

**BEHAVIORAL THEORIES OF MANAGEMENT**

**Behavioral Viewpoint:**

Organizational behavior (OB) research has contributed much of what we know about behavioral views of management, human resources management, motivation, leadership, trust, teamwork, and conflict management.

**Early Advocates:**

Four people stand out as early advocates of the OB approach. These include Robert Owen, Hugo Munsterberg, Mary Parker Follett and Chester Barnard.

1. Robert Owen, a successful Scottish businessman, proposed a utopian workplace.
2. Hugo Munsterberg created the field of industrial psychology—the scientific study of individuals at work to maximize their productivity and adjustment.
3. Mary Parker Follett was a social philosopher who thought the manager’s job was to harmonize and coordinate group efforts.
4. Chester Barnard, president of New Jersey Bell Telephone Company, saw organizations as social systems that required human cooperation.
  - a. He believed that managers’ major roles were to communicate and stimulate subordinates to high levels of effort.
  - b. He also introduced the idea that managers have to examine the environment and then adjust the organization to maintain a state of equilibrium.

**Hugo Munsterbeg (1863-1916)** is considered to be the “father of industrial psychology” and is regarded by students of psychology as an important figure as Frederick Taylor is by students of management. Munsterberg attempted to develop practical applications of psychology. He argued that psychologists could help industry in three major areas:

- a. Finding ways to identify individuals best suited to particular jobs.
- b. Identifying the psychological conditions for optimum efficiency.
- c. Finding ways to influence individual behavior to be congruent with management’s objectives

**Mary Parker Follett (1868-1933)** brought to management the perspectives of political science and social work. She identified:

- a. The importance of the functioning of groups, not just individuals, in organization.
- b. The principle of “power with” rather than “Power over” in management-employee relations.
- c. Conflict resolution through integration, i.e., finding a solution to a conflict that would satisfy both parties.
- d. The achievement of integrative unity, whereby the organization operates as a functional whole, with the various interrelated parts working together effectively to achieve organizational goals.

**The Hawthorne Studies**

Without question, the most important contribution to the developing Organization Behavior field came out of the **Hawthorne Studies**, a series of studies conducted at the Western Electric Company Works in Cicero, Illinois. These studies, started in 1924 and continued through the early 1930s, were initially designed by Western Electric industrial engineers as a scientific management experiment. They wanted to examine the effect of various illumination levels on worker productivity.

Control and experimental groups were set up with the experimental group being exposed to various lighting intensities, and the control group working under a constant intensity. If you were one of the industrial engineers in charge of this experiment, what would you have expected to happen? That individual output in the experimental group would be directly related to the intensity of the light? Seems perfectly logical, doesn't it? However, they found that as the level of light was increased in the experimental group, output for both groups increased. Then, much to the surprise of the engineers, as the light level was decreased the productivity decrease was observed in the experimental group only when the level of light was reduced to that of a moonlit night. What would explain these un-excluded that illumination intensity was not directly related to group productivity, and that something else must have contributed to the results. However, they weren't able to pinpoint what that "something else" was.

In 1927, the Western electric engineers asked Harvard professor Elton Mayo and his associates to join the study as consultants. Thus began a relationship that would last through 1932 and encompass numerous experiments in the redesign of jobs, changes in workday and workweek length, introduction of rest periods, and individual versus group wage plans.<sup>9</sup> For example, one experiment was designed to evaluate the effect of a group piecework incentive pay system on group productivity.

**Hawthorne studies** reflected the scientific management tradition of seeking greater efficiency by improving the tools and methods of work—in this case, lighting.

1. In the first set of studies, no correlation was found between changes in lighting conditions and individual work performance. In fact, performance nearly always went up with any change—brighter or darker—in illumination.
2. In the second set of studies, the concept of the **Hawthorne effect** emerged. The Hawthorne effect refers to the possibility that individuals singled out for a study may improve their performance simply because of the added attention they receive from the researchers, rather than because of any specific factors being tested in the study.
3. The third set of studies centered on group production norms and individual motivation.
4. Although simplistic and methodologically primitive, the Hawthorne studies established the impact that social aspects of the job (and the informal group) have on productivity.

**Human Relations Movement:** This movement was an attempt to equip managers with the social skills they need.

**Abraham Maslow (1908-1970)** developed a theory of **motivation** that was based on three assumptions about human nature.

- a. Human beings have needs that are never completely satisfied.
- b. Human behavior is aimed at satisfying the needs that are yet unsatisfied at a given point in time.
- c. Needs fit into a somewhat predictable hierarchy ranging from basic, lower-level needs to higher-level needs:
  - 1) Physiological (lowest)
  - 2) Safety
  - 3) Belongingness or social
  - 4) Esteem
  - 5) Self-actualization (highest and NOT achieved by everyone)

**Douglas McGregor (1906-1964)** developed the **Theory X and Theory Y** dichotomy about the assumptions managers make about workers and how these assumptions affect behavior.

- a. **Theory X managers** tend to assume that workers are lazy, need to be

coerced, have little ambition, and are focused on security needs. These managers then treat their subordinates as if these assumptions were true.

- b. **Theory Y managers** tend to assume that workers do not inherently dislike work, are capable of self-control, have the capacity to be creative and innovative, and generally have higher-level needs that are often not met on the job. These managers then treat their subordinates as if these assumptions were true.
- c. Workers, like all of us, tend to work up or down to expectations.

**The Behavioral Science Approach:**

It emphasizes scientific research as the basis for developing theories about human behavior in organizations that can be used to develop practical guidelines for managers.

1. The emphasis is upon developing useful tools for managers. Unlike Scientific Management from the Classical Era, the findings in behavioral studies are often somewhat difficult to find with mathematical certainty. That does not mean however, that the scientific approach should not be attempted nor that the findings of such an approach are any less useful.
2. An example is the idea of improving performance by setting goals the individual finds to be attainable yet not too easy.

**Contributions of the behavioral viewpoint:**

1. Spotlight the managerial importance of such factors as communication, group dynamics, motivation, and leaders.
2. Articulates practical applications of behavioral studies.
3. Draws on the findings of a number of disciplines such as management, psychology, sociology, anthropology, and economics.
4. Highlights the importance of an organization's members as active human resources rather than passive tools.