused on the development of healthy individuals. This notion of Maslow made him stand apart and helped him develop a substantive theory of human psychology. Maslow admitted that the hierarchy of needs need not progress in the manner he propagated and that it varied from person to person; Thus, many of critics only pointed out the drawbacks which Maslow himself underlined. His theory came at a point when 'motivation' was not studied in terms of needs and variety of desires to fulfill them. His contribution paved the way for thinkers like him. The Theory has been widely recognised. It is easy to understand this Theory among the different theories of Motivation. Many theorists on motivation have simply used Maslow's parameters to formulate their theories. Herzberg's Two-factor takes its inspiration from Maslow. Practicing managers still follow certain factors related to Maslow's Needs Hierarchy.

Check Your Progress 2

Note: i) Use the space given below for your answer.
ii) Check your answer with that given at the end of the Unit.

1) Make an appraisal of Maslow's Theory of Motivation.

.....
.....
.....
.....

11.7 GLOSSARY

Actualisation	: Full utilisation of one's potential.
Affiliation	: A connection with larger organisation or ideology or perspective.
Esteem	: High regard of someone because of his or her capabilities and achievements.

11.8 REFERENCES

Cherry,K.,(2017).The Five Levels of Maslow's Hierarchy of Needs. Retrieved <https://www.verywell.com/what-is-maslows-hierarchy-of-needs-4136760>

Dhameja,A. (2016). Socio-psychological Approach In Alka Dhameja and Sweta Mishra (Eds.) *Public Administration: Approaches and Applications*. New Delhi: Pearson.

https://en.wikipedia.org/wiki/Abraham_Maslow

IGNOU Material (2011). 'Administrative Theory'. Unit 13: 53-56.

McLeod,S.,(2017). Maslow's Hierarchy of Needs. Retrieved from <https://simplypsychology.org/maslow.html>

Prasad, D.R. et. al. (Eds.) (2010). *Administrative Thinkers*. New Delhi: Sterling Publishers.

11.9 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- 1) Your answer should include the following points:
 - Maslow studied exemplary people such as Mahatma Gandhi, Albert Einstein, Jane Adams, Eleanor Roosevelt, and Frederick Douglas to arrive at his concept of self-actualisation.
 - He analysed the relationship between the human beings and organisations from the point of view of human needs.
 - Maslow believed that individual behaviour was the result of the conscious and sub-conscious goals that the individual harboured.
 - He was the first to arrange human needs in a hierarchy.
- 2) Your answer should include the following points:
 - Physiological
 - Safety
 - Social
 - Esteem
 - Self-actualisation

Check Your Progress 2

- 1) Your answer should include the following points:
- Needs identified by Maslow may not progress the way he had visualised.
 - Maslow's theory was criticised for choosing a small sample size.
 - His validation and methodology has been highly controversial.
 - The hierarchy has no scope for deviations e.g., people have varied preferences for various needs, some may have a strong preference for esteem needs and some for security needs.
 - The hierarchy of needs cannot be compartmentalised.



ignou
THE PEOPLE'S
UNIVERSITY

UNIT 12 RENSIS LIKERT*

Structure

- 12.0 Objectives
- 12.1 Introduction
- 12.2 Organisational Humanism: Setting the Context
- 12.3 The Interaction-Influence System
- 12.4 Management Styles
- 12.5 Implications for Managers
 - 12.5.1 Human Asset Accounting
 - 12.5.2 Managing Conflicts
 - 12.5.3 Linking Pin Model
- 12.6 System 4: An Effective Strategy for Public Administration
- 12.7 An Evaluation of Likert's Approach
- 12.8 Conclusion
- 12.9 Glossary
- 12.10 References
- 12.11 Answers to Check Your Progress Exercises

12.0 OBJECTIVES

After reading this Unit, you should be able to:

- Describe the concept of Organisational Humanism;
- Bring out the essential constituents of 'interaction-influence' system;
- Distinguish the four styles of Management;
- Explain the key characteristics and role of System 4 Management; and
- Examine the idea of 'Linking Pin Model' as the basic characteristic of organisation.

12.1 INTRODUCTION

Rensis Likert (1903-1981), a notable American Social Psychologist, was one of the earliest proponents of Participative Management Theory. Unlike Classical Thinkers, such as, Max Weber, F.W. Taylor, Luther Gulick and Lyndal Urwick etc., Likert's scientific interest was people-oriented which included: managing conflict, diversity, building high-performance teams, leadership, motivation, change, culture and ethics. Indeed, his widespread passion for academic disciplines vis-à-vis Sociology, Psychology, Ethics, Statistics, Engineering etc., engaged him to reflect on his own assumptions and inferences about organisation and management of people.

Leslie Kish (1982), a noted statistician and survey methodologist points out that Likert

* Contributed by Dr. R. Anitha, Former Faculty, RGNIYD, Sriperumbudur, Tamil Nadu.

“was always curious about how things worked and how to fix them when they did not...his strong feel for structures and measurements also showed in his quantitative and pragmatic approaches to social problems and social measurements”. As a Professor of Psychology and Sociology at the University of Michigan, he was instrumental in the establishment of the Institute for Social Research (ISR), which has a reputation for being the world’s largest academic social science survey and research organisation. As part of his doctoral research in 1932, he developed the psychometric scale, namely, “Likert Scale” that measures the respondents’ attitudes and assumptions about a topic. This Unit will help us in explaining the role of organisational actors, their interactions with each other and their influence on overall workplace practices, as given by Rensis Likert.

12.2 ORGANISATIONAL HUMANISM: SETTING THE CONTEXT

The post-industrial revolution had been the arena of ‘industrial reforms’, which meant different strategies were adopted to bring about ‘maximum productivity’ with primary emphasis on quantity, efficiency, and machinery of production. The period from early 1900s to the early 1950s was influenced by Taylor’s ‘Scientific Management’ approach to work design and Weber’s Bureaucratic model. As the workers in the early part of the 20th century were poorly educated, the management decided all the things and the worker obliged implicitly. Moreover, each step of the worker was highly controllable and predictable.

Eventually, the mechanistic model proved strongly efficient in those days. We should note that the traditional bureaucratic approaches too received criticism from the scholars for being restrictive of the human behaviour, therefore, a search for alternative approaches to management and organisation was carried out. Although, Taylor’s approach insisted on humanistic elements, such as ‘mental revolution’ of the management and the workers and fair treatment of workers, in practice, the worker was merely viewed as a ‘cog in the wheel’ by the management.

In the 1930s and 1940s, the Hawthorne studies revealed that workers’ performance could be affected by the presence of peer pressure. With workers becoming more conscious of human needs other than monetary benefits, the study demonstrated that the presence of ‘informal networks’ and ‘group norms’ of the workplace had a strong influence over the performance of the worker. This heralded a major shift in the thinking about the relationship among the worker, the work being done and organisation as a social system. The subsequent phase proved most interesting: *firstly*, the beginning of ‘Socio-technical’ Approach to work design, where management was required to develop a work design that could meet the technical needs of the job in relation to the social system. *Secondly*, there was a parallel interest and research in ‘Group Dynamics’, which meant interaction of the individual as members within of the organisation.

Seeds for a paradigm shift in managerial thinking were sown in United States of America in the late 1950s and early 1960s with the writings of Fredrick Herzberg, Douglas McGregor, Chris Argyris, and Rensis Likert. While Herzberg changed ways of viewing worker’s motivation, McGregor changed managerial assumptions about worker’s attitudes toward work. Argyris, on the other hand, explored the impact of traditional management practices on the psychological development of individuals, and Likert provided a whole new perspective of looking at a manager’s role in terms of ‘participative leadership style’.

The traditional hierarchical practices expected the worker to be submissive, dependent

and limited in what they can do. Hence, these thinkers argued, such redundant practices would limit the contributions that employees can make to the organisation. This thinking coupled with socio-technical thinking, which already started making inroads, a new paradigm emerged which demanded a new way of looking at work design and new models of organisational leadership.

Notably, Herzberg's job enlargement and enrichment approach served as an appropriate means to increase workers' productivity. The Approach gave an opportunity to the employees to have a greater sense of ownership in the work they do. In brief, the Hawthorne findings served as a fillip for a major movement in social psychology and group dynamics. And the industries and business groups were rapidly experimenting with the new initiatives that the academia had revealed. One of the prominent questions of the period was: How to make effective use of employees and groups to shape individual and organisational performance? In this regard, let us try to discuss Likert's perspective on organisational leadership and development in the subsequent Sections.

12.3 THE INTERACTION-INFLUENCE SYSTEM

In order to increase skills, resources, and motivation of individuals at different levels of an organisation, Likert conceived the concept of 'interaction-influence' system. This brings us to the modern approach to management thinking that emphasises the importance of dynamic interaction of the employees with the environment and members within the organisation. In this context, environment can be referred to the operational setting of the organisation that would have a direct impact on the day-to-day functioning of the organisation. In this line of thought, there have been many influential thinkers, such as, Chester Barnard, Abraham Maslow, Douglas McGregor, and Fredrick Herzberg who focused their attention on the role of individual, organisational leadership, group dynamics, motivation, and satisfaction. Reiterating the Human Relations Movement, which heralded a major paradigm shift in the relationship between the worker, work being done, and organisation as a whole, Likert identified the influence of environment in shaping the organisational design.

According to Likert, the effectiveness of this 'interaction-influence' system, therefore, determines the organisational capacity to optimise its skills and resources of individuals and workgroups. The following are the characteristics of an ideal 'interaction-influence' system:

- The goals and values of every member would get reflected in the workgroups and organisation as a whole. This means the degree of employee commitment would be high, as opposed to compliance to rules, as the most efficient means to productivity.
- The drive for achieving high performance and skill development comes from the members themselves. It goes a step ahead of problem solving where the members of the organisation are able to identify the need to reflect critically on their own behaviour.
- Every member of the organisation will be able to bring in their experience to the work; as a result, it has a strong influence on decisions and policies of the organisation.

To Likert, a work place that is based on an effective 'interaction-influence' system would align goals, values, methods, communication, decision-making, coordination, control, etc., in a single thread. However, in practice, it may encounter several conflicts, for instance, seniority versus merit and commitment versus compliance. In a working

team, which comprises of members with different levels of experience or age or knowledge, the conflict that may likely to occur is 'who will decide'. The second conflict that may occur could be emphasis on employees' identification with their work and in building teams.

As the complexity of the task increases, the demand for group interaction also increases, where the employee may tend to exercise personal judgement and intuition in situations that do not fit the rules. This situation may contradict with the traditional hierarchical settings where rule compliance is the norm. Perhaps, one of the strongest criticisms of the Bureaucratic Theory and Scientific Management Approach was its over dependence on rule compliance. The widespread assumption among Human Relations thinkers were, an organisation that is over dependent on rule compliance, over time, is likely to generate rule defiance. Although, the 'interaction-influence' system seems antithetical to rule-compliance, it is hard to achieve this scenario without managing the internal conflicts. In this regard, Likert shared his perspectives on managing conflict, which we will discuss in Section 12.5.

