



UNDERSTANDING MANAGEMENT STYLES

In the October 1974 issue of *Administrative Management* there appeared an article titled, "Understanding the Natural Born Leader That's in You." This article reviewed a mass of historical management literature in its attempt to uncover the origins of numerous philosophies of managerial style. Yet its major accomplishment was not in the identification and description of these different styles, but rather its ability to show how the various styles relate to one another, overlap, and fit a newly defined "scale of dominance."

Compositions on alternative management styles would hardly be of any direct value to the average agribusiness manager. Yet after a further search into the literature on management styles, it becomes more and more apparent that our current agribusiness industry can lay claim to every style; even those evolving centuries ago. Furthermore, I would argue that as a manager develops a better understanding of the different styles, he will be better able to appreciate his own personal style or adopt and use that style which seems to best fit the situation.

Anyway, please bear with me as together we plod through some lengthy, theoretical discussions. At the conclusion, I shall attempt to assess the impact of the paper's content on your own choice of managerial style.

Management Styles-Their Evolutionary Origins

If one returns to the time of early-recorded history, it is not difficult to ascertain the managerial style most in evidence at that

time. Beginning with the time of the Egyptian pharaohs and extending through the Dark Ages and the beginnings of the feudal system, the only dominant managerial style being practiced successfully was that of autocratic rule. The autocrat was ruler supreme. The system by which he ruled was inseparable from his own desires, whims, and fancies. His leadership was total and absolute.

As time passed, the autocrat's holdings (his empire) began to expand in both material wealth and geographical scope. Before long the autocrat found it necessary to delegate to a select few of his vassals, a modest degree of authority, for the purpose of retaining control over a much broadened scale of operations. At this point, the autocrat became an authoritarian, as evidenced by his change in management style.

More time passed, and around the time of our own Industrial Revolution, there emerged this grass roots reaction to the excesses of practicing autocrats and authoritarians. Amongst our general society arose the views that child labor, worker exploitation, sweatshops, and the like were morally unjust. The exercise of absolute authority was no longer to be tolerated in either industry or government. To avoid a fate like that of the King of France and others, those in control realized they would be forced to concede additional prerogatives to the populace or labor force. Thus emerged the era of the "enlightened monarch" in government, or the "paternalistic capitalist" in industry. Only through their willingness to respond to some societal pressures did they retain control over their domains.

Following the Industrial Revolution, our economy experienced rapid and broad growth. Such increases in size made it necessary to appoint more vassals to positions of responsibility, and before long a hierarchy developed. Because those near the top of the hierarchy feared their removal from control, there emerged a managerial style we now label bureaucratic. The bureaucrat considers as his prime responsibilities the continuation of the system within which he finds himself employed, and the development of protective barriers to guard him against the tyrannies of his superiors, or the ravishes of those he is supposed to serve.

As industrial growth occurred, so also did economic growth. The general economic well-being of society improved, which further stimulated the gradual rise in general educational levels. With the rising level of education came a greater public awareness and enhanced antiestablishment feelings. From this environment evolved the democratic style of management, where control rested within the combined and more equal influence of committees and other groups of individuals.

As the educational level increased even further, it gave rise to the study of man himself. Human wants, needs, and desires began to appear for consideration in management literature. Management now had to operate in close concert within the confines of human psychological parameters and the basic physiological comforts. This practice became best known as the participative style of management and is usually defined as “a balanced consideration of the individual and the requirements of the organization.” As concern for the human element grew to even greater extremes, the humanist style then evolved.

There exists one other managerial style that we must consider even though it possesses no strong historical derivative. This style shall be referred to as *laissez faire*. It has existed

throughout history whenever a manager has shown full contentment with his station in life. Such a manager remains quietly in the background and rises to an occasion only when directly threatened. He is a modern-day practitioner of the Peter Principle, i.e., a man whose job has outgrown him.

