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PERS 110

A SYSTEM OF MANAGEMENT
DEVELOPMENT ADAPTED TO
SOUTH AFRICAN NEEDS

PROJECT PROPOSAL

NATIONAL INSTITUTE FOR PERSONNEL RESEARCH
COUNCIL FOR SCIENTIFIC AND INDUSTRIAL RESEARCH

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N. OSRIN.

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1. INTRODUCTION.

In this memorandum the salient features of a proposed project entitled "A System of Management Development adapted to South African Conditions", are presented. The project will include the formulation, design and validation of such a system, and the differentiation of manager, management and organisation development activity.

While it is virtually impossible to anticipate every problem which may arise as the anticipated research progresses, it is nonetheless hoped that this outline will serve to facilitate the setting of research objectives and progress eriteria.

2. BACKGROUND.

2.1 The Historical Development of Management Theory.

In order to appreciate fully the implications of the concept "Management Development", it is necessary to trace the evolution of management itself. Although the terms "management" and "management development" imply different concepts, in reality they differ only in focus of attention. Also inextricably bound up with the concept of management is leadership, since the manager, functioning as he does in a hierarchy, also finds himself in a leadership situation.

Before considering the most recent research on management, it is useful to map out some landmarks which provide the building blocks of contemporary thinking about management.

2.1.1 Scientific Management and Classical Management Theory.

The first approach, really scientific management and bureaucracy, describes a body of theory (prevalent from 1910-1935) which tended to view organisations as if they existed without people. Max Weber, a German sociologist contributed the first fully developed theory of bureaucracy.¹⁾ For Weber, a form of bureaucracy where roles were institutionalised and reinforced by legal status, was the ultimate answer to the "problem" of human frailty and the unreliability of human judgement.

Writing at about the same time as Weber was an American engineer, F.W. Taylor, known today as the "Father of Scientific Management."²⁾ Taylor attempted to rely on a 3rd force that would mediate between man and organisation. Whereas Weber emphasized legal status, or right, in a hierarchy, Taylor stressed the impersonal rationality of measurement (e.g. time standards).

Loosely speaking, classical organisation theory developed from these roots. In 1916 Henri Fayol³⁾, a French industrialist, wrote his now famous "Administration industrielle et générale", which started a trend which has continued to the present day. Modern protagonists of the classical 'school' include Urwick,⁴⁾ Dale,⁵⁾ van der Schroeffer,⁶⁾ Koontz,⁷⁾ and many others. However, there has been no really fundamental change since Fayol's time in the classic approach. A comparison between Fayol's principles, (1916) and

the A.M.A.'s* Ten Commandments⁸⁾ (1960) bear a remarkable similarity. In essence, classical management theory involves a study of the practices employed in successful organisations, and on the basis of this the formulation of "principles" applicable in all organisations. Modern classicists have refined these principles, but the assumptions which they hold about human behaviour in organisations, remain for all practical purposes unaltered. Conflicts between the needs of man and the needs of the organisation are resolved in favour of the organisation.

2.1.2 The Human Relations Movement.

The human relations movement arose largely as a reaction to the "dehumanizing" approach of scientific management. This model crystallized early in the 1930's with the research work of Roethlisberger and Dickson⁹⁾. Management now began to take seriously not only the formal organisation chart but also the informal and interpersonal aspects. The main assumption of the human relations "school" was that man could be motivated to work more productively on the basis of fulfilling certain social and psychological needs. The men primarily associated with this work were Mayo, who emphasized affiliation as the strongest human need; Lewin, who stressed group decision - making and participation; Moreno, who emphasized positive feeling and liking; and Carl Rogers, the founder of non-directive therapy, who stressed the need for understanding, empathy and self-realisation. Thus the conceptual framework of the human relations approach was forged. For the human relations model, there is no essential conflict between the needs of man and the needs of the organisation; satisfying the worker's social and psychological needs is entirely congruent with the organisation's goals of effectiveness and productivity. Thus, there is no need for authority to govern between these forces. High morale, job satisfaction and other factors would automatically result in greater efficiency. However, the tendency of the human relations "school" to view people essentially as if they existed without organisations highlighted the need for a revision of management thought to date.

2.1.3 The Revisionists.

Since about 1950, a number of behavioural scientists have attempted

* American Management Association

to reconcile and integrate classical and modern organisation theory. In general, they share a common concern for revising the unsubstantiated, naïve and unrealistic approach of the human relations movement without sacrificing its radical departure from classical theory. Characteristic of their approach is a strong emphasis on empirical data and research findings. In general, the revisionists recognize that organisation theory must take into account factors such as purpose and goal, status and power differentials, and hierarchy.

Likert, and others associated with Michigan's Institute for Social Research¹⁰⁾, have, on the basis of research work conducted for more than a decade, formulated the foundation of a system of participative management, which they refer to as System 4 Management.