12.4 MANAGEMENT STYLES

The evolution of thought with regard to how best to manage people involves a host of related topics and ideas including organisational structure, functioning of organisation, management of organisation, decision-making, organisational culture, change and learning, organisation in society and the like. In general, it involves questions about the nature of power and authority, motivation and responsibility, and the establishment of trust and confidence. However, fundamentally, it is grounded on the basic assumptions about the nature of people and behaviour.

Unlike the classical thinkers who considered human beings as one of the essential resources required to achieve the goals, the pioneers of Human Relations School strongly believed that organisations are systems of interdependent human beings. Thinkers like Elton Mayo, Maslow, Herzberg, McGregor, and Likert etc. have studied attitudes, expectations, value systems, tensions and conflicts, group dynamics and their effects on productivity, culture, cohesion, and motivation. Several thinkers of this genre viewed that the behaviour of the members of an organisation clearly affects both the structure, functioning as well as the principles on which it can be governed or managed. Pugh and Hickson (2007) while acknowledging these writers have held that 'people not only work for the organisation – they *are* the organisation. They regarded organisation as a 'natural system (whose processes have to be studied in their own right) rather than as a 'formal system' (a mechanism designed to achieve particular ends).

Based on his extensive research undertaken from thousands of managers in different organisational settings, Rensis Likert proposed new methods of management. The study was described in terms of six organisational dimensions, such as leadership, motivation, communication, decisions, goals, and control in his Book *The Human Organisation: Its Management and Value* (1967). Likert propounded that of all the tasks of management, managing the human component is the central and most important task, because all else depends upon how well it is done. Notably, he identified *Four Styles* of Management on a continuum, where autocratic job-centred manager (System 1) at one end and democratic, employee-centred manager on the other end (System 4). These *four* management styles are given below:

System 1 : Exploitative-Authoritative Management

In *Exploitative-Authoritative* Management Style, the manager has low confidence in

their subordinates and gains compliance of tasks through fear and threats. The manager is highly authoritative and imposes decisions on subordinates with less or no scope for further conversation. And, the management is concerned only with completion of task without paying much attention to the aspirations of the human beings who are involved in the task. In general, this management style is characterised by top-down communication and psychological isolation between superiors and subordinates.

System 2: Benevolent-Authoritative Management

In System 2: *Benevolent-Authoritative Management Style*, as the term 'benevolent' indicates, the manager listens to the concerns of the subordinates. This implies that the manager holds some confidence and trust in their subordinates. For example, the managers entrust the responsibility of taking mundane decisions to the subordinates with close policy control. Unlike management by fear and threat, the benevolent-authoritative uses rewards to gain compliance from the subordinates. Besides inclusion of reward system, System 2 is characterised by restricted upward communication from subordinate to superior, that is, information flowing upward is restricted to what the manager wants to hear.

System 3 : Consultative Management

In System 3: *Consultative Management Style*, the manager holds partial confidence and trust in their subordinates. Though the manager still makes all policy decisions, they make attempts to understand their subordinates' opinions. As in the benevolent-authoritative management style, the top management handles higher-order decisions; involves subordinates for making lower order decisions; uses economic rewards for compliance. In sum, System 3 is characterised by two-way communication process, both upward and downward, and subordinates' give their opinions other than which the superior wants to hear in limited proportion. Thus, subordinates can have a moderate influence on the activities of the departments.

System 4: Participative Management

System 4 Management Style is based on managerial trust and confidence and characterised by participative group management; hence, every employee feels responsible for achieving organisation's goal. Besides, providing economic rewards, the management makes full use of group participation and involvement in setting high performance goals, performance-based rewards, collaborative teamwork, improving work methods, open communication, and so on. It is to be noted that the subordinates and superiors are psychologically close and decision-making is carried out throughout the organisation largely through group processes. In general, employee-oriented managers are those who have built the personnel in their respective departments into effective groups, where the members have cooperative attitudes and a high sense of job satisfaction.

Management, according to Likert, is always a relative process. The essential concept which Likert propounded is that, to be effective, modern organisations must regard themselves as interacting groups of people with 'supportive relationships' to each other. Ideally, all incumbents will feel that the organisation's objectives are of personal significance to them. They will regard their jobs, which contribute to those objectives, as meaningful, indispensable, and complex. Hence, in order to achieve those shared objectives and values, the managers are expected to steer and support workplace cooperation. For instance, the *participative managers* are found to focus their attention on the human aspects of their subordinates' problems and on building effective teams.

For Likert(1981), sensitivity to the organisation values and expectations is a crucial leadership skill, and he believed that organisations must create the ambience and situations which could encourage all managers to deal with the people in a compatible mode. In his later work, Likert extended the System 4 classification by identifying the ‘System 4 Total Model of Organisation’ (System 4T) in which the leader possesses the following characteristics:

- “1) The leader is supportive, approachable, friendly, easy to talk to, interested in the well-being of subordinates.
- 2) Builds the subordinates into cohesive, highly effective, cooperative problem-solving teams linked together by persons who hold overlapping memberships. That is, a superior in one group is a subordinate in a higher-level group.
- 3) Subordinates are not pitted against each other in hostile, competitive relationships.
- 4) Helps subordinates with their work by seeing that they are supplied with all the necessary resources (space, supplies, budget, training).
- 5) Subordinates are kept informed of overall plans so that they can plan their work more effectively.
- 6) The leader expects high quality performance from oneself and from others”.

In addition, ‘System 4T’ is characterised by an optimum structure in terms of differentiation and linkages, as well as cohesive group relationships.

With respect to management styles, as already mentioned above, Likert developed a continuum with autocratic task-centred manager on one end and participatory employee-centred manager on the other end. While providing guidelines to an upcoming ‘System 4’ organisation, Likert cautioned organisations not to attempt one big jump from System 1 to System 4 rather recommends to keep moving gradually through the continuum. The *first* reason being that both the managers and incumbents of the System 1 organisation may lack adequate knowledge and skills for the sudden change in organisation culture. *Secondly*, it was suggested to involve the concerned persons in the organisation whose behaviour has to be changed to bring the necessary change. *Thirdly*, as far as possible, Likert advised to use objective and impersonal evidence in a supportive and helpful manner for achieving the desired outcome. Further, for the successful launch of organisational change it was considered to involve influential people in organisation, as their participation, in Likert’s, view, is the key to better team dynamics.

Check Your Progress 1

Note: i) Use the space given below for your answers.
ii) Check your answers with those given at the end of the Unit.

1) Briefly describe the historical evolution of ‘Organisational Humanism’

.....

.....

.....

.....

.....

2) What are the characteristics of an ideal 'Interaction-Influence System'?

.....
.....
.....
.....
.....

3) Explain how System 1 Management Style is different from System 3 Management Style?

.....
.....
.....
.....
.....

4) Discuss the main aspects of System 4 Management Style.

.....
.....
.....
.....
.....

12.5 IMPLICATIONS FOR MANAGERS

One of the main goals of managerial leadership is to ensure that the subordinates feel motivated to work and exhibit a sense of belongingness towards organisation. Based on his several studies in business organisations, he was of the view that the top management neither want to measure nor recognise the value of human beings of organisation. In contrast, Likert acknowledged the role of middle managers who make an attempt to follow his System 4 Management Style that strongly advocates participatory decision making. The perennial question, therefore, put forth by Likert throughout his research was to ascertain ways and means to identify and develop talent-based human resources. In an attempt to institutionalise 'innovation' and 'openness', Likert and his associates worked on streamlining accounting system, understanding and resolving conflicts, and in conceptualising and evolving Linking Pin Model respectively. Let us discuss it further.

12.5.1 Human Asset Accounting

Likert was critical about the prevailing methods and measurements of assessing organisation performance in terms of productivity, costs, dividends, and the like. To Likert such operational and financial reports of organisations might overstate or understate the actual performance of any particular firm in terms of human resources. Further, Likert (1981) explicitly stated that 'it is essential for a firm to know not only its investment

in human resources but to know as well the present productive capability of that human organisation, i.e., its present value to the firm'. Likert (1981) illustrates through an example:

“Suppose that tomorrow morning your firm had all of its plants, office, laboratories, warehouses, stores, and all of its equipment—everything, but no personnel except for one person, namely, the President of the firm, and suppose that he had to start rebuilding the human organisation of the firm back to where it is today: a well-knit, effectively functioning human organisation, how much would it cost expressed in terms of payroll? Would it require one-half year’s payroll, one year, two years, five years, or ten years payroll? That is, what would the total cost be of recruiting, hiring, training, and organisation building to rebuild the organisation to its present level of effectiveness?”

Hence, Likert and his associates engaged in developing procedures for estimating the actual costs incurred in recruiting, selecting, training employees and familiarising them with all aspects of their work and in establishing effective working relations with others in the organisation. He recommended that periodic measurements can be obtained which yield information of useful accuracy indicating whether the value of the human organisation is remaining about the same or is increasing or decreasing in small or large terms.

In order to assess the state of human organisation, Likert felt the necessity to differentiate between causal and intervening variables. The causal variables are independent variables—which can be directly influencing the course of organisation development and achievement of results. The causal variables as specified by Likert include the structure of the organisation, and management’s policies, decisions, business leadership strategies, skills, and behaviour. On the other hand, intervening variables, according to Likert, reflect the internal state, health, and performance capabilities of the organisation, such as, loyalties, attitudes, motivations, performance goals, and perceptions of all members and their collective capacity for effective action, interaction, communication, and decision making.

While pointing out the complexity of technology-industry influence on the actual estimates of the firm, Likert predicted that ‘more complex the technology, the larger the estimates tend to be’. This perspective elevates Likert and his associates to a ‘new level’, which reflects the need to embrace contemporary approach to human asset accounting. Bahl (2017) foresees that in the coming decade, a lot of workforce would blend workplace automation with human intelligence, wherein job titles like ‘Human-Machine Interaction Analyst’ is most likely to emerge. For example, Amazon Web Services uses Artificial Intelligence to improve employee efficiency and decision-making by suggesting the best places to focus their attention each day. With sophisticated technologies perceived as trusted incumbents, Likert’s view on human asset accounting emerges to be an indispensable opportunity in the near future.

12.5.2 Managing Conflicts

In organisations, conflict may arise based on nature of business, ownership, functional areas, and stakeholder rights. The list is not exhaustive as the sources of conflict may also include management-employee relations in terms of promotion decisions, salary, employee transfers, management of attrition, handling employee grievances and the like. The modern organisation theorists acknowledge that conflict is not only inevitable but can have positive or negative consequences depending on the way it is managed. With the challenges induced by science and technological advancement on modern polity, economy, and society vis-à-vis economic recession, political stability, big data management, cyber security, automation, flexible work hours, gender equity, etc., it is

likely to impact organisational development. In this regard, sophisticated social organisations could be built to deal with the conflicts caused by such changes and diversities.

