



MANAGEMENT THEORY AND PRACTICE: ARE THERE IRREVOCABLE DIFFERENCES?

My professional responsibilities are somewhat unique. Very few of my academic colleagues share with me a three-way split responsibility for teaching, research, and off-campus public service to the agribusiness industry. Insofar as I sought this rather unique set of responsibilities, I do not solicit the readers' sympathies for the burdens or conflicts they create. Yet they do create for me a barrier which I have yet to successfully overcome. As a researcher, I am obliged to apply management theories, test them, or seek to develop new ones. As a teacher, I am obliged to communicate those theories, their strengths and weaknesses, to my students. And finally as a public servant to the agribusiness industry, I am expected to apply those same theories in search of improved management practices. It is in this latter function that a nearly insurmountable barrier arises.

Every intelligent practicing business manager who seeks improved skills and abilities should be concerned with the knowledge and application of management theories. Yet there exists this persistent view that management theory and practice are polar opposites. This popularized notion about theory and practice either ignores or overlooks the fact that *good* theory underlies and improves practice. As academicians, we have often contributed to this canard. In our zeal to develop a clear, useable and singularly best theory of management, scholars have succeeded for the most part in muddying the waters still further. Professional pride, faddism and a self-serving defense of pet theories have led us into a morass of

semantic conflicts and created a mutual reluctance to understand another person's views. As we stumble through this jungle of confusion and conflict, is there really any wonder why industry practitioners scoff at our efforts and persist in their state of bewilderment about the value of our theories to their day-to-day problems? I sincerely believe that the art of business management is improved by the discovery, testing, understanding, and proper application of theory by those who know well how to use it. Despite the depth of my convictions, I too often fail to convince my off-campus clientele that theory and practice are not comprised of irrevocable differences. This newsletter is but another attempt to address my own shortcomings. I shall attempt to discern and explain the differing bases for several schools of managerial theory. Next, I shall address those factors which often contribute towards the practitioner's distrust of the true values of such theories. Finally, I shall try to propose a means for disentangling this jungle of theory in the hope that readers will become more appreciative of their merits. To accomplish these objectives I shall add to my own personal observations the thoughts and wisdom of Dr. Harold Koontz. As a professor of Management Philosophy at UCLA, Dr. Koontz has written extensively and shown an uncanny ability to separate some valued truths from what is a collage of management literature.

The Origins of Dispute

While the problems of management have existed for centuries, a truly systematic study of the practice of management is basically a product of the last century, and particularly the last three decades. In fact, an agribusiness manager seeking to review

literature of practical value need not search far beyond the late 1950s. Yet this absence of a historical base has now been more than compensated for by the near deluge of both research and writing which has poured from our academic institutions in more recent years. Interestingly enough, it has been this recent outpouring of literature which has contributed much to the practitioner's dispute over the relevance of management theory to practice. There appears to be no focus to this literature. It is not topic, nor sequentially linked. Moreover, a cursory review of writings suggests that a form of jungle warfare has developed amongst our academic colleagues. The objective of each academician seems to be to carve out and defend his/her own original views towards management theories with little regard for practical relevance. In fact, as these writers defend their own originality, and thereby gain a publication and/or a place in posterity, they seem to take delight in downgrading the work of those who preceded them in this attempt to develop good management theories.

If I am to gain the support of my off-campus agribusiness clientele, I must first disassociate myself from the illusions created by such professional sins. Further, if I am to prove to this readership that theory and practice are not polar opposites, I must overcome the urge to become faddish myself, and demonstrate that something of value has emerged from the disputes between differing "schools" of management theory. Hence, let's first review these various schools, showing both their numerous strengths and weaknesses. For this task, I rely heavily on the astute observations of Professor Koontz.

The Management Process School

This general approach to management theory is based on the belief that management is the process of getting things done by people who operate in organized groups. By observing the management process closely, it is hoped that those principles underlying the process can be identified and used as the building

blocks for the development of theories. Those who espouse this school argue that management, as an art, is essentially the same whether it is practiced within the confines of an agribusiness firm, a hospital, an institution, or a government agency. According to this school, management theories are simply vehicles through which the practice of management can be described. This school is based on the following propositions: First, the process of management can best be described by analyzing what managers, in fact, do. Second, given an adequate base of such observations, certain fundamental truths will become apparent. Third, such truths thereby become the bases for the developing and testing of theories. Fourth, management practice is an art, but just like such sciences as mathematics and engineering, it can be improved by a reliance on sound principles. Finally, the theoretical principles of management, like those supporting the sciences, remain true and valid even if exceptions to the rules are required to address special situations.