The late Douglas McGregor of M.I.T.¹¹⁾ attempted, perhaps more than any other recent student of organisational behaviour, to stress the sticky problem of integration of task requirements with the individual's growth. Role encumbrancy, personal factors, external rewards and punishments and "selling by persuasion" are replaced by objective stress on organisational purpose and attainment. McGregor has also postulated the concept of managerial style as a function of the assumptions held by a manager about the nature of man. These assumptions are classified as the well-known Theory X and Theory Y.

Chris Argyris¹²⁾ of Yale University comes directly to grips with the man-organisation problem. He feels that the individual's needs and the demands of the formal organisation are basically incompatible. Organisational efficiency, according to Argyris, is directly related to the extent to which the organisation succeeds in facilitating the merger of organisational and individual needs.

Hertzberg¹³⁾ has originated what is commonly known as the hygiene/motivation theory. He presents evidence to show that those factors which prevent dissatisfaction in organisations are not the same as those which motivate employees.

Other notable revisionists are Haire et al¹⁴⁾ who have done cross cultural research to test the applicability of modern theory in various countries; Vroom¹⁵⁾, who has examined the personality determinants of the effects of participation; and numerous other behavioural scientists.

In the next section of the proposal, some current trends are discussed and an attempt is made to isolate the needs arising from the present "state of the art".

2.2 Appraisal of Current Trends and Theories.

In recent years virtually all major advances in the field of management have originated in the research work of those behavioural scientists whom we classify as being Revisionists.

The evidence supporting their conclusions is impressive. That certain weaknesses or shortcomings are inherent in their theories is accepted, but this should not be allowed to detract from the merits of their work.

Likert, for example, has used only the work of the I.S.R. on which to base his System 4 idea, largely ignoring the contributions of researchers such as Vroom¹⁶⁾, whose studies have indicated additional factors to be borne in mind when undertaking participative management.

In the case of Argyris, his tendency to study bivariate relationships does not always allow a completely adequate explanation of his findings.

McGregor, at the time of his death, was starting to consider the operational implications of his theories and some of these have been published posthumously¹⁷⁾. However, McGregor himself saw Theory X and Theory Y as extremes on a continuum and could not as yet give a final answer to the problem of progression from X to Y. These three examples of individual criticisms almost typify the gaps found in the research of most management scientists.

The research done by Likert, McGregor, Argyris, Herzberg and others seems to revolve around a central theme, although seen from different angles. This theme relates to the effect of the management system on the performance of the organisation as a whole. All propose changes in specific elements of the managerial system. In other words, a different way of managing people is proposed - to benefit both the organisation and the individual.

Such change, it is recognised, must involve the development of those elements which constitute the management system. In the literature, this development is globally referred to as management development.

In recent years, management development has become of paramount importance. The reason for this has its origin probably in the complex nature of the managerial task. There appears to have been a general transition to complexity in industry today. This change reflects the growth and expansion of business and the imposition of heavier responsibilities on business leadership by current society.

In South Africa especially, the rapid industrial expansion and concomitant shortage of managerial talent, suitably trained, has highlighted the need for planned management succession.

Furthermore, management seems to have concluded that the answer to most management problems lies with management itself; that the degree of success of a business enterprise is directly related to the quality and performance of its management. Whenever a business problem is analysed, the malfunction of some manager or group of managers is a continually recurring constant. These observations are time and again reflected in the Operational Surveys conducted by the N.I.P.R. Similarly other N.I.P.R. investigations^{18) 19)} have revealed the necessity to view the management of an enterprise and its development as a critical variable in its performance.

The tendency today is to see management development as a separate entity within management. For this reason there exists a plethora of developmental techniques which rely on "Education Theory"²⁰⁾ alone, with the premise that if one educates sufficiently, the organisation will in time change and develop. Other approaches tend to concentrate on one dimension of managerial performance alone; for example T-groups tend to focus on interpersonal relations. The research at present being conducted within the N.I.P.R. on sensitivity training is likely to yield important information on the merits of this technique. The fact remains, however, that while techniques such as T-groups and the like are valuable within specific contexts, total managerial performance is probably a function of more than interpersonal sensitivity. While T-group activity is more clinically oriented, a need exists for a functional, task oriented, "total" approach.

The most well known of the total approaches is the "Managerial Grid"²¹⁾²²⁾²³⁾. Grid Organisation Development, however, is not tailored to individual requirements, is very costly, and does not give sufficient attention to individual factors. Although widely used, it has not been validated on a research basis. Nonetheless, the assumptions underlying the Grid are supported by reputable behavioural science research and embody a number of potentially promising ideas.

One may also differentiate between management development and organisation development. In the case of the former, development starts with elements within the total organisation system and changes permeate outwards. For the latter, the organisation itself is the initial development unit and changes permeate inwards.