In view of the scenario mentioned, Likert made an attempt to evolve different methods or strategies for managing conflicts along with their implications for managerial and organisational effectiveness. Bemoaned over the fact that conflict is ever increasing in frequency not only within and among organisations, but within and among nations, Likert in his Book 'New Ways of Managing Conflict' (1976), pointed out the prevailing methods for resolving conflict as deficient, as it only leads to win-lose situation rather than win-win situation. To overcome conflicting situations in organisations, Likert believed 'System 4' could be an effective base for resolving and managing conflict. Based on his extensive research in industries and schools, Likert asserted that 'System 4' can be an appropriate approach for all kinds of organisational settings including industries, schools, universities, and cities.

As already discussed in Sub-section 12.4.4, 'System 4' is characterised by group problem-solving, hence, to manage tensions in organisations, Likert placed group problem-solving as the primary mechanism to achieve win-win (in which all sides win) outcomes. It is to be noted that group problem solving or participatory decision making is the characteristic feature of 'System 4' Management Style. Further, Likert stated that the practice of supportive leadership combined with interaction- influence network enables the organisation to achieve employee consensus at every level of management; and they could use "integrative goals, de-emphasise on status, and depersonalised problem-solving". In general, the concept of supportive behaviour was one of the key features of Likert's Management Style where trust and openness are the chief constituents of conflict resolution. In the words of Likert, "leaders must meet and even exceed the expectations of their members for support and involvement, but not do so in excess of the members' ability to respond favourably".

12.5.3 Linking Pin Model

In order to facilitate intergroup cooperation, Likert proposed for key jobs in organisations based on Linking-Pin Model that states each member of an organisation has twin roles in two overlapping groups. This implies that the incumbent is a member of a higher-level group and leader of a lower-level group. The central principles of Likert's 'System 4' are as follows:

- Supportive relationships between organisational members;
- Multiple overlapping structures, with groups consisting of superiors and their subordinates;
- Group problem solving by consensus within groups; and
- Overlapping memberships between groups by members who serve as "linking pins".

Contrary to the traditional top-down organisation which focused on individual roles, Likert developed a Model based on group functions and processes. According to this Model, a member in a 'linking-pin' position are expected to be an integrated member in two or more groups, therefore, a person in such a position should facilitate seamless flow of resources and communication.

Graen *et.al* (1977) endorses Likert's System 4 organisation and puts forth that given the adequate resources and effective participants, the following outcomes could be achieved in:

Socio-Psychological Thinkers

- More open and honest information transmitted in both directions over the link.
- A greater total amount of influence exercised in directions.
- Greater job satisfaction and commitment to the organisation, and
- More cooperation, rather than a competitive approach.

By and large, Likert was of the view that organisational effectiveness and the quality of work life of subordinates would be highly determined by the people who occupy these roles. In other words, Likert opined that the relevant skills of incumbents in these positions include interpersonal and intergroup competence as this would enhance effective working relations irrespective of status, power and experience. Thus, it can be presumed that the quality of 'linking-pins' to a certain extent determines the quality of work life.

Check Your Progress 2

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1) What do you understand by the term 'Human Asset Accounting'?

.....
.....
.....
.....
.....

2) 'System 4 Management Style can help in resolving organisational conflict' Elucidate

.....
.....
.....
.....
.....

3) Explain the concept of 'Linking Pin Model'.

.....
.....
.....
.....
.....

12.6 SYSTEM 4: AN EFFECTIVE STRATEGY FOR PUBLIC ADMINISTRATION

From the discussion in this Unit, it could be deduced that the success of any organisation, irrespective of the organisational settings, to a large extent, is highly determined by its

people's participation in decision making. According to Adams (1992), participative approaches are needed in order for people in organisations to have a decent and dignified existence and highlighted that 'participation is an important value in and of itself'. For instance, McGregor suggested that by making administration more democratic and less bureaucratic or hierarchical would allow subordinates to express their natural tendencies to work responsibly. This scenario was exactly suggested by Maslow in his self-actualisation needs.

Like many of his contemporaries, Likert resolved to understand the meanings that people assign to their work and their relationships at work, especially with the supervisor or manager and how these meanings (factors) might influence work performance irrespective of whether it is public or private administration. Likert's (1967) concern for a people-centric approach could be substantiated in his own words as: "*All activities of any expertise are initiated and determined by the persons who make up the institution. Plants, office computers, automated equipment, and all else that a modern firm uses are unproductive except for human effort and direction. Human beings design or order the equipment; they decide where and how to use computers; they modernise or fail to modernise the technology employed; they secure the capital needed and decide on the accounting and fiscal procedures to be used. Every aspect of a firm's activities is determined by the competence, motivation, and general effectiveness of its human organisation. of all the tasks of management, managing the human component is the central and most important task, because all else depends upon how well it is done*".

In this line of logic, Likert pointed out that 'System 4' could enable any administrator in government who wishes to increase the productivity of the unit he/she is managing. With contemporary challenges forcing the administrators to run in a cost-effective manner and to ensure concurrent improvement in the quality of citizen services, Likert finds 'System 4' – a powerful leadership tool as it is premised on the values of participation and trust among the members of organisation. Several thinkers are of the view that participation and involvement are among the essential principles that are generally followed by successful public sector.

According to a Report of the Auditor-General of Canada (1988), 'Participative Leadership' is considered as one of the five common attributes of well performing organisations in public sector. Likert discovered through his research that unlike other strategies, participative leadership could improve the organisation's productivity by as much as 40 per cent in both public and private sectors. His other findings include: higher levels of satisfaction and health, cost-effectiveness, excellent communication, high motivation, and capacity for reciprocal influence.

Likert (1981, *op.cit.*) mentioned the case of the Department of Labour and Industrial Relations in the Hawaii State, United States of America. In the year 1974, when Mr. Joshua Aagsalud assumed office as its Director envisioned a future for the department in terms of improving performance and job satisfaction. In line with this reasoning, Joshua deliberated the relevance of 'System 4' with his division administrators and encouraged them to move their management closer to it. To realise the objectives, organisational development tools like survey-guided development cycle and self-training package were used as a reference and operating guide.

This process evolved with an objective to measure the attitudes of employees, participant feedback, and stimulate cooperative planning. As a result, there was a substantial improvement on individual performance and overall job satisfaction. Another important development in methodological term is the origin of 'Likert Scale', which was developed

by Likert himself. This is a psychometric scale which serves as an important reality check in identifying grey areas that require further attention. More specifically, this 5-point scale enables the user to collate data on empirical comparisons. It enables the respondent to place himself on a scale of agree/disagree or favourable/unfavourable with a neutral mid-point.

With regard to the important prerequisite for any organisation to implement System 4, Likert commented that the aspiring manager is expected to have a clear understanding of leadership and interactional processes which could be possible only through reading and experiential training. Finally, Likert places his hope on System 4 as a vibrant tool that could be utilised by any governmental agency as an opportunity to improve its human resources, the productivity of those resources, and the excellence of its services. Given the problems faced by public sector vis-à-vis constrained resources, low employee morale, increased citizen demands, etc.', the potential payoff from introducing capacity building programmes that could make System 4 workable comes as a striking concern.

12.7 AN EVALUATION OF LIKERT'S APPROACH

In his ambition to develop an ideal organisation, Likert sketched out some of the valuable concepts in the domain of organisational behaviour, such as, interaction-influence system, participatory decision making, linking-pin model, and human asset accounting. Methodologically, he came out with the most popular attitudinal scale known as 'Likert scale' which continues to influence the lives of all citizens, especially researchers till date irrespective of the country, gender, race, religion, age, etc. However, Likert's view on organisation was not without criticism from his contemporaries. For example, critics claim that his Linking Pin Model is nothing more than drawing triangles around the traditional hierarchical structures.

Luthans (1973) criticised it as slowing down the process of decision making. Zaleznik (1968) claims that System 4 is an 'oversimplified package' for organisations and highly concerned about Likert's anxiety to convert the managers from autocratic to democratic style. Klein (1979) finds 'System 4' as a relative process since he assumed that it could be constrained by current structures and practices. One of the major weaknesses of 'System 4', as agreed by many thinkers, is Likert and his associates' attempt to prove the empirical validity and reliability of their proposed approach in different organisational settings. Several scholars are of the opinion that in their ambition to justify their approach, practical difficulties in organisations have had been sidelined by the proponents.

Despite criticism, thinkers acknowledge the methodological and theoretical contributions made by Likert in organisational behaviour. According to Kish (1990), Likert's pragmatic and engineering approach to problems had been exemplified through his writings. He further stated that the survey results based on Likert Scale enable one to understand people's attitudes towards politicians, world events or consumer products and other relevant issues. On this note, he acknowledges the lifetime efforts of Likert for contributing in the field of survey techniques. Secondly, Likert's view on participatory leadership and decision making although seem to be an ideal situation, its applicability cannot be undermined as contemporary organisations need to structure on the principles of democracy and trust as given in 'System 4'. In short, the concept for structuring an organisation based on 'innovation' and 'openness' is not of recent origin as it has its evolution in the management practices of 'System 4'.

Check Your Progress 3

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1) ‘The System 4 Management Style is of huge relevance in Public Sector’. Comment.

.....

.....

.....

.....

.....

2) Critically evaluate Likert’s Approach to management of organisation.

.....

.....

.....

.....

.....

12.8 CONCLUSION

Likert underlined the importance of applicability of his concepts in public sector and spent his retirement years as a consultant, researcher, and mentor for building teams and organisations, both public and private; he provided intellectual support to budding scholars as well. In sum, it could be understood that Rensis Likert who was known for his contribution in the field of organisation and management styles, stands tall in his systematic analysis of good management practices and extending the frontiers of disciplinary boundaries.

According to Prasad *et.al.*(2010), Likert earned his place among eminent management thinkers and researchers for laying the empirical foundations for the development of management science. *Firstly*, the idea of interaction-influence system is an attempt to bring together the incumbents irrespective of status and power on the same platform to discuss about the organisational goals, both- long term as well as short- term. *Secondly*, his configuration on management styles from System 1 to System 4 enables the learner to understand the various leadership styles and their inherent tendency to affect human performance.

While ‘System 4’ could be regarded as the ideal form of manifestation of power and authority, it encourages the learning organisation, to aspire for the realisation of its human potential. As Maslow put it, growth of an individual toward fulfilment of the highest needs, that is, self-actualisation needs. The self-actualised individuals are those who are highly creative and who possess the ability to resolve conflicts. *Thirdly*, to facilitate implementation of ‘System 4’ and to overcome the barriers of traditional hierarchical structures, Likert came up with the concept of Linking-Pin Model, which reinforces the concept of group-to-group relationship. This model is structured around the principles

of bottom-up communication, high performance goals, and employee participation in decision-making.