The Empirical School

This approach to management theory is based on the study of managerial experiences. The attempt is to draw from the observation of good and bad experiences certain generalizations which can then be transferred to students and practitioners of management. From this school evolves the "case study" approach to management training and education. It presumes that as we assess the experience of successful managers or the mistakes of others, we will eventually draw from this effort an understanding of the most effective kinds of managerial techniques. Its major weakness, of course, is only too apparent to both students and practitioners who soon discover that management, unlike a science, is not based on precedence and situations in the future are highly unlikely to duplicate precisely those contained in the case study. My own students argue, for example, that

there is a real danger in relying heavily on cases or past experiences insofar as a technique or approach found to be successful in the past may prove to be poorly designed for situations of the future. Here, once again, those theories evolving from observed generalizations are found to fit poorly the future needs of practitioners.

The Human Behavior School

The human behavior school of management theory is the most recent of all to evolve. It proposes that since managing involves getting things done with and through people, the study of management must be based on interpersonal relationships. The theories which emerge from this school concentrate on the "people" part of management and have as their primary force, the motivation of the individual employer or employee. Supporters of this school, of course, are heavily oriented towards sociology and psychology. Some focus attention on the manager as a leader and equate management with leadership (see *Leadership and Management in the Agribusiness Industry*). Still others bring into their theories the study of group dynamics and interpersonal relationships (hence the recent popularity of self-improvement texts).

It would, of course, be a mistake to suggest that management is void of socio-psychological relationships. But to agree that the field of human behavior is analogous to the field of management is quite a different matter. My own experience would suggest that agribusiness management personnel rarely view their functions from the human behavior perspective alone. Again, this creates a suspicion that those espousing such theories are speaking in the absence of real world experience where front line decisions often seem to distract from positive human relationships, e.g., the negotiation of labor contracts.

The Social System School

As one might expect, the social system school is closely related to the human behavioral school. Theories evolving from this school would reflect the presumption that management represents a system of cultural interrelationships. Heavily biased towards sociological concerns, this approach to the study of management does what any study of sociology would do, i.e., identifies the nature of sociological or cultural relationships within the management function and assesses their importance in the performance of the integrated system. The "spiritual father" of this management school was Chester Barnard. In his text titled *The Functions of the Executive*, Barnard argued that the successful manager developed personal patterns of conduct which were designed to overcome those sociological or cultural barriers created by the physical limitation of himself and his business environment. In this regard, the manager's own personality was molded by the very nature of demands placed upon him by his business. Ultimately the manager and his business became indistinguishable, one from another.

How important is the field of sociology to the practice of management? Once again my experience would suggest that agribusiness managers are suspicious, if not doubtful, of its ultimate role. To suggest that "business creates management in its own image" is, perhaps, an attempt to carry the theories to their ultimate extremes. Our practitioners are probably correct in judging harshly the true merits of such propositions.

The Decision Theory School

Those who would subscribe to this school of management concentrate on what they claim to be the "rational" approach to decision-making, i.e., the selection of a specific course of action from amongst those alternatives provided. From this spectrum of concerns, these so-called decision theorists quickly expand the horizons of management well beyond the process of evaluating

alternatives. They often address the development of basic information for decisions, analyze different value considerations and then combine both into a broad view of the enterprise as a social system. As Professor Koontz has noted, when decision theorists study the central area of decision making, they obtain but a keyhole look at the process. This too often results in their failure to consider the entire scope of the business's operation or its true environment.

The Mathematical School

Were my agribusiness readership to return to the campus classroom, they would surely be most surprised by the degree to which mathematical methodologies have so fully permeated management instruction. This is not to suggest that the field of management has ever been void of mathematical skills. Within the past two decades, however, mathematics has taken on a whole new level of prominence. Operating within the titles of "operations research" or "operations management" academicians (and some practitioners) of this theoretical bent see management as a system of mathematical models and processes. The underlying truth from which these theorists operate is that if management itself is a logical process, then it can be expressed as simulated in terms of mathematical symbols and relationships. To the extent that such relationships are quantifiable and to the extent that unknown factors or variables can be represented by symbols, powerful tools for solving or simplifying complex phenomena have evolved. But the suggested power of this tool, is itself, the major bone of contention with practitioners. Some agribusiness managers lack the analytical skills needed to evaluate or judge the mathematical theories. Others who possess the basic skills have grown increasingly suspicious of their own abilities to find textbook examples in the real world of management. Still others argue that the methodologies are so "antiseptic" in nature that they are totally void of human considerations.