The Dominance Scale

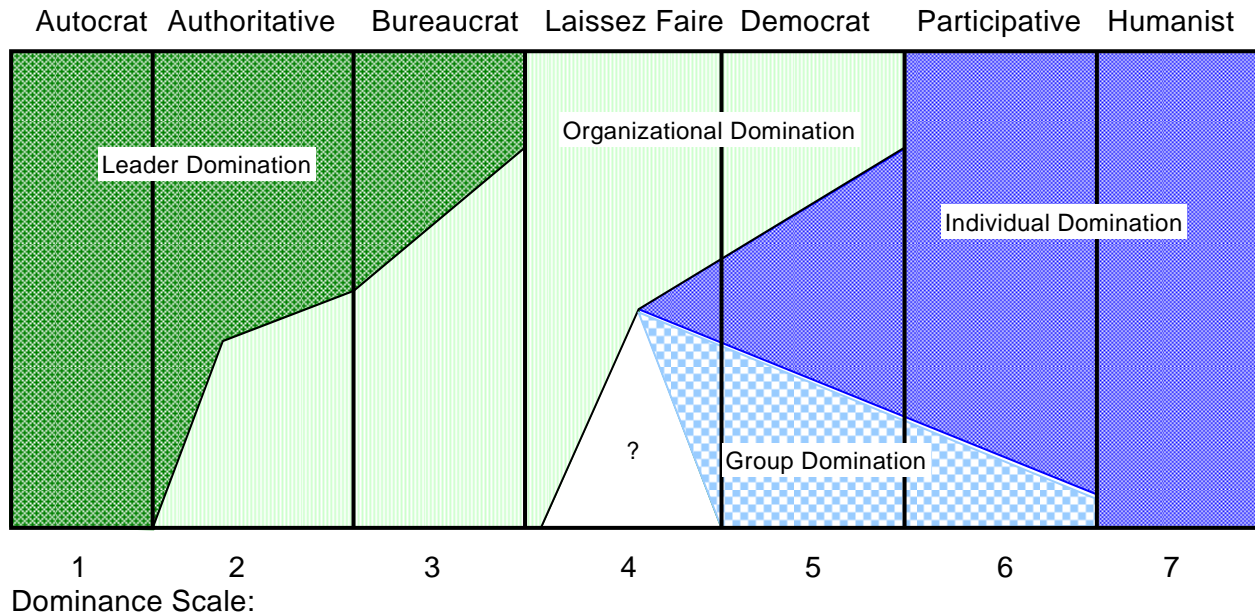
As the managerial styles described herein unfolded over time, they followed what might be called an evolutionary scale of decreasing dominance. In other words, if we define “dominance” to be the power to determine the future, it can be shown that the truly dominant force moved from the singular leader to the system or organization, to the group, and finally to the individual within the group or system.

It would only seem natural, therefore, that the various managerial styles adapt themselves very well to a dominance scale. In fact, two managerial theorists by the names of Tannenbaum and Schmidt have developed such a scale, where numerical reference is made to the dominance factor (see Figure 1).

Scale 1-The Autocrat: How many agribusiness managers do you know who regularly make decisions and announce them before checking with anyone? He is the individual who insists that all firm decisions, no matter how minor they may be, must be rendered by his office. This manager retains full control of his organization, almost solely as a result of his own charisma, his position within the system, and his forceful personality.

Scale 2-The Authoritarian: This manager also insists that he fulfill the major role in the whole decision-making process. Yet the difference is that while the autocrat will impose the decision on the organization, the authoritarian will actually try to “sell” his decision to the organization. In brief, this manager must at least recognize the desires of the organization from which he derives his power.

Figure 1
Tannenbaum and Schmidt's
Dominance Scale of Managerial Styles



Scale 3-The Bureaucrat: The bureaucratic manager presents ideas and invites questions before decisions are made. With the bureaucrat, there is minimum use of absolute power. Instead, he exists as a creature of the organization, which surrounds him. He exists to serve the organization, strives to meet its objectives, and uses it for his own protection whenever necessary. Performance is judged by this manager to be consistent with the survival and growth of the organization.

Scale 4-Laissez Faire: This managerial style is placed at the midpoint of our dominance scale because it represents a null balance between leader domination and worker domination styles. Within this classification, a combination of the organization, the group, individual workers, and some unknown components, act together to fill in for the inactivity of the leader.

Scale 5-The Democrat: This manager draws his power from what he sees or

determines to be the majority opinion. The basic mode is to present problems and openly solicit suggestions. A majority vote then establishes the destiny of the organization.

Scale 6-Participative: As shown in Figure 1, the participative manager may define some organizational limits, but he relies heavily on groups and individuals within the organization for definitive decisions. To a degree, his managerial style appears similar to Scale 5. The outstanding difference is that individuals within a group are gradually gaining power over the wishes of the group as a whole.

Scale 7-The Humanist: This managerial style results from an overreaction to the preaching of human relationists. It sets individual happiness as the ultimate goal. In search of this goal, the objectives of the organization or groups within the organization are relegated to a subordinate position.

Other Managerial Theories

Now that a basic model of managerial style has been prepared, let's consider the writings of other managerial theorists to compare and review their relevance to agribusiness practices.