Likert's concepts are itself so interrelated that for instance, the interaction-influence system could develop a capacity for self-correction, coaching and training, as it helps the managers to recognise the groups which fall short of standards. Interestingly, Likert envisions *System 5* organisation for the future in which hierarchy or authority might disappear completely. Kish (1982) in his tribute to Rensis Likert says "his initiative, enterprise, and unending energies had more important goals than merely being right; he wanted to make the world better, and he had a youthful belief that the sciences of human behaviour can be developed to make unique and vital contributions to those goals".

12.9 GLOSSARY

- Cog in the Wheel** : This phrase denotes someone or something that is functionally necessary but of small significance within a larger functioning.
- Group Dynamics** : It is a field of social psychology which is concerned with the nature of human groups, their development, and their interactions with individuals, other groups, and larger organisations.
- Mental Revolution** : It is a change in the attitude both on the part of management and workers in terms of extending cooperation and producing surplus. This term was coined by Frederick W. Taylor as a part of his Scientific Management Approach.
- Psychometric Scale** : It is a field of study concerned with the theory and technique of psychological measurement of knowledge, abilities, attitudes, and personality traits. Likert Scale is a popular psychometric scale, which is being used to understand people's perceptions on different topics.
- Self-Actualisation** : This term was used by Maslow in his concept of Hierarchy of Needs. It is used to denote people who aim at fulfilment, creativity and self-direction.

12.10 REFERENCES

- Bahl, M. (2017). 'Situation Vacant: Analyst in Human, Machine Interactions.' *The Hindu*. Retrieved from <http://www.thehindu.com/education/careers/situation-vacant-analyst-in-human-machine-interactions/article21073314.ece>
- Bhattacharya, M. (2008). *New Horizons of Public Administration*, New Delhi: Jawahar Publishers.
- Caiden, G. (1991). What Really is Public Maladministration? *The Indian Journal of Public Administration*, 37 (1).
- Graen, G. et.al. (1977). Effects of Linking-Pin Quality on the Quality of Working Life of Lower Participants, *Administrative Science Quarterly*.22(3).

Kish, L. (1982). Rensis Likert: Creator of Organisations, *The American Statistician*. Retrieved from Website: <https://ww2.amstat.org/about/statisticiansinhistory/bios/likertrensis.pdf>

Kish, L. (1990). Rensis Likert: Social Scientist and Entrepreneur. *Fourth Quarter*. Retrieved from Website: <http://ageconsearch.umn.edu/bitstream/131305/2/Kish.pdf>

Klein, M. S. (1979). Book Review. *Contemporary Sociology*, 8(4).

Likert, R. (1967). *The Human Organisation*, New York: McGraw-Hill Book Company.

Likert, R. (1969). The Relationship between Management Behaviour and Social Structure — Improving Human Performance: Better Theory, More Accurate Accounting — Retrieved from website: https://www.psc.isr.umich.edu/dis/infoserv/isrpub/pdf/Relationshipbetweenmanagement_3089_.PDF

Likert, R. (1981). System 4: A Resource for Improving Public Administration. *Public Administration Review*, 41(6).

Luthans, F. (1973). *Organisational Behaviour*, New York, U.S: McGraw Hill Company.

McDavid, J. C. and Brian.M. (Ed.). (1991). *The Well-Performing Government Organisation*, Victoria: Institute of Public Administration of Canada.

Prasad, V.S. et.al. (2010). *Administrative Thinkers*, New Delhi: Sterling Publishers.

Pugh S. D and Hickson, J. D. (2007), *Great Writers on Organisations*, Hampshire, U.S. : Ashgate Publishing.

Sahni, P and Etakula. V, (2010). *Administrative Theory*, New Delhi, India: Prentice Hall India.

Sapru R.K. (2008). *Administrative Theories and Management Thought*, New Delhi, India: Prentice Hall India.

Zaleznik, A. (1968). *Industrial and Labour Relations Review*. 21(4).

12.11 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

1) Your answer should include the following points:

- Mechanistic models like Taylor's Scientific Management and Weber's Bureaucratic Model proved strongly efficient in the early part of the 20th century.
- The traditional hierarchical practices as authored by Taylor and Weber expected the worker to be submissive, dependent, and limited in scope.
- In the late 1950s and early 1960s, scholars challenged the traditional hierarchical practices.
- Organisational Humanism thinkers like Herzberg, McGregor, Argyris, and Likert viewed worker as a dynamic social being.

- 2) Your answer should include the following points:
 - Emphasises the importance of dynamic of the employees with the environment and members within the organisation.
 - The goals and values of every member in the organisation get reflected in the work groups.
 - There is a sense of achieving high performance and skill development among the employees.
 - Every employee is intended to strongly influence the organisational policies and decisions.
- 3) Your answer should include the following points:
 - System 1 manager has low confidence over his subordinates whereas System 3 manager holds partial confidence and trust on their subordinates.
 - The communication is a one-way process in System 1 management style. In System 3 management style, the communication is a two-way process.
 - System 1 manager is highly authoritative and impose his/her decisions on their subordinates. System 3 manager is consultative in nature and involves subordinates for making lower order decisions.
 - There is psychological isolation in System 1 between superiors and subordinates. In System 3, this isolation is bridged to a certain extent.
- 4) Your answer should include the following points:
 - The leader is supportive, friendly, and approachable.
 - Unlike System 1 management style, the leader in System 4 steers and supports workplace cooperation.
 - The manager focuses on building effective teams.
 - The manager ensures that all resources are supplied to execute the task.
 - The subordinates are encouraged to plan ahead about the assigned task.

Check Your Progress 2

- 1) Your answer should include the following points:
 - Identifying and developing talented human resources was the primary aim of Rensis Likert.
 - Likert was of the view that operational and financial reports might not provide the actual performance of its human resources.
 - He recommended two sets of variables, such as, causal and intervening variables.
 - Causal variables include the organisation structure: management's policies, decisions, business leadership strategies, skills, and behaviour.
 - Intervening variables include: loyalties, attitudes, motivations, performance goals, etc.
- 2) Your answer should include the following points:
 - System 4 is characterised by group problem-solving approach.

- Likert assumed that System 4 enables the management to achieve a win-win situation.
- Likert viewed ‘interaction-influence network’ as an important strategy to achieve employee consensus at all levels of management.
- System 4 uses integrative goals and participative decision making.
- The chief constituents of conflict resolution in System 4 are trust and openness.

3) Your answer should include the following points:

- Linking Pin Model facilitates intergroup cooperation based on group functions and processes.
- Each member of the organisation has twin roles in two overlapping groups.
- Each incumbent is a member of a higher-level group and leader of a lower-level group.
- Group problem solving is done by developing consensus within groups.
- This Model enables seamless flow of resources and communication throughout the organisation.

Check Your Progress 3

1) Your answer should include the following points:

- Likert finds System 4 as a powerful leadership tool as it is premised on ‘participation’ and ‘trust’ among the members of organisation.
- System 4 intends to make administration more democratic and less bureaucratic.
- Likert hypothesised that there is a substantial improvement in job satisfaction in System 4 management style.
- Likert places hope on System 4 as a panacea to solve public sector challenges like constrained resources, low employee morale, increased citizen demands etc.

2) Your answer should include the following points:

- Likert’s model was criticised as too idealistic in nature.
- The Linking Pin Model was considered ambitious in its attempt to convert the managers from autocratic to democratic style.
- Several scholars claimed that the practical difficulties in organisational functioning were overlooked by Likert and his associates.
- Critics viewed that Linking pin could slow down the process of decision making.

UNIT 13 FREDERICK HERZBERG*

Structure

- 13.0 Objectives
- 13.1 Introduction
- 13.2 Herzberg: A Biographical Account
- 13.3 Nature of Motivation Theories
- 13.4 The Two-factor Theory of Herzberg
- 13.5 Concept of Job Enrichment
- 13.6 An Evaluation of Herzberg's Theory
- 13.7 Conclusion
- 13.8 Glossary
- 13.9 References
- 13.10 Answers to Check Your Progress Exercises

13.0 OBJECTIVES

After reading this Unit, you should be able to:

- Describe the nature of Motivation Theories;
- Discuss Herzberg's Two-factor Theory;
- Explain the concept of Job Enrichment; and
- Examine Herzberg's Motivation Theory.

13.1 INTRODUCTION

The major contributors of Socio-psychological Approach have been Abraham Maslow, Douglas McGregor, Chris Argyris and Frederick Herzberg. These thinkers have focused on the multi-dimensional aspect of Motivation. Herzberg is one of the important proponents of Motivation Theories. He built upon Maslow's Hierarchy of Needs Theory to come up with his Two-factor Theory of Hygiene and Motivators. Herzberg conducted empirical surveys to reach the conclusion that factors propelling individuals to work in an organisation have to be motivating enough for higher organisational output. This Unit will deal with the nature of Motivation Theories in general before discussing Herzberg's Theory. It will give an account of Herzberg's technique and method on Motivation. The Unit will also examine Herzberg's Two-factor Theory and describe his concept of Job Enrichment. Besides, it will make an evaluation of Herzberg's work.

13.2 HERZBERG: A BIOGRAPHICAL ACCOUNT

Frederick Irving Herzberg (1923-2000) was born in Massachussets. After serving in the army during Second World War, he joined the University of Pittsburgh as a Research

* Contributed by Prof. Alka Dhameja, Faculty of Public Administration, SOSS, IGNOU, New Delhi.

Director. He went on to become a Professor of Psychology at the Case Western Reserve University in Cleveland and a Professor of Management at University of Utah. His major contributions include his Books such as ‘The Motivation to Work’ (1959), besides many Articles of which “One More Time; How do you Motivate Employees” sold over a million copies. By 1968, he formulated his Two-Factor Theory. Herzberg’s Theory of Motivation: Hygiene or Maintenance factors and Growth or Motivating factors towards job contentment and enrichment remains invaluable till date. Herzberg expanded his Hygiene Theory to come up with his works on ‘Work and the Nature of Man’ (1966), ‘The Managerial Choice’ (1982) and ‘Herzberg on Motivation’ (1983).

Inspired by the writings of Argyris, Maslow and McGregor, Frederick Herzberg worked on the relationship between meaningful work experience and mental health. For him, needs emanated from the desire to avoid pain and grow psychologically. He identified events that led to job satisfaction and the ones that led to job reduction. Herzberg’s Motivation Theory is called the Two-Factor Content Theory or Two-Needs Theory.

13.3 NATURE OF MOTIVATION THEORIES

Besides Herzberg, the Theories of Motivation boast of names like Rensis Likert, B.F Skinner and Victor Vroom among many others. Rensis Likert, as we have read in Unit 12 of this Course, believed that highly effective work groups were linked together in an overlapping pattern by other similarly effective groups. In line with Theory ‘Y’, he too saw employees as having their own needs, value and worth, working in effective and supportive work groups and committed to the objectives of organisation. He talked of two types of supervisors-job centred and employee-centred. The job centred supervisors exerted heavy pressure on employees, had little confidence in them, exercised close supervision, allowed very little freedom to subordinates and used punitive measures of reform. On the other hand, the employee- centred supervisors put little pressure on subordinates, increased the achievement motivation and exercised general supervision.