The above discussion was aimed at briefly reflecting some current considerations pertaining to management and management development.

Arising from this discussion are a number of apparent needs:

First, there is the problem of integration of management theories (and development theories). Notwithstanding the weaknesses of individual approaches, a tremendous amount of knowledge about management, organisations, and their development has been accumulated. There appears, however, to be such a preoccupation with an individual's own research, that little time has been devoted to integrating those research results which are ostensibly valid and meaningful, into a systematic theoretical framework which is as comprehensive as possible. A further integration need is to integrate management per se, and development of management. In other words to make development an integral point of the management system.

Second, a uniform terminology of managerial concepts delineating specific parameters is virtually non-existent. This lack of definition has resulted in duplication, overlapping research, and consequently tends to confuse and baffle the practical managers for whose benefit, it should be remembered, the research is being carried out. Urwick has called this state of affairs the "Jungle of Management Theory".²⁴⁾

Third, the manner of implementation appears a decidedly weak point. With almost regular monotony, the management researchers and devisers of development techniques, stop short at the question: "How are these theories to be made operational in the business organisation?"

Forth, and related to the previous point, there exists a distinct need for more research to be done in areas which relate to actual implementation of theoretical approaches. In previous memoranda²⁵⁾²⁶⁾²⁷⁾²⁸⁾ submitted by the writer and by Mr. Schepers on management development techniques, research data on which to base conclusions as to the validity of these techniques, was virtually non-existent. These 4 needs represent some of the requirements which should be met if the proposed project is to be considered a contribution to existing knowledge.

3. TOWARDS A PLANNED MANAGERIAL STRATEGY.

3.1 Introduction.

In order to answer the demands of a management development system meeting the needs discussed in 2.2, against a background of Revisionist theory, the concept of a planned managerial strategy is presented. This concept has been proposed by McGregor²⁹⁾ and is defined as a "systematic, consciously planned managerial style* based on a particular conception of the managerial identity". In this context, then, development is seen as the implementation of a strategy, where management development and management per se are integrated.

For the purposes of the project, a distinction is drawn between manager and management development. The former refers to the development of the individual manager as an individual in the social organisational setting. By management development we mean the development and integration of the management team, i.e. the manager and his subordinates. In this context, organisation development refers to the planned permeation through the organisation of the benefits accrued through manager and management development activity.

Following from this standardization of terminology, it is useful, in fact essential, to re-consider the managerial task itself, and its development.

3.2 A Conception of the Managerial Task.

Numerous studies have attempted to isolate the functions of the manager. For example, an extensive factor analytic study by Hemphill³⁰⁾ on the dimensions of executive positions identified 10 factors, viz. supervision, business control, long range planning, preservation of assets, etc. In essence, however, these dimensions are the means to certain ends, or objectives. A manager's objectives are characteristically stated (e.g. in job descriptions) in terms of organisational or departmental goals. These objectives are achieved through the utilization of resources, both physical (e.g. equipment, capital, production capacity, etc.) and human, i.e. the people in the organisation. In a hierarchical situation, a manager's subordinates most typically represent the major part of his human resources.

*A manager's style is defined as his predictable way of coping with the realities of the work environment.

A resource may be viewed broadly as a facilitating asset in objective attainment. The onus is then on the manager to utilize his resources in the most optimal way possible, in terms of effectiveness and efficiency.

The following definition is therefore proposed:

"The primary task of the manager is to plan for, and significantly contribute to the attainment of organisational objectives in a dynamic hierarchical situation, through the effective and efficient utilization of the physical and human resources at his disposal".

The utilization of physical resources is largely a matter of technical competence (e.g. engineering or accounting knowledge.) The optimal utilization of human resources is less easily achieved. It is this element of management - human resource utilization - that is the focus of attention in management development. Development in this context is concerned with increasing the effectiveness and efficiency with which existing human resources are utilized in the organisation. Since human resource utilization is an integral part of the management system, its development, too, should be integrated into the system, and not regarded as a separate activity.

In any dynamic and developing economy, the role of the manager in the organisation cannot be a static one, if the organisation is to survive and grow. Innovation and planned change are sine qua non characteristics of an effective enterprise. In order to be able to achieve and sustain such development management itself must change and develop. It is this necessity which provides the pivotal point around which the concept of the integration of a planned managerial strategy revolves.

3.3 The Strategic Model.

Against the background of the conception of the managerial task outlined above, the following managerial strategy is presented:

The strategic model may be seen as the rationale of the project, since the management development system represents the means of implementing the strategy of human resource utilization. Within the organisational hierarchy, 4 human resource areas are identified for the purpose of the proposed research. They are: the manager, his individual subordinates, the work team (consisting of manager and his subordinates) and interdependent groups.

Seven possible elements of human resource utilization (H.R.U.) are considered.