Frederick Taylor, of course, was the first great theorist. His work formed the basic disciplines in the field of industrial engineering. More important is the fact that Taylor is referred to as the "father of scientific management." This reputation was established as a result of Taylor's integration of the following four major principles:

1. With some thought and effort, one could scientifically dissect each element of a man's physical labor. Such dissection and analysis would, thereby, establish a methodology for the replacement of the old rule-of-thumb practices.
2. Manager can scientifically select and train people. As a result, management develops its own workmen. (Prior to this time, it was assumed that people would choose their own work and train themselves.)
3. The manager must cooperate with his employees to ensure that all work is done in accordance with the scientific principles developed.
4. There should be an equalitarian division of the work and responsibility between management and workers. Management should take over all work for which they are best fitted, replacing the past practice wherein almost all the work was thrown upon the employees.

Taylor's views are now considered to fall within the autocratic or authoritarian styles. In spite of his softening ideas of cooperation between management and workers, he left no doubt as to who remains in the position of power. This philosophy should not be too

surprising, when one realizes that Taylor lived in an autocratic era, when kings, robber barons, and cartels were still very much in existence.

Douglas McGregor is assured of a place in the history of managerial thought as a result of his so-called "Theory X-Y." McGregor defines Theory X as the conventional view of management; one which is held by the majority of practicing managers. It provides broad justification for managers to pursue those patterns associated with either the autocratic or authoritarian styles. Yet McGregor then argues that Theory Y is the "better way." In brief, Theory Y is consistent with the participative management style and is the most successful means for satisfying the individual's needs. Its components are as follows.

Theory X:

1. The average human being has an inherent dislike of work and will avoid it if possible.
2. Because of this dislike, most people will have to be controlled, coerced, directed, and threatened with punishment to get them to put forth effort toward the achievement of organizational objectives.
3. The average human being prefers to avoid responsibility, needs to be directed, has little ambition, and wants security above all.

Theory Y:

1. The expenditure of physical and mental effort in work is as natural as play or rest.
2. External control and the threat of punishment are not the only means for spurring effort toward organizational objectives. Many will exercise self-direction and control in pursuit of objectives to which they are committed.
3. Commitment to objectives is a function of the rewards associated with their achievement.

4. The average person learns under proper conditions not only to accept but to seek responsibility.
5. The capacity to exercise a high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed among people.
6. Under conditions of modern industrial life, the intellectual potentialities of the average human being are only partly utilized.

The "System 4" theory of managerial styles became popular as a result of the writings of Rensis Likert. Figure 2 describes, in brief, the four systems of Likert.

Figure 2
Rensis Likert's System 4

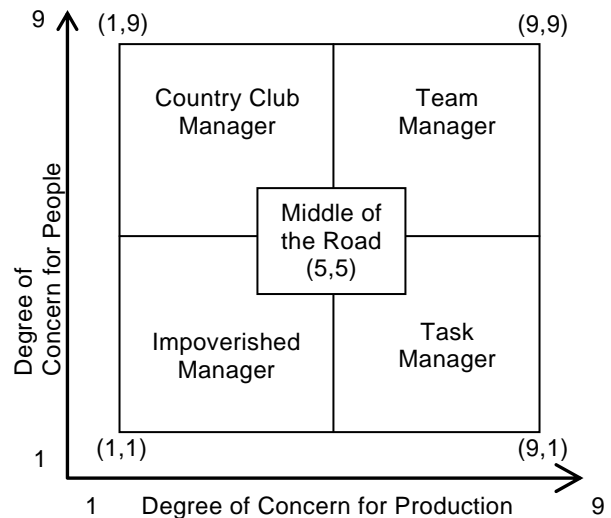
Authoritative		Permissive	
System 1	System 2	System 3	System 4
System	Description		
1	Explorative Authoritarian		
2	Benevolent Authoritarian		
3	Consultative		
4	Participative		

Generally speaking, the two authoritative systems of Likert's would be comparable to Tannenbaum and Schmidt's dominance scales 1 through 3. His system 3 describes a form of consultative leadership and might be considered to be a form of the democratic style earlier discussed. System 4 is directly comparable with dominance Scale 6.

As shown, the System 4 theory of Likert is quite fundamental and, perhaps, lacking a degree of comprehensiveness. A somewhat more complex and comprehensive theory has been developed by Blake and Moulton. Their theory is expressed in the form of a managerial grid (see Figure 3), which emphasizes the human relations aspect. In this system, the bureaucrat is seen as a middle-of-the-road manager who

compromises his concerns for both people and production for the sake of the organization, thereby, accomplishing very little. The laissez faire managerial style might also be viewed as Blake and Moulton's "impoverished leader"; a person little concerned about either people or production. The autocrat and authoritarian styles would be typified with over concern for production and are labeled as "task masters." It is the view of Black and Moulton that the well-balanced "ideal" is referred to as the "team manager" and would fit best the participative style.