Likewise, we will discuss about other thinkers briefly in the process of explaining the different Motivation Theories before explaining Herzberg’s Two-Factor Theory. Let us keep in mind that there are two types of Motivation Theories; *Content* and *Process*. The *Content* Theories deal with internal factors that energise and direct human behaviour. In particular, they focus on :

- Specific needs that can give rise to desired behaviour.
- Rewards that can satisfy individual needs.
- Performance that can be maximized if rewards are suitable.
- Needs that can keep changing, based on people’s experiences.

Following are some of the *Content* Theories:

- **Hierarchy of Needs** (Abraham Maslow categorised the needs into Physiological, Safety, Love/Belonging, Esteem and Self-actualisation; as already discussed in Unit 11 of this Course).
- **Two-Factor Theory:** (Herzberg’s Motivation and Hygiene Theory; Our focus of study in this Unit).
- **ERG Theory:** Propounded by Alfesger. In this Motivation Theory, (E) stands for Existence, (R) for Relatedness, and (G) for Growth Needs. Assumption is that many a time, more than one need may motivate a person at a given moment. Satisfaction-progression and Frustration-Regression components imply that a

person may not stay at the same level of need as in the case of Maslow's Hierarchy of Needs.

- **Three Needs Theory or Learned Needs Theory:** David McClelland identified three types of motivational needs: Achievement (strong need to accomplish goals), Affiliation (desire to be liked and collaborated with) and Power (desire to control and influence). The Iceberg Model of David McClelland looks at a person's visible behaviour, knowledge and skills and the underlying unexpressed and unconscious deeper layers.

On the other hand, *Process Theories* deal with the 'why' and 'how' of motivation, that is why and how motivation occurs. They explore how behaviour is caused and sustained or stopped by motivational factors. *Process Theories* explain the nature of change and development of an entity. These include:

- **Reinforcement Theory:** This Theory views individual behaviour as a function of its consequences. It believes that any behaviour that leads to positive effect is likely to be repeated or reinforced, till it gets conditioned; ignoring the inner feelings and drives of individuals. Propounded by B. F Skinner, it is called Operant Conditioning. It is a method of learning that occurs through rewards and punishments for behaviour. Through Operant Conditioning, an individual makes an association between a particular behaviour and a consequence. He believed that causes of an action and its consequences need to be understood for determining motivating factors.
- **Expectancy Theory:** These Theories focus on the relationship between anticipated future rewards and present behaviour. Victor Vroom's Theory of Motivation is called the Expectancy Theory. It consists of Valence, Expectancy and Instrumentality. Valence are emotional orientations which people hold with respect to outcomes or rewards. Expectancy implies different expectations of employees and their confidence levels. Instrumentality deals with perceptions whether employees will actually get what they deserve.
- **Equity Theory:** This Theory focuses on the desire to be treated with equity and to avoid perceived inequity. Equity is a perceptual belief that one is being treated fairly in relation to others. Inequity is a constant belief that one is being treated unfairly in relation to others. Equity can be maintained if there is enough motivation to maintain the current situation. Inequity can be reduced if we can change perceptions of self as well as others, change inputs and outcomes, and change comparisons.
- **The Porter-Lawler Model:** It is an integrated Theory that deals with workplace motivation. It says that performance leads to job satisfaction rather than vice versa. It assumes that if rewards are adequate, high levels of performance may lead to satisfaction, which is in turn is determined by the perceived equity of intrinsic (intangible) and extrinsic (tangible) rewards for performance.
- **Goal Setting Theory:** Motivation is determined by setting specific performance goals and sustaining commitment to achieve these goals. Specifically, difficulty level and acceptance differentiates these goals.

It is important to understand the nature of Motivation Theories in order to grasp the views of different thinkers on motivation in the right perspective. It is true that Maslow's Hierarchy of Needs was a neat and systematic attempt at categorising organisational needs, but Motivation Theories have gone way beyond that. They have tried to assimilate all factors that could affect employee motivation levels. They have recognised the fact

that employees have needs which have to be fulfilled for goal attainment. Unfulfilled needs may need to goal displacement. These Theories form a framework for managers to formulate their rewards and punishment yardsticks. Now let us see what Frederick Herzberg propagated in his famous Dual-Need Content Motivation Theory.

13.4 THE TWO-FACTOR THEORY OF HERZBERG

Herzberg's Theory of Motivation falls under the Content Theory as it focusses on internal and external factors that affect individual's motivation. Taking a cue from Maslow's Hierarchy of Needs Theory, Herzberg came up with his Two-Factor Theory; also called Motivation-Hygiene Theory. He divided the factors affecting motivation and satisfaction based on 'maintenance' and 'growth'. These maintenance factors were the hygiene factors for Herzberg, which were concerned with job-enrichment; factors that were 'extrinsic' to the work itself.

The growth factors were the motivators for Herzberg, as these were concerned with job content; factors 'intrinsic' to the work itself. He believed that the Hygiene factors had to be addressed or satisfied first. For Herzberg, motivation happens through job enrichment once the Hygiene factors are satisfied. Once this is done, focus should revolve around growth factors, which were the actual motivators. For Herzberg, opposite of satisfaction is not dissatisfaction but no satisfaction. In the same vein, the opposite of dissatisfaction is not satisfaction but no dissatisfaction. According to Herzberg, the factors leading to job satisfaction are separate and distinct from those that lead to job dissatisfaction.

Herzberg assumed that motivation, as a construct, has *two* separate dimensions:

- 1) Motivation factors which affect satisfaction.
- 2) Hygiene factors which determine dissatisfaction.

In Herzberg's view, Hygiene factors or dissatisfiers could create job dissatisfaction, but their presence did not motivate or create satisfaction. Without them Growth Motivators, however, were adversely affected. They produced only short-term changes in job attitudes and performance. These were the company policy and administration, wages, salaries, quality of supervision, quality of inter-personal relations, working conditions, and feeling of job security. Motivation factors or satisfiers were the ones that led to job satisfaction, job enrichment, achievement, recognition and challenges. The presence of these factors motivated employees, but their absence did not lead to job dissatisfaction. Factors like status, opportunity for advancement, gaining recognition, challenging or stimulating work and sense of personal accomplishment were some of the motivators for Herzberg.

The Hygiene Factors as per Herzberg are:

- Company Policy and Administration
- Supervision
- Interpersonal Relations with Supervisor, Peers and Subordinates
- Salary
- Job Security
- Personal Life
- Working Environment
- Status

The Motivators according to Herzberg are:

- 1) Achievement
- 2) Advancement
- 3) Possibility of Growth
- 4) Nature of Work
- 5) Responsibility

Satisfiers were related to the tasks being performed. They related to what a person did while dissatisfiers related to the situation in which the persons or employees or workers did what they did. Salary as a motivator to Herzberg worked only in a group and was not a satisfier in the true sense. For Herzberg, job satisfaction and job dissatisfaction acted independently of each other. In his view, satisfaction and dissatisfaction were not on a continuum, with one increasing and the other one decreasing. Hygiene factors caused dissatisfaction among employees in a work place and thus had to be lessened or removed. Once this is done, motivation factors could be increased to increase job satisfaction.

Herzberg’s Theory of Motivation can be graphically presented as:



As cited in *Prasad et al., op. cit.*, we can reiterate that the *three* key principles of the Motivation-Hygiene theory are:

- “The factors involved in producing job satisfaction were separate and distinct from the factors that led to job dissatisfaction. Growth occurs with achievement and achievement requires a task to perform. Hygiene factors are unrelated to tasks.
- The opposite of satisfaction on the job was not dissatisfaction. It was not merely any job satisfaction. Satisfaction and dissatisfaction were discreet feelings. They were, as Herzberg described ‘unipolar traits’.
- The motivators had a much long-lasting effect on sustaining dissatisfaction than

hygiene factors had on preventing dissatisfaction. Motivators were self-sustaining while hygiene needs can't be completely satisfied and have to be reapplied".

To create satisfaction, Herzberg believed that there was a need to address the motivating factors associated with work. He called this Job Enrichment. Let us now discuss Herzberg's views on it.

13.5 CONCEPT OF JOB ENRICHMENT

Job Enrichment is a management concept that involves redesigning jobs in order to make them more challenging and less repetitive. The concept is based on a 1968 *Harvard Business Review* Article by psychologist Frederick Herzberg titled "One More Time: How Do You Motivate Employees?" To improve employees' motivation and productivity, Herzberg believed that jobs should be modified to increase the motivators present for the employees. The purpose of Job Enrichment is to make the position more satisfying for the employees. Overall goals for the company often include increasing employees' job satisfaction, reducing turnover, and improving productivity of employees.

Herzberg argued that Job Enrichment (through motivators) should be a central element in any policy of motivation. Job Enrichment attempts to give employees greater responsibility by increasing the range and complexity of tasks they are called upon to complete and giving them the necessary authority. It motivates by giving employees the opportunity to use their abilities to the fullest. According to Herzberg, enriched jobs should contain a range of tasks and challenges at different ability levels and clear opportunities for achievement and feedback on performance. Job Enrichment would involve systematic training. Job Enrichment is possible through:

- Reduction of repetitive work.
- Enhancement of employees' feelings of achievement and recognition.
- Provision of employees' career enhancement.
- Focus on employees' non-promotion growth. That is personal growth in terms of skill and technique know-how (Dhameja and Mishra, 2016).

Principles of Job Enrichment

As per Herzberg, Vertical Job Loading meant enriching employees' positions. As against Horizontal Job Loading, it believed in changing the nature of work by making it more challenging. Herzberg provided a different framework for understanding motivation and its impact on work environments. He talked of horizontal loading of job instead of vertical loading. It meant challenging the employees by increasing the amount of production expected of them.

Herzberg has suggested *seven* principles:

- 1) Removing some controls while retaining accountability.
- 2) Increasing the accountability of individuals for own work.
- 3) Giving a person a complete, natural unit of work.
- 4) Granting additional authority to employees in their activity.
- 5) Making periodic reports directly available to the workers themselves rather than to supervisors.

- 6) Introducing new and more difficult tasks not previously handled.
- 7) Assigning individuals specific or specialised tasks; enabling them to become experts.

By improving job content, employees get a higher sense of achievement and work enjoyment. When employees are happy with their jobs, the general mood improves and so does productivity. Thus, the advantage of this concept is that managers are able to actually work on basic needs, once identified, and then go to more complex needs of employees. Herzberg suggested Job Enrichment to satisfy individual needs. By Job Enrichment, he meant that the job should be challenging enough to utilize employees' abilities. Increased ability should be adequately rewarded with higher responsibility. Through Job Enrichment, managers could maximize intrinsic motivation of employees. If the job could not accommodate a specific ability in an employee, then it should have the potential to provide the employees with appropriate job of their ability.

Check Your Progress 1

Note: i) Use the space given below for your answers.
ii) Check your answers with those given at the end of the Unit.