- (a) Planning
- (b) Decision-making
- (c) Controlling and Directing
- (d) Communicating
- (e) Obtaining commitment
- (f) Resolving conflict
- (g) Promoting subordinate growth.

A basic premise of the strategy is that each of the above elements may be seen as a continuum, along which the degree of H.R.U. displayed by a manager may be placed. The continuum ranges from poor H.R.U. to optimal H.R.U.

For the purpose of this memorandum only the optimal point on the continuum will be discussed, (of necessity briefly), for each element. This represents the ideal, in this context, and the planned strategy is seen as the sun of optimal H.R.U. for each element.

Planning.

In a dynamic situation, planning is fundamental to managerial activity, especially at higher organisational levels³¹⁾. Planning usually involves reformulation of objectives and goals as a result of new circumstances. The attainment of objectives thus set usually affects subordinates to a large degree, since they are directly concerned with the objective attainment activity. Where planning is characterised by such an organisational situation, research has indicated that such planning is most effectively executed in a team situation, where individual and team targets are set to comply with plans made. In addition, subordinates may represent sources of information unknown to the manager. A participative approach to planning is likely to result in greater commitment to agreed to targets, a greater volume of information on which to base plans, and better communication of plans.

Decision Making.

Patterson³²⁾ and his colleagues at Strathclyde identify four phases in decision making.

II	Conclusion	Decision	III
I	Information	Execution	IV

As in the case of planning, a participative approach to decision-making is proposed. The rationale is as follows. Phase IV, execution of the decision, is largely the province of the manager's subordinates. Their acceptance of the decision, and their commitment to it, will to a large extent depend on their ego involvement in it. The actual decision itself is the responsibility of the manager, since he is the accountable party. However, Phases I and II are conducive to participation. The resources represented by subordinates, and utilizing the concept of synergy³³⁾, could increase the effectiveness of the decision by allowing a greater information input and more comprehensive conclusions.

Controlling.

Under condition of optimal H.R.U. the management system is not burdened by bureaucratic and procedural controls. Control is no less, and may even be more under optimal H.R.U. The strategy is not to reduce, but to initiate a different form of control, viz., self-control. Self-control means that an individual regulates his own performance in terms of mutually agreed to targets. This degree of autonomy may be far more vigorous than that exercised by tight supervision.³⁴⁾ Self-control is supplemented by a system of periodic review, where goal attainment is compared against progress criteria. This serves to direct the subordinate in a developmental rather than a coercive manner.

Communicating.

Communication remains one of the most potent barriers to organisational effectiveness³⁵⁾³⁶⁾. The work team appears to be a most practical way of minimizing this problem, since it permits free communication both upwards and downwards. Communication, however, does not exist per se; the problem is one of understanding, and the strategy of optimal H.R.U. in communication attempts at promoting understanding in the work situation. The assumption here is that if people understand one another, the human resources they represent can more productively be used. In the work team good communication may be cultivated, since the team structure allows for its development, through mutual trust and support³⁷⁾.

Obtaining Commitment.

Commitment is largely a resulting factor of the H.R.U. strategy discussed so far. In addition, however, McGregor has listed a number of tactics consistent with a strategy for inducing commitment³⁸⁾.

- (a) An open presentation and discussion of management views of the requirements for successful competition at any given point in time.
- (b) A broad analysis of changes in performance of the organisation that would be required to meet the demands of external reality.
- (c) An analysis by each sub-unit of the organisation of the contribution it can make to the organisational effort.
- (d) A statement from each unit of the goals and standards to which the unit could commit itself relative to (a) and (b) above.

Resolving Conflict.

Conflict in organisations between interdependent groups is virtually inevitable. It is, however, not necessarily destructive and may even be essential in a dynamic structure, since it can promote innovation and creativity. The key issue is how conflict is managed. In studies on intergroup conflict in industry³⁹⁾ a problem solving approach was found to yield best results. In terms of H.R.U. strategy the solution to the problem is by means of a direct confrontation. This strategy proposes that conflict is brought out openly rather than suppressed or compromise solutions sought. The reasons for it are examined and assessed. The conditions for its resolution are discussed by those involved.

Promoting Subordinate Growth.

Most jobs in industry today are so specialised and fragmented that they neither permit the worker to use his capacities nor enable him to see the relationship between what he is doing and the total organisational objectives⁴⁰⁾.

Recent behavioural science research would tend to support the basic assumption that the reasonably normal individual remains capable of a high degree of growth and development (i.e. of self actualisation) throughout his life⁴¹⁾. Furthermore, studies by Hare & Ghisseli have indicated that the concept (originally Maslow's)⁴²⁾ of self-actualisation is not limited to Anglo-Saxon cultures but is virtually universal.⁴³⁾ In the organisational context, this would imply that factors such as responsibility, personal achievement, recognition, growth and advancement serve as motivators,⁴⁴⁾ and if taken into account in determining a managerial strategy serve to narrow the distance between individual and organisational goals.⁴⁵⁾ The possibilities are probably not equal for all people on all jobs, but they are not

precluded from most.