Figure 3
The Managerial Grid



Concern Point		Dominance Scale
1,9	Overconcern for people, humanist	7
1,1	Impoverished leader, laissez faire	4
5,5	Bureaucrat, compromise for the system	3
9,1	Overconcern for production, autocrat or authoritarian	1 or 2
9,9	Well-balanced ideal, participative	6

Figure 4

The Multicrat Spectrum

Dominance Scale	Style	Source of Power	Method of Communication
1	Autocrat	Self	Orders and directives
2	Authoritarian	Position	Orders and directives
3	Bureaucrat	Regulations	Explains
5	Democrat	Majority	Discusses
6	Participative	Group	Jointly determines
4	Abdicrat	Informal organization	Random

Hard
Nose

↑

↓

No
Nose

One final contributor to this composite of alternative theories was Clark Caskey. Caskey's theory is referred to as the "Multicrat Approach," and argues that managerial styles range from the hard-nosed autocrat to the no-nose, apathetic abdicrat, with various intermediary stages. His idea was that a truly adept manager was one who practices various styles, rather than trying to perfect a single "best" style. His multicrat matrix, shown in Figure 4, not only addresses the differences in alternative managerial styles, it also considers the related source of power and the method of communication.

Combining the Philosophies

We have now reviewed the basic components of different managerial styles as theorized by numerous writers in the field. Our purpose now is to combine all the different theories, place them within a comparative framework, and then attempt to summarize the results into a single practical theme. Figure 5 provides us with a convenient vehicle for comparing the components of at least seven alternative theories. The overlap is both obvious and helpful in identifying common elements.

From Figure 5, it could be determined that all theories of managerial style contain

three major components, to which each is attached a central theme:

1. **Situational Dominance:** The first common component rests on the "real world" premise that for any operational situation, a particular managerial style may be either effective or ineffective. The manager who adheres to this general theme must, if he is to be successful, have the flexibility to adopt any of the basic styles, as the occasion requires.
2. **Personality Dominance:** A second common component calls for the close observation of the manager as he handles the various situations he faces. This theme maintains that early in one's youth, one makes critical appraisals of how to get people to do things. It suggests that managers adopt a particular style (or range of styles) on the basis of their past record of success or failure.
3. **Optional Dominance:** The third major component rests on the belief that the participative style of management is, indeed, optimal. There does exist some supporting research, which shows that, in specific situations, this managerial style does yield greater employee productivity. Unfortunately, we have no clear-cut measure of total managerial

Style Description	1 Autocrat	2 Authoritarian	3 Bureaucrat	4 Laissez Faire	5 Democrat	6 Participative	7 Humanist
Dominance Factor	Leader			Organization		Individual	
Taylor	Cooperative Scientist						
Tannenbaum and Schmidt	1	2	3	4	5	6	7
Theory X Y	Theory X				Theory Y		
Likert Systems	System 1		System 2		System 3	System 4	
The Grid	(9,1)	(5,5)	(1,1)	(9,9)	(1,9)		
Multicrat	Autocrat	Authoritative	Bureaucrat	Abdicrat	Democrat	Particicrat	

Figure 5
Comparative Analysis of Alternative Styles

effectiveness, and continued difficulty in determining whether it is the manager or his team of workers who are most deserving of high marks.

What Are the Answers?

We find it not very difficult to accept that the participative style of management is very effective in those special situations where diverse human inputs are required in the decision-making process. Yet we are also quick to point out that there are other situations where this style would be most inappropriate, e.g., in the military, or in the middle of open-heart surgery, as in other instances where time and environment require immediate decisions. So what are the answers? Which managerial style will prove most suitable to your particular situation in the agribusiness industry? Should you sharpen your skills in each of several alternative styles or specialize in one?

In my opinion, the answers to these questions lie within an improved understanding of management's "natural" behavior patterns at all points on the styles continuum. This rather long and complex review of alternative theories has led to a single practical conclusion, i.e., the most realistic approach to the selection of an appropriate managerial style is one which selects the more acceptable features of each of the three themes noted herein. In brief, I would advocate the following:

1. Stop trying to be or create super-sensitive managers. Even if we were successful, we would not like the end result. To become overly sensitive about his own human behavior and that of others is to invite neuroses and anxieties not warranted or needed within a firm or industry.
2. Don't try to plug yourself or others neatly into a prescribed style. Help yourself to determine where you now lie on the dominance continuum without concern for its appropriateness. Use this "natural style" as the base from which to broaden your abilities and effectiveness.
3. Concentrate less on trying to adopt "the best" style for each specific situation. Concentrate more on your ability to assemble and coordinate the individual analytical tools called for by the situation.
4. Instead of looking at the participative style as a universal answer, restore it to the rightful position "as an acceptable style." We must recognize that the effectiveness of this particular style is also constrained by specifics of situation confronted by management.

Ken D. Duft

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Extension Marketing Economist