1) Explain Frederick Herzberg's Two-Factor Motivation Theory.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

13.6 AN EVALUATION OF HERZBERG'S THEORY

Herzberg's Theory is appreciated on the ground that it provides an insight into the task of motivation by drawing attention to the job factors, which are often overlooked. It shows the value of Job Enrichment and the connect between motivation and Job Enrichment. However, Herzberg's Theory has been criticised on several grounds. Some of the criticisms include the following:

- Bluecollar workers do not want challenging jobs. These employees may be totally bogged down by the work content. They might also be dissatisfied, even though their basic needs have been fulfilled. It is generally seen that less-educated employees do not have the need for achievement and self-actualisation. Basic Hygiene needs are all it takes to satisfy them. Also, certain Hygiene factors are motivators to some individuals. Take money for example . Money is a Hygiene factor, based on Herzberg's Theory, but it is a motivation for a lot of employees. It motivates them to work harder towards recognition and higher salary. Thus,

Herzberg’s motivation may work more in white collar jobs. Engineers or doctors may like challenging jobs .

- Another criticism of Herzberg’s Theory relates to the method of research and data collection used by him to reach his findings. Herzberg undertook his research in the 1950s by interviewing 203 engineers, accountants and managers at Pittsburgh, United States of America. However, by asking employees their best and worst experiences, the methodology did not rule out subjectivity and biases. Moreover, it is natural for people to take credit for satisfaction and to blame external environment for dissatisfaction. There was no broad measure of satisfaction that was used. Despite using the Critical Incident Methodology, Herzberg’s methodology was limited to self-reports under controlled and good conditions.
- The validity of the deductions drawn by Herzberg is also questionable, as stated earlier, standardised scales of satisfaction were used. Herzberg failed to recognise the existence of substantial individual differences. Different individuals might have different needs and thus, different motivators. Factors that cause job satisfaction in one individual could cause job dissatisfaction in another. Herzberg did not take into account the various job factors that might cause satisfaction or dissatisfaction. Some job factor scales are not purely motivation or hygiene factors. No overall measure of satisfaction was used. A person may dislike part of a job yet think about the job as unacceptable. Herzberg could not take cognizance of nuances in satisfaction levels. Moreover, some motivators or satisfiers are ‘neutral’ in character. For instance, salary or pay could be both; a satisfier and a dissatisfier.
- Some feel that Herzberg gave more than required emphasis on Job Enrichment and totally ignored job satisfaction of the workers. He didn’t attach much importance to pay, status or interpersonal relationships, which are generally held as great motivators.
- Herzberg also did not establish any connect between degree of satisfaction and levels of productivity. The premise that satisfied workers produced more could also not be generalised on the basis of a small sample of nine companies that he worked with.

Despite the criticism, we can conclude that Herzberg’s theory has been widely read and used. His research has broadened the understanding of motivating factors and job satisfaction at work place. There would be very few managers who are not familiar with these recommendations. Herzberg’s Theory provides valuable guidelines to the managers for restructuring their jobs in order to include such factors, which bring in satisfaction. Herzberg recognised that true motivation comes from within a person and not from the environment, or external factors. Herzberg’s Theory has the potential of solving managerial problems to a large extent. It is easier to actually apply Herzberg’s Theory coupled with Maslow’s Hierarchy of Needs. This goes in favour of Herzberg’s Theory, as it simplifies its application as a strategy to motivate employees.

Check Your Progress 2

Note: i) Use the space given below for your answer.

ii) Check your answer with that given at the end of the Unit.

1) Critically evaluate Herzberg’s Motivation Theory.

.....

.....
.....
.....

13.7 CONCLUSION

The Motivation or Socio-psychological Theories draw on those psychological aspects of human behaviour, which emanate from personal and professional human needs. These are noteworthy in many ways despite the criticism from various quarters. These theories have valued human preferences and desires. They have treated employees as humans capable of high levels of performance. These theories have formed a connect between personal and organisational selves. Like other Motivation Theories, Herzberg’s Theory gave predominance to individuals’ preferences and desires in an organisation. He treated individuals as active beings capable of producing more if reasonably satisfied and motivated. His Theory improvised on the already available basket of motivators linked with human needs at different individual and organisation levels. This Unit explained the Two-factor Theory in detail. It brought to light its key features and did a critical appraisal of the Theory.

13.8 GLOSSARY

- Critical Incident Method** : It consists of procedures involving direct observation of human behaviour which are of critical significance. These observations on incidents are recorded as reference points to solve practical issues and formulate psychological principles.
- Iceberg Behaviour** : A person’s knowledge, skills and behaviour can be found above the waterline of the iceberg. The central element is what they do. Below the waterline we think and want, which focuses on abstract terms such as standards, values and beliefs, self-esteem, characteristics, personality and motives. These four invisible layers could reinforce one another as motives. However, they may also block the visible behaviour of the person in question.
- Standardised Scale** : Tools to improve the assessment of psycho-pathological symptoms in terms of validity and reliability.

13.9 REFERENCES

Enyiya, D. C. (2017). A Critical Review and Comparison between Maslow and Herzberg and McClelland. [www. Linkdin.com](http://www.Linkdin.com)

Dhameja, A and Mishra, S (Eds.) (2016). *Public Administration : Approaches and Applications*. Noida, India: Pearson.

Dixit M., Chaturvedi, J. and Syed, I.H. (2003), *Public Administration*, Lucknow, India: New Royal Book.

<https://sites.google.com/site/.../vroom-s-expectancy-theory>.

Prasad D. R., Prasad, V.S., Satyanarayana P and Pardhasaradhi Y., (2nd Ed.), (2010) *Administrative Thinkers*, New Delhi, India: Sterling.

Robbins, S. P *et.al* (16th Edition).(2017) *Organisational Behaviour*. Noida, India: Pearson.

Sinha, K. (2018). 'Herzberg's Motivation-Hygiene Theory: Factors and Critical Analysis'. www.yourarticlelibrary.com. Nov.

Study.com. (2018). Job Enrichment: Definition, Advantages, Disadvantages & Examples. Jan. Chapter One. Lesson 25 som.yale.edu/victor-h-vroom

Yew, L. T. and Manap, M. A.. (2012). 'A Critical Assessment of Herzberg's Theory of Motivation' Oct. <http://www.theborneopost.com/2012/10/23/a-critical-assessment-of-herzbergs-theory-of-motivation>

www.businessballs.com › leadership/management

www.learnmanagement2.com/HYPERLINK "http://www.learnmanagement2.com/vroom.htm"vroomHYPERLINK "http://www.learnmanagement2.com/vroom.htm".htm

www.mindtools.com › Team Management

www.simplypsychology.org › Perspectives › Humanism

13.10 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- 1) Your answer should include the following points:
 - Herzberg assumed that motivation, as a construct, has *two* separate dimensions:
 - Motivation factors which affect satisfaction.
 - Hygiene factors which determine dissatisfaction.
 - In Herzberg's view, hygiene factors or dissatisfiers could create job dissatisfaction, but their presence did not motivate or create satisfaction. Without them growth motivators, however, were adversely affected.
- 2) Your answer should include the following points:
 - As per Herzberg, Vertical Job Loading meant enriching employees' positions.
 - As against Horizontal Job Loading, it believed in changing the nature of work by making it more challenging.
 - Herzberg provided a different framework for understanding motivation and its impact on work environment.
 - He talked of horizontal loading of job instead of vertical loading. It meant challenging the employees by increasing the amount of production expected of them.

Check Your Progress 2

1) Your answer should include the following points:

- It is generally seen that less-educated employees do not have the need for achievement and self-actualisation.
- By asking employees their best and worst experiences, the methodology did not rule out subjectivity and biases.
- Despite using the Critical Incident Methodology, Herzberg's methodology was limited to self-reports under controlled and good conditions.
- Different individuals might have different needs and thus, different motivators. Herzberg did not take into account the various job factors that might cause satisfaction or dissatisfaction.
- Herzberg didn't attach much importance to pay, status or interpersonal relationships, which are generally held as great motivators.
- Herzberg overlooked the fact that factors that cause job satisfaction in one individual could cause job dissatisfaction in another.



ignou
THE PEOPLE'S
UNIVERSITY

UNIT 14 CHRIS ARGYRIS*

Structure

- 14.0 Objectives
- 14.1 Introduction
- 14.2 Chris Argyris : A Profile
- 14.3 Theoretical Underpinnings of Chris Argyris' Theories
- 14.4 Alternative Organisational Structures
- 14.5 Organisational Learning
- 14.6 A Critical Evaluation
- 14.7 Conclusion
- 14.8 Glossary
- 14.9 References
- 14.10 Answers to Check Your Progress Exercises

14.0 OBJECTIVES

After reading this Unit, you should be able to:

- Bring out the contributions of Chris Argyris to Socio-psychological Approach;
- Explain the Immaturity-Maturity Theory of Chris Argyris;
- Describe alternative organisational structures;
- Discuss T-group training; and
- Critically review the concepts given by Argyris.

14.1 INTRODUCTION

Chris Argyris was an eminent social scientist who belonged to the Socio-psychological School of Thought and his contribution to it is extremely significant. He is the contender of long-standing and most important traditional organisation system that follows mechanistic and technocratic principles. However, traditional organisations have paved the way for more mature (psychologically) and non-materialistic organisations. Argyris observed that there is an incongruity between management practices and adult personality. He believed that, every individual is constantly striving towards the psychological success and everyone achieves that success in varying degrees. The problem, as identified by Argyris, is that the formal organisational structures are not mature enough to appreciate and help an individual to achieve psychological success. In his view, this will lead to human and organisational decay.

For this, he looked for change in all-people, the organisation and their interpersonal relationships. His contribution has helped to understand the relationship between the people and organisations, organisational learning and action research. He advocated for change in individual personality and organisation management practices, which will

* Contributed by Dr. B. Senthil Nathan, HoD, Department of Public Administration, Sri Krishna College of Arts and Science, Coimbatore, Tamil Nadu.

reduce conflict of interest and increase productivity. In this Unit, we would learn about “Immaturity-Maturity Theory”, “Improving Interpersonal Competence”, “Alternative Organisational Structures”, “T-Group” and “Organisational Learning”. Finally, we will examine a few criticisms of these theories.

14.2 CHRIS ARGYRIS : A PROFILE

Chris Argyris was born and brought up in Newark, New Jersey. He graduated with a degree in Psychology (1947) and gained an M.A in Psychology and Economics from Kansas University (1949). He did his Ph.D on Organisational Behaviour from Cornell University in 1951. In 1951 itself, he started his academic career at Yale University as part of the Yale Labour and Management Centre and subsequently became a Professor of Management Science. In 1971, he moved to Harvard University as a Professor of Education and Organisational Behaviour, until his retirement. He died at the age of 90 on 16th November 2013.