Summary of Strategic Model.

The subordinate is a key contributing force in objective attainment activity. For this reason he is equipped, to a greater or lesser extent to contribute in those activities which relate to objective setting. Should the manager enable his subordinates to contribute in a manifest and realistic manner in planning, decision making and controlling he is likely to promote objective attainment by the organisation through:

- (a) Utilizing his human resources, by virtue of the knowledge centres they represent, to greater benefit for the organisation;
- (b) by increasing their commitment to the objectives set; and
- (c) by facilitating their personal growth and development and promoting the fusion of their individual goals and those of the organisation.

This form of participation, a human resources approach, is not of a mere nominal nature and is differentiated from consultation, which is more characteristically a human relations approach.⁴⁵⁾

Such a strategy is not permissive, or soft or indulgent management. It includes clear demands for high performance, clear limits consistently enforced. The latter are necessary for the individual's psychological security, for him to be able to predict what is possible and what is not.⁴⁷⁾ It involves clear open communication about the pressures and limits imposed by reality. It does involve the creation of a climate of mutual trust and support and respect for individual differences. It represents a way of tapping latent resources of creativity, skill and knowledge for the purpose of achieving organisational objectives, at the same time promoting individual development and growth. The basis of motivation shifts from being extrinsic to being intrinsic, in that the organisation provides an opportunity for the employees existing motivation to be harnessed.⁴⁸⁾

3.4 The Change System.

The movement towards a new managerial strategy is essentially a process of planned change. It involves changing the managerial system in terms of changes in its component parts.

It is apparent that a certain degree of individual change on the part of the manager is necessary to activate the change system. The behaviour change in this context is primarily a change in managerial style, or

role, rather than a deep-rooted personality change.

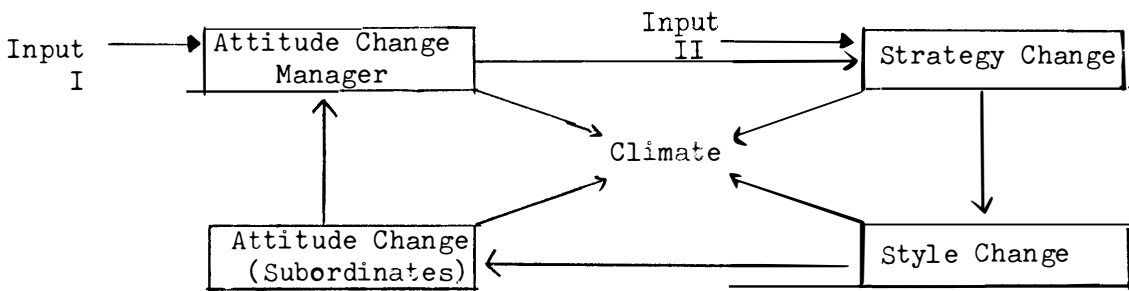
A manager's existing style is likely to be based on the assumptions, attitudes and so on which he holds and which are reinforced by on-the-job experience.

Any change therefore will have to be initiated on two fronts.

First, managerial attitudes must change and second, the work environment must make provision for the reinforcement of the new attitudes and thereby facilitate style change.

Attitude change per se will not necessarily ensure style change in actual managerial behaviour. What is necessary is the adoption of these new attitudes on the job, manifested in a change in managerial strategy. This change in attitude and strategy is also essential for the creation of a leadership climate which facilitates growth and development.

Seen diagrammatically the process is as follows:



Activation of this system requires two additional inputs.

- (a) A situation in which attitudes may be functionally changed (I).
- (b) The provision of a semi-structured managerial Strategy (II).

This change system is supported by the change model presented by the Netherlands Pedagogic Institute.⁴⁹⁾ They recognize three processes leading to organisational change:

- (a) The conceptualisation process (Input I)
- (b) The instruction process (Input II)
- (c) The commitment.

An important additional consideration in viewing the change process lies in the evolutionary development of organisations over time.⁵⁰⁾⁵¹⁾

Existing literature on this phenomenon identifies 3 phases of development:

- I. The pioneer phase
- II. The differentiation phase
- III. The integrated phase.

The planned managerial strategy presented would appear to bear a strong resemblance to the management system likely to operate in an organisation in its integrated phase. For this reason the application of the development project should be seen against a background of an organisation typically in the transition period between phases II and III. It would theoretically be in this type of organisation where the benefits of the planned managerial strategy could be most marked, since phase change would be as a result of a planned effort, rather than be based on a crisis situation.