Academicians are, by their very nature, scientists. As such there exists a tendency for the emergence of a near "cult" comprised of those who would profess the merits of managerial methodologies. Their contributions have been many, and they have provided management with both the means and the desirability of seeing many problems more clearly and more analytically. The practitioner, however, must rely on some balance between the value of his tools and their relevance to practical problems, many of which, unfortunately, do not lend themselves to such mathematical reductions.

The Values of Divergent Theories

As described above managerial theories (schools) are both numerous and sometimes divergent. How, then is the practicing manager to gain any value from their further study or testing? Both the number and diversity of management theories are not unlike the variations in Christian denominations. While each denomination rests on a slightly different set of beliefs or doctrines, all have essentially the same objective and all function within a single society. The guidelines provided below will hopefully provide agribusiness managers with the ability to judge more fairly the value or merits of theoretical doctrine. While each manager may elect to subscribe to only a single denomination, he does so within the resolve that all denominations share a common practical goal.

Judge First the Semantics

As is so often the case, when intelligent persons argue amongst themselves, the root of the debate may center on little more than the alternative meanings of words. Where theories appear to be in conflict and are, therefore, judged by practitioners as being of little value, one must look more closely at semantics. Such basic words as management, organization, enterprise, decision making, leadership, and

interpersonal relations are just samples of terms often misused or defined differently. If we, as a profession, would simply "clean up" our vocabulary, the end product of our academic pursuits would surely be judged less harshly by our practicing clientele.

Judge Second the Scope

A second sin which we as professionals cast upon ourselves evolves from our tendency to include within the scope of management almost all matters under the sun. The admonition to "better manage" is applied to businesses, organizations, institutions, family, and personal affairs, etc., with little concern for the scope of the subjects. Once again, we leave it up to the practitioner to take from the general and apply to the specific. This may be an overly optimistic expectation as managers can ill afford the time and effort needed to filter that which is of direct value to them from the vastness of management literature.

Be Careful With Those Apriori Assumptions

No doubt one of the things which irritates managers most is the academician's habit of making assumptions. This dismay is often legitimate as those of us who work with managers too often cast aside observations and past experiences, treating them as so-called "apriori" assumptions. Technically speaking, we treat as self-evident numerous relationships which to managers have yet to be proven or shown to be predictable. To some extent, this represents an attempt to simplify otherwise complex relationships. But we do a true disservice to managers as only cursory treatment is given to managerial experiences which may have taken an entire lifetime to accumulate. If managers are to gain value from theories, they must not openly reject such assumptions, but constantly test them against their own pool of accumulated experiences.

Don't Be Antagonistic Towards Theories

Some managers with whom I work become openly hostile at the very mention of a theoretical construct. They are so convinced that management is but a collection of unrelated events, they take great delight in tossing aside anything which smacks of a management principle. They refuse to accept the proposition that principles or theories have any basis of truth. The poet Robert Frost once wrote that, "Most of the changes we think we see in life are merely truths going in and out of favor." Like Frost, managers must become less suspicious of theories as they may, indeed, be representative of some reoccurring truths about management.

Often I confront managers who would reject all theories on the basis that a single one has been shown to be inappropriate or inaccurate in a specific situation. For example, those theories relating to "span of control" are often found wanting when dealing with a particular talented and charismatic manager. While the theory argues that managers are wise to limit their direct supervisory function to only three to six subordinates, many managers function effectively with twice this span of control. Does this invalidate this theory and all others as well? Surely not. This and other theories are meant as guides only and must not be used to establish precise limits, functions, or patterns.

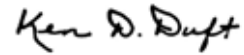
There Must Exist a Willingness to Understand

To the extent that barriers are established between management theories and practice or between academicians and business managers, those barriers are likely the result of an unwillingness to understand one another. Perhaps such barriers are just the walls of the ivory towers within which the academician seeks solitude and protection from the real world. Perhaps these barriers are constructed by the management practitioner who professes and perpetuates a natural distrust of anything a college professor might have to say. Whatever the

cause, it seems that such barriers will remain until both parties are willing to understand and exchange ideas. Academicians must grow more sensitive to the suspicions and needs of practicing managers. Practitioners must attempt to better understand the psyche of academicians and grow more appreciative

of their attempts to improve the practice of management through the development, teaching, and testing of theories.

Sincerely,

A handwritten signature in black ink that reads "Ken D. Duft". The signature is written in a cursive, slightly slanted style.

Ken D. Duft
Extension Marketing Economist