Chris Argyris’ early research explored the impact of formal organisational structures, control systems and management on individuals and how they responded and adapted to them. This research resulted in the form of his Books *Executive Leadership* (1953), *Personality and Organisation* (1957) and *Integrating the Individual and the Organisation* (1964). He then shifted his focus to organisational change, exploring the behaviour of senior executives in organisations [*Interpersonal Competence and Organisational Effectiveness* (1962); *Organisation and Innovation* (1965)].

From there on, he moved to an inquiry into the role of the social scientist, both as a researcher and an actor (*Intervention Theory and Method* (1970); *Inner Contradictions of Rigorous Research* (1980) and *Action Science* (1985) – (with Robert Putnam and Diana McLain Smith). His fourth major area is on research and theorising (in significant part undertaken with Donald Schön) individual and organisational learning and the extent to which human reasoning, not just behaviour, can become the basis for diagnosis and action (*Theory in Practice* (1974); *Organisational Learning* (1978); *Organisational Learning II* (1996) – all with Donald Schön). He has also developed this thinking in *Overcoming Organisational Defenses* (1990) and *Knowledge for Action* (1993). Contributions of Argyris and his colleagues are very much appreciated and influenced by academicians and practitioners of public administration and management.

14.3 THEORETICAL UNDERPINNINGS OF CHRIS ARGYRIS’ THEORIES

Argyris and Schön(1978) were of the strong belief that an interrelationship prevails among organisational structure and individual personalities. It means they are mutually responsible for their development. Both organisation and actions of individuals should learn from one another and from the environment in which it operates. Further, changes in the environment will affect the work place, individuals learn and act as the learning agents for the organisation. Their contribution came at the turn of the mid-20th century when the world was witnessing the benefits from industrial growth, while also experiencing its adverse effects. Materially, urban standards of living improved steadily, not only in food, shelter, housing, and other material goods, but also in health care and education. In expensive books, magazines, newspapers, and improved public libraries, contributed to their intellectual lives. This gave impetus to change in the mindset of people from a more materialist to less/non-materialistic in the sense as rightly put forth by Maslow as Middle-level Needs (i.e., security and safety) and Higher-Level Needs (i.e., self-esteem,

self-respect, respect for others, social recognition, and self-actualisation and fulfilment).

Argyris observed that, while the people's mindsets were changing, the old-formal organisation structures failed to respond to this change and were stuck to the 'carrot and stick approach' or 'materialistic approach' or 'mechanistic approach' in treating their employees. He argued that this age-old approach along with organisation structure and the leadership style, suppressed the individual from personal growth and development. It resulted into loss for both the individual and the organisation. It would only lead to human and organisational decay. It shall be a win-win situation for both when organisations assist and encourage individuals to develop their full potential. For this, Argyris developed the intervention strategies for organisational change. His theories include Immaturity-Maturity Theory, Improving Interpersonal Competence, Innovative Organisational Structures (Non-Pyramidal and Matrix) and Group Sensitivity Training (T-Group).

Let us now discuss these theories:

Immaturity-Maturity Theory

This Theory was developed and presented by Chris Argyris in his work on *Personality and Organisation*. It is one of the many theories that seeks to explain the relationship between the human nature and behaviour with the organisational structure. In this, Chris Argyris, compared bureaucratic/pyramidal values (the organisational counterpart to Theory 'X' assumptions about people) that still dominate many organisations with a more humanistic/ democratic value system (the organisational counterpart to Theory 'Y' assumptions about people). According to this Theory, a person's development is processed along a continuum of an immaturity to a maturity scale.

According to Argyris, still the age-old organisation structures are treating the people as "**immature**" characterised by laziness, lack of interest and apathy. People are still being believed as money hungry, wasteful and prone to errors. So, to keep them in pace with organisation goals, they are using old organisation principles of task specialisation, unity of direction, chain of command and span of control that require employees to be obedient, submissive, dependent, and passive or subordinate towards organisation leaders. These old organisation principles follow rigid and stringent rules and regulations and emphasise on managerial controls that make the employees feel dependent on their superiors and fearful of the staff personnel in charge of the various types of controls (Raghavulu, 1991).

Similarly, evaluative techniques are perceived as unfair in that they continually accent failures without showing why such failure may be necessary (Argyris, 1957; Raghavulu, *ibid.*). There is less scope for natural and free expressions of ideas and feelings among workers which result into poor, shallow and mistrustful relationships, decrease in interpersonal competence, etc. Argyris (*ibid.*) has observed, "without interpersonal competence or psychologically safe environment, the organisation is breeding ground for mistrust, inter-group conflict and so on, which in turn lead to a decrease in organisational success in problem solving".

Similarly, Argyris has found that this old organisation structures blame employees for any discrepancies in organisation and initiates programmes to "change people's attitudes" and to "make employees more interested in the organisation" (Raghavulu, *ibid.*). This problem-solving method stems in traditional leader's mind, because of '**autocratic and directive leadership style**' imposed upon them by the logic and assumptions of age-old traditional organisational management practices. Argyris observed that this leadership style places the employees in a situation where they tend to:

- Be passive, dependent, subordinate and submissive.
- Focus their activities on the organisation's and the leader's needs rather than the needs of all the followers; and
- Compete with each other for the leader's favour.

Argyris concluded that the impact of directive leadership upon the subordinates is similar to that which the formal organisation has upon the subordinates. Further he argued that, authoritarian leadership reinforced and perpetuated the 'damage' created by the (bureaucratic) organisational structure. On the contrary, a "*mature*" person is an active, independent, full of confidence and self-controlled human being. According to Chris Argyris (*op.cit.*), mature people are the human beings who accept more responsibilities, show willingness to handle variety of tasks, and have the ability to participate in decision making.

It is in parallel to Theory 'Y' assumptions of Douglas McGregor about the people. This personality is cultivated by *Humanistic Organisations*, where the system treats people as human beings, respect interpersonal competence, allows them to share their ideas and embed trusts, encourages participation and appreciates relationships, flexible rules and regulations, and so on. Here, both organisations and persons would get the opportunity to develop to the fullest potential. Similarly, Chris Argyris believed that managers who treated people positively, and as responsible adults, would achieve the highest productivity.

Argyris (*ibid.*) has suggested *seven* changes that may help the individual to move and witness growth from immature personality to mature personality (i.e., Personality change). These changes are:

- 1) Individual will move from a passive state as an infant to active state as an adult.
- 2) Individual would grow from being dependant to independent.
- 3) Individual will able to behave in lots of different ways than a few ways.
- 4) Individual's interests would become deep and strong, whereas as children they had shallower interests.
- 5) Individuals have a better grasp at the long-term perspective, past and future more than just the short-term perspective.
- 6) Individuals move from only being subordinate to equal or super-subordinate positions.
- 7) Adults have a higher level of awareness and have a stronger self-control.

In his opinion, these changes take place on a 'continuum' and the 'healthy personality' develops along the continuum from 'immaturity' to 'maturity'.

Improving Interpersonal Competence

We understand that organisation is an organised group of people with a goal or agenda. It is a collective effort that requires each person to cooperate and maintain good rapport with one another. For this, various interpersonal skills are necessary. Interpersonal competence refers to individual's ability to interact with others and with the greater community, say for example, an organisation. Argyris believed that the organisations, which followed mechanistic approach, showed a low interpersonal competence. As said above, employees of such organisations would be dubious, fearful, follow unhealthy

competition, depict lack of co-operation, etc. All these factors would undermine the performance of the individual vis-à-vis organisation.

Argyris argued for the organisations, which would give more importance to improve intellectual and mechanical skills as well as interpersonal skills. He found that competence involving interpersonal skills was being neglected. He advocated that organisation functioned better if their members were more interpersonally competent. Interpersonal competence refers to the ability to deal effectively with an environment populated by other human beings. He postulated that there are *three* conditions or requirements for the development of interpersonal competence:

- 1) Self-acceptance: This refers to the degree to which the person values himself in a positive fashion.
- 2) Confirmation: By 'Confirmation', Argyris means the reality-testing of one's own self-image.
- 3) Essentiality: This third condition for interpersonal competence is defined by Argyris as one's opportunity to 'utilise the central abilities and express his central needs'.

In attempting to operationalise the concept of interpersonal competence, Argyris has specified several kinds of a behaviour that he regards as concrete evidence of interpersonally competent behaviour. These *four* types of behaviour are listed below and are arranged in order of decreasing frequency of occurrence and increasing potency for contributing to competence- as hypothesised by Argyris and apparently confirmed by his empirical data:

- 1) Owning up to, or accepting responsibility for one's ideas and feelings.
- 2) Being open to ideas and feelings of others and those from within one's self.
- 3) Experimenting with new ideas and feelings; and
- 4) Helping others to own up, be open to, and to experiment with their ideas and feelings.

Check Your Progress 1

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1) Explain the Immaturity-Maturity Theory.

.....

.....

.....

.....

2) What are the seven ways suggested by Chris Argyris that could change individual behaviour?

.....

.....

.....

.....

14.4 ALTERNATIVE ORGANISATIONAL STRUCTURES

Argyris believed that a single type of organisational structure was not suitable to address all types of jobs or activities. As the nature of job varies, the organisational structure must also vary accordingly. According to him, the organisations of the future would be a combination of both the old and new forms of organisations. He proposed some *new* organisational structures as given below:

- 1) **Pyramidal Structure:** It is a rigid and classical structure suitable for routine operations or non-innovative activities. It is suitable for the people who are happy to do routine tasks, disdain psychological needs, etc.
- 2) **Modified Formal Organisational Structure:** It is a hierarchical structure but in terms of processes and operation, it is democratic in character. It is like System 4 propounded by Likert, which enables a subordinate to be a member of the superior's decisional unit. This organisational structure is comparatively more efficient than the pyramidal structure.
- 3) **Participative Structure:** This structure is comparatively less hierarchical and flexible. It is more organic in character, meaning each employee would have an equal opportunity in problem solving/decision making commensurate with his/her potential. This structure is suitable for activities, which require creativity and imagination. It can be applied for group activities, inter-departmental activities, etc.
- 4) **Matrix Organisation:** It is a superimposition of the project organisation onto a functional organisation. It is a flat organisation structure, where everyone has equal power and responsibility to deal with the assigned task. The members are expected to work as a cohesive unit. It is expected to eliminate superior-subordinate relationships and substitute with individual self-discipline. It can be applied for the tasks that need multiple skills or specialisation.

The difference between the structures is basically the degree of involvement required in making decisions. Pyramidal structure is furthest to the left on the continuum, while Matrix organisational structure is furthest to the right. Essentially then, pyramidal structure involves very few in the decision making, while Matrix organisational structure calls for each individual to have equal power.

Argyris made a point that no one of these structures should be used all the time. Instead the "... organisations (of the future) will tend to vary as per the structures that they use and according to the kinds of decisions that must be made". Argyris hypothesised that "decision rules" will need to be established to determine, which structure should be used under given sets of conditions.