4. AIM OF THE PROJECT.

The aim of the project is the design of a system of manager, and management development specifically adapted to South African requirements.

The system envisaged will attempt to make operational the theory contained within the planned managerial strategy outlined in 3.3. An integral part of the project will aim at determining the validity of the strategy through observation and measurement of change.

The project is not aimed at the production of a "packaged deal". Rather, it represents an attempt to ultimately furnish business enterprises committed to the concept of growth and development with an approach, or system of managing for individual and organisational development.

If within the experimental setting, greater clarification can be obtained as to the validity of the concepts and techniques used, one would be in a position to predict, with greater confidence, the degree of success with which the system could be applied on a larger scale under non-experimental conditions.

5. DESIGN OF THE DEVELOPMENT ACTIVITY.

5.1 Introduction.

The development activity is designed to relate to the 4 human resource elements identified earlier:

- a) The Manager
- b) The Subordinate
- c) The Team
- d) Interdependent Groups.

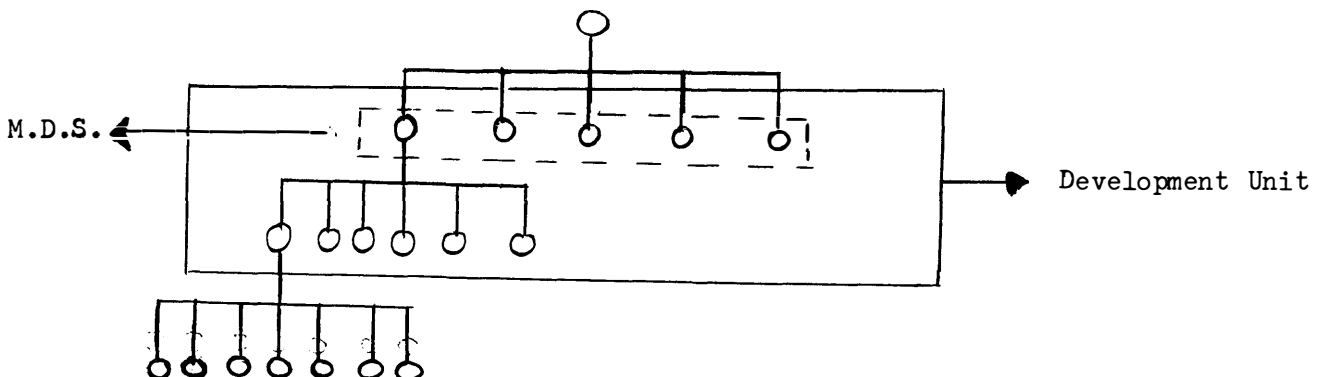
In order to conform to the two-input requirement, two developmental stages are identified. Stage I takes the form of an off-company seminar activity, while Stage II incorporates team, subordinate and intergroup development as an integral part of a firm's operating structure.

The composition, aim, dynamics and methodology of each development activity is discussed.

Stage I

5.2 The Manager Development Seminar (M.D.S.)

The manager development seminar is composed of the managers at the top of the development unit.



The M.D.S. has three basic aims:

- a) To give participants insight into their own managerial styles, in terms of H.R.U.
- b) To allow self-learning of the applicability of the planned managerial strategy in their own organisations (i.e. operational follow-up).
- c) To allow participants to gain an awareness of the dynamics of team action and group processes, also in terms of H.R.U.

The seminar activity will revolve primarily around a simulatory setting. The simulation is to be divided into:

- (i) a business game, (ii) the analysis of case studies and (iii) a structured analysis of their own firm's operating structure.

- (i) The business game is a form of simulation usually used for training in decision making related to business economics. In this context the intention is to use it as a means of establishing a realistic, competitive setting wherein the use of closed circuit T.V. for self-confrontation would be most effective.

The concept of self-confrontation, i.e. feeding back to the individual elements of his behaviour and its effect on others, has been largely limited to its clinical use in sensitivity training⁵²⁾. With the advent of C.C.T.V. in recent years, the concept has gained a more general connotation in the sense of individual and group feedback in non-clinically oriented training activity. For example, the training of pharmaceutical salesmen using this technique is reported⁵²⁾. Through its use, individuals and groups receive almost immediate feedback, factual and impartial, with auditory and visual impact.

Although to date there is little data which indicate what changes are likely to occur as a result of self-confrontation via C.C.T.V., the theoretical indications would suggest that positive changes are not unlikely.

It is intended to make C.C.T.V. video recordings during the business game exercise. These recordings would then be played back to the group who would analyse it individually and collectively to determine individual styles and group processes manifested. A similar technique has been used by Patterson⁵⁴⁾ and Wagner⁵⁵⁾, who used it in the context of the business game as well.