T-Groups

Argyris adopted and used this laboratory programme technique of T-Group experiment as early as in 1960s. He suggested this technique for improving the personal effectiveness of employees. This programme focuses on understanding the self as well as other personalities, group functioning and organisational structure. It provides an opportunity to learn more about their behaviour, give and receive feedback, experiment with new behaviour and develop awareness and acceptance of self and sensitivity to the personalities of others. The T-group also provides the possibilities to learn the nature of effective group functioning (Bradford, Benne and Lippitt, 1964; Raghavulu, 1991, *op.cit.*).

In this experiment, Argyris found many positive results. He observed that in this experiment, more responsibilities were delegated to lower level employees and getting more valid information up from the ranks, allowed free decision making. He acknowledged that the original aim of T-group training was personal growth or promotion of self-insight and the focus was on changing the individuals, not necessarily to change the environment in which they worked. But, this approach has gradually led to organisation improvement. Finally, he stated that, he and his fellow scholars were not of the opinion of administering the formal organisation like T-groups. However, they recommended such groups in formal organisational structures for certain selected decisions.

T-Group and Public Administration

Argyris suggested the widespread use of T-Group technique in public administration. Especially, after the assessment of United States Department of State, he insisted for intervention in organisational socio-emotional processes. According to Argyris, reforms in governmental organisation should aim at providing employees with higher order need satisfaction. This required a long-range change programmes, which would focus on the behaviour and leadership style of the senior participants' and the introduction of organisational changes that would inculcate in the participants attitudes that were favourable to taking more initiative, enlarging responsibilities and adopting innovative behaviour. Argyris also suggested radical revisions in the personnel practices in order to reduce the system's defences.

14.5 ORGANISATIONAL LEARNING

Another important contribution of Argyris is towards Organisational Learning. He, along with Donald Schön undertook studies and conceptualised the learning processes in organisational settings. They argued that the organisations are not merely collection of individuals, but there is no organisation without such collections. In other words, organisational Learning is not merely individual learning, but organisations also learn through the experience and actions of individuals (Argyris, 1978; Raghavulu, 2010). Organisational Learning occurs when members act as learning agents for the organisation, responding to changes in the internal and external environments by detecting and correcting errors in organisational theory-in-use and embedding the results in private images and shared maps of organisations (Raghavulu, 2010, *ibid.*).

According to Argyris and Schön (1978, *op.cit.*), learning involves the detection and correction of error. If something goes wrong, initially it was suggested by many people to look for another strategy that will address and work within the governing variables. In other words, given or chosen goals, values, plans and rules are operationalised rather than questioned. According to Argyris and Schön (*ibid.*), this is *Single-Loop Learning*. An alternative response is to question governing variables themselves, to subject them to critical scrutiny. This they describe as *Double-Loop Learning*. Such learning may then lead to an alteration in the governing variables and, thus, a shift in the way in which strategies and consequences are framed. Thus, when they came to explore the nature of organisational learning. This is how the process is described in the context of organisational learning:

“When the error detected and corrected permits the organisation to carry on its present policies or achieve its present objectives, then that error-and-correction process is *single-loop learning*. Single-loop learning is like a thermostat that learns when it is too hot or too cold and turns the heat on or off. The thermostat can perform this task because it can receive information (the temperature of the room) and take corrective

action. *Double-loop learning* occurs when error is detected and corrected in ways that involve the modification of an organisation's underlying norms, policies and objectives”

Single-loop learning seems to be present when goals, values, frameworks and, to a significant extent, strategies are taken for granted. The emphasis is on ‘techniques and making techniques more efficient’ (Usher and Bryant, 1989). Any reflection is directed toward making the strategy more effective. Double-loop learning, in contrast, ‘involves questioning the role of the framing and learning systems, which underlie actual goals and strategies. In many respects, the distinction at work here is the one used by Aristotle, when exploring technical and practical thought. The former involves following routines and some sort of present plan – and is both less risky for the individual and the organisation and affords greater control. The latter is more creative and reflexive and involves consideration notions of the good. Reflection here is more fundamental: the basic assumptions behind ideas or policies are confronted... hypotheses are publicly tested... processes are discomformable and not self-seeking (Argyris, 1982, *op.cit.*).

14.6 A CRITICAL EVALUATION

Chris Argyris and his ideas have been criticised on several grounds. *First*, Argyris view of man in relation to the organisation and his characterisation of the concept of self-actualisation seems to be an ideal concept without any precise operational indicators. Authors like Simon raise objection to Argyris' concept of self-actualisation and compared it with anarchy. They have suggested the practical solutions like reducing the working hours and enhancing leisure to enable employees to seek self-actualisation. *Secondly*, Argyris' antipathy to authority is without any analogues. The view that ‘structure is devil’ is influenced by Argyris' obsession with the need for power (Simon, 1973; Raghavulu, 1991, *op.cit.*). As Simon points out: Argyris...tend to choose de-emphasis of authority relations as the way out, but at the price of neglecting the consequences for organisational effectiveness... what corrupts is not power, but the need for power and it corrupts both the powerful and the powerless (Simon, 1973, *ibid.*).

Thirdly, Argyris has advocated job enlargement and T-group sessions for increasing interpersonal competence. This remedial approach seems myopic in nature and cannot get to the root of the problem so long as the basic conflict of interests between the employers and employees exists. Rather these techniques cannot serve better than maintaining the status quo.

Fourthly, Argyris holds that management philosophy has moved from Scientific Management and Human Relations Approach. Practically, an effective management requires the right combination of both the approaches i.e., a judicious blend between the organisational structural and human dimensions in organisations.

Fifthly, objections are raised on the methodological ground of some of the key propositions of Argyris. For example, there is little empirical weight in favour of the statement that people in organisations are opposed to authority. On the contrary, in many organisations, employees seem to accept authority and organisation goals because such acceptance is in parallel with their values and interests.

Sixthly, Argyris' generalisation of pursuit of the goal of self-actualisation is questioned. It appears that not all individuals, under all circumstances, would like to self-actualise themselves and that there are many who feel happier under conditions of directive leadership (Raghavulu, 1991).

Finally, Chris Argyris advocated job enlargement and T-group sessions for increasing interpersonal competence. This remedial approach seems myopic in nature and cannot get to the root of the problem so long as the basic conflict of interests between the employers and employees exists. Rather these techniques cannot serve better than maintaining the status quo.

Check Your Progress 2

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1) Describe the different types of alternative organisational structures.

.....

.....

.....

.....

2) What do you understand by 'organisational learning'?

.....

.....

.....

.....

14.7 CONCLUSION

As other theories, Argyris's theory also drew a lot of flak from different authors. They observed that individual personality differed from person to person, and was not Argyris' major focus. Argyris advocated a cognitive approach to intervention in organisations. The aims were to improve the relationship between individual and organisation and to increase the adaptability and effectiveness of organisations. Keeping aside the limitations, criticisms and practical difficulties in their application, Argyris' contribution is a historical landmark in the study of human relations and participative schools of thoughts in organisations. His objective was to understand the behaviour of individual and create a change in the mind-set of employees, leadership styles, and organisational structures for effective organisational productivity. His aim was to create an appropriate environment for individuals to attain self-actualisation. This Unit brought to fore theoretical underpinnings of organisations, alternative structures of organisations, as well as single-loop and double-loop organisational learning.

14.8 GLOSSARY

Humanistic Organisations : It focuses on use of intrinsic motivation to grow personnel qualifications. It emphasises on setting up of organisational goals keeping humanistic values in mind. The central tenets are participative decision making, socially-conscious policies, effective interpersonal relationships, team work, human-resource development, goal adherence and individualised motivation packages.

Interpersonal Competence : It means an ability to interact with others in an organised set up. People who have interpersonal skills have greater self-awareness, which they use to nurture beneficial relationships. The three 'Cs' of Interpersonal Competence are: Consistency, Congruence and Coherence.

14.9 REFERENCES

Dhameja, A and Mishra, S. (Ed.), (2016). *Public Administration: Approaches and Applications*, New Delhi, India: Pearson.

Anderson, L. (1997). *Argyris and Schön's Theory on Congruence and Learning* (Online). Available at <http://www.aral.com.au/resources/argyris.html>.

Anderson, L. (1994). *Espoused Theories and Theories-in-use: Bridging the Gap* (Breaking through defensive routines with organisation development consultants). Unpublished Master of Organisational Psychology thesis, University of Qld. Accessed from <http://www.aral.com.au/resources/argyris.html> on 05.04.2018.

Argyris, C. B (1964). *Integrating the Individual and the Organisation*, New York: John Wiley and Sons, Inc.

Argyris, C. (1957). *Personality and Organisation*, New York, U.S : Harper.

Argyris, C. and Schon, D.A (1978). *Organisational Learning: A Theory of Action Perspective*. Massachusetts, U.S : Addison-Wesley Publishing Company.

Dick, B., and Dalmau, T (1990). *Values in Action: Applying the Ideas of Argyris and Schon*. Brisbane, Australia: Interchange.

Prasad, Ravindra., V.S., Prasad, D and Satyanarayan, P (Ed.) (1991). *Administrative Thinkers*, New Delhi: Sterling Publishers Private Limited.

Raghavulu, C.V (1991). *Chris Argyris* in Prasad, Ravindra., V.S., Prasad, D and Satyanarayan, P (Eds.) *Administrative Thinkers*, New Delhi: Sterling Publishers Private Limited.

Simon, H.A (1973). 'Organisational Man: Rational or Self-Actualising'. *Public Administration Review*, Vol.33, No.4, July-August.

Usher, R. and Bryant, I (1989). *Adult Education as Theory, Practice and Research*, London: Routledge.

White, Richard L (1972). "Chris Argyris and Organisational Behaviour". *Undergraduate Honors Theses*. 201. <http://digitalcommons.usu.edu/honors/201>

14.10 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- 1) Your answer should include the following points:
 - The Theory seeks to explain the relationship between human nature and behaviour within an organisation.

- As per the Theory, a person's development is gauged on a continuum of an immaturity to maturity scale.
 - It intends to look at evaluation of human behaviour on the basis of new parameters, different from old parameters that are ingrained in old theories/ approaches.
 - Without interpersonal competence and psychological safe environment, the organisation only perpetuates mistrust.
- 2) Your answer should include the following points:
- Individual should be active.
 - Individuals should leave dependency.
 - Individual interests become deep and strong.
 - Individuals should move from subordinate position.
 - Adult individuals have higher level of awareness.
 - Adult individuals have better grasp of retraction and self-control.
 - Individuals behave in multiple ways.

Check Your Progress 2

- 1) Your answer should include the following points:
- T-group.
 - Pyramidal structures.
 - Modified formal organisational structures.
 - Participative structures.
 - Matrix organisations.
- 2) Your answer should include the following points:
- Organisation Learning occurs when members act as learning agents for organisation.
 - Organisation Learning involves detection and correction of error.
 - There are two types of learning : Single-Loop Learning and Double-Loop Learning.
 - Reflection is most fundamental to Organisational Learning.