The business game lasts over the period of the seminar and participants should be able to observe the style and group process changes which may occur. (These analyses are done in terms of specific dimensions, which reflect the H.R.U. elements discussed earlier). We have, therefore a means of self-analysis with minimum trainer influence.

- (ii) The case studied present a method of analysing H.R.U. dilemmas in other organisations and how they could be dealt with. It provides a vehicle for an impartial identification of style in others and introduces the concept of diagnosis in solving organisational problems.
- (iii) The third simulation is the study of the participants' own organisation in terms of H.R.U. and the development of a specific planned managerial strategy to improve it. Here, the learning and insight developed during the business game and case study exercises is brought to bear on specific organisational realities.

In addition to the simulation work, which is largely independent of trainer influence, certain structured discussions, handouts and lecturettes are envisaged to supply the necessary information input to enable the group to progress in a goal directed way.

Stage II

Stage II of the development activity is designed to form an integral part of the developmental unit's operating structure. In other words, it is "built in" to the management system. It provides managers who have undergone the M.D.S. with the basic techniques and

approaches necessary to operationally implement the planned managerial strategy. Three areas are involved: the subordinate, the team and interdependent groups. These areas, however, do not represent a sequential set of activities but occur as the need arises. The activities are presented here in an order in which they could logically take place.

5.3 Subordinate Development. (S.D.)

Subordinate development is an activity carried out by the manager and the subordinate together. It is aimed at the psychological growth of the individual subordinate in his rôle as a subordinate (irrespective of whether or not he fills a managerial position as well). Growth in this context relates to the subordinate internally generating his resources, capability and creativity to their fullest extent. In essence this implies an increase in his degree of self-realisation experienced, both to meet his own needs, as well as enhance his contribution to the organisation. In this way an attempt is made to create of fusion of individual and organisational needs⁵⁶⁾. The manager's role here is to create a work environment conducive to such development and act as a catalyst in the development process.

Subordinate Development involves two main activities in the proposed design. First, enriching the job design of the subordinate to enhance it in terms of responsibility, opportunity for recognition, challenge and greater self-direction and control. Second, to "manage" the subordinate in a way congruent with the principles of management by objectives.

Through the use of these combined approaches it is hoped that the subordinate's inherent and latent resource potential will be optimally utilized for the attainment of organisational objectives, at the same time providing a work environment conducive to personal self-realization.

The strategy involved in S.D. has, in a somewhat different form, been the subject of research at present being conducted by the Work Study Division in the sphere of performance appraisal⁵⁷⁾. Here too, an individual/organisational approach has been adopted, embodying the management by objectives concept.

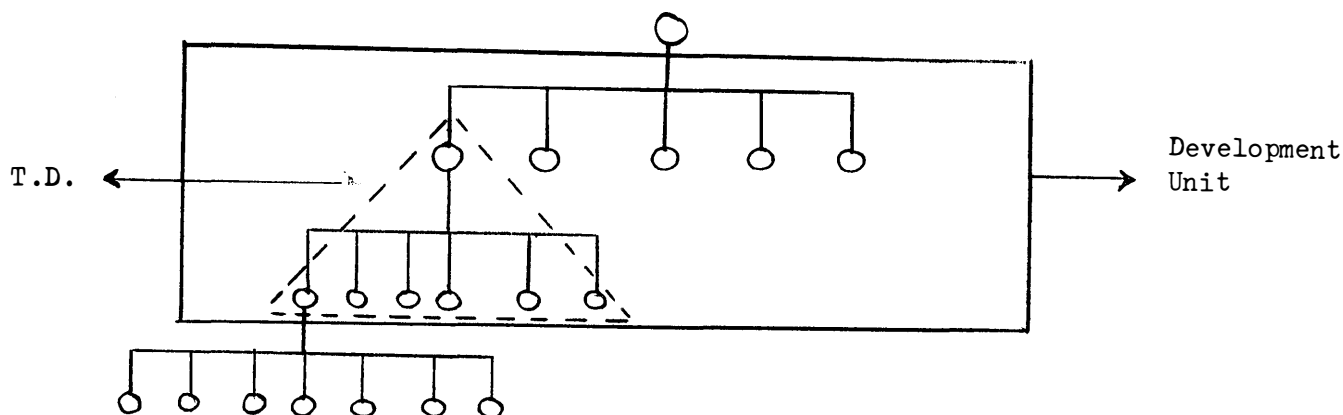
The results obtained to date tend to verify the rationale of this aspect of the strategy and it seems possible to utilize some of the existing instruments in the context of S.D. as well.

In order to facilitate the implementation of this approach, certain instruments are to be developed. For example, a form of job analysis will provide the basic data for the job redesign. This analysis will relate to predetermined spheres of activity where enrichment is generally thought to be possible. Both superior and subordinate should consider each possible alternative to arrive at a job design incorporating a level of enrichment acceptable to both. Motivation in support of both points of view would be supported by critical incidents.

The management by objectives aspect will present to the manager the essential means of implementation of this approach. It is intended to develop instruments to structure the process, so as to facilitate its operation. Envisaged, for example, is a system of pre-determination of objectives and sub-objectives target dates and review sessions.

5.4 Team Development(T.D.)

The team is composed of the manager and his subordinates.



The aim of the team development is to increase the H.R.U. of the team as a co-operating unit, not as a number of individuals. The total human resource of the team may be greater than simply the sum of the individual resources represented. This characteristic, viz. that the whole is greater than the sum of the independent parts, is known as synergy. Synergy, however, is not a natural

phenomenon but requires effort and development.

Team development is likely improve the quality of planning and communication as explained in 3.3. Furthermore, a reduction of the gap between decision-making and planning on the one hand, and execution on the other, will probably increase subordinate commitment to objectives set, and create greater mutual awareness of individual responsibilities.

Operationally, a system of team development sessions are envisaged. Such sessions, consisting of the manager and his subordinates, should include a structured exploration of the team's strengths and weaknesses, its objectives, constraints, and available resources.

Immediate individual and group problems as identified should be tackled from an analysis-diagnosis point of view. It is intended to develop instruments to facilitate such analysis in terms of specific dimensions.

Following on these sessions, team action should be institutionalized, and characterised by continuing evaluation and re-appraisal, team planning and goal setting. This does not imply that all management must take place in a team setting. The selective use of the team is proposed and a guide is to be developed upon which one can base decisions as to when team action is called for.

It should be stressed that team action does not disregard formal leadership. However, it does support the contention that leadership is situational and that the task of the formal leader is to attain objectives through whatever resources are likely to facilitate this in any specific situation.

5.5 Intergroup Development (I.G.D.)

Intergroup development is designed to take place between groups which work towards the same organisational objectives and where a conflict arises due to different sub-goals. Almost classic examples of this are conflicts between sales and production, line and staff, research and administration.

It is anticipated that such conflicts will become apparent during the M.D.S. and the T.D. sessions.

The approach proposed for I.G.D. is similar to that used by Blake and Mouton in their Phase III activity⁵⁸⁾.

In I.G.D., representatives of the conflicting groups meet to gain an awareness of their respective rôles and to attempt to resolve conflict in a rational rather than emotional way. The premise adopted here is that such intergroup conflict is essentially a result of poor communication and lack of mutual understanding.

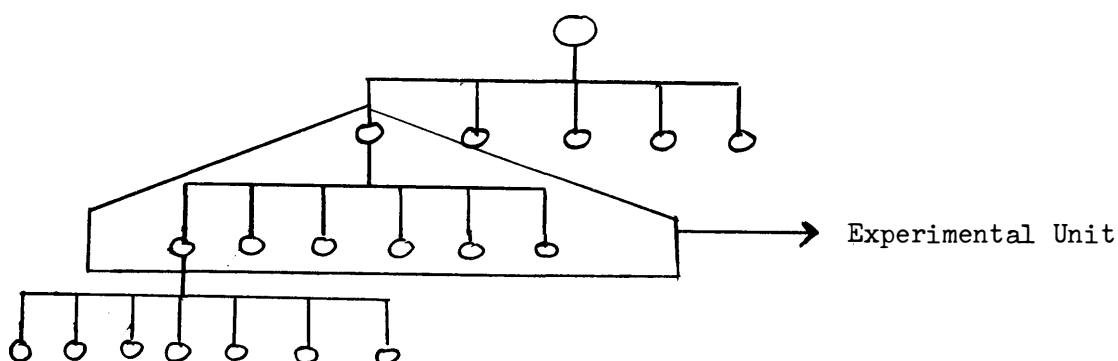
The mechanics involved are as follows: Each group decides upon elements of their activities which are mutually interdependent, i.e. where both are responsible for achieving a specific objective(s), but in different ways. They then enumerate their respective rôles and decide mutually how best to fill them.

I.G.D. is relatively free of structure, in the sense that only a minimum number of instruments are envisaged. The rationale for this is that given an organisational setting conducive to mutual discussion and problem solving, and a suitable frame of reference, the conflicting parties are best equipped to resolve the conflict in the most flexible way, in accordance with the situation.

6. THE VALIDATION STUDY.

6.1 The Sample.

The actual sample size will depend of the size of the firm in which the study is undertaken. It would probably be realistic to assume that a medium-sized firm could consist of 5 - 8 experimental units. Each unit could consist of 5 - 8 people, comprising a manager and his subordinates.



Should it be possible to obtain a larger number of units, a division into experimental and control groups is feasible. However, since the M.D.S. would consist of at least 5 managers of equal organisational status, it is doubtful whether independent groups, uncontaminated by the M.D.S. activity would be obtainable.

Since the validation has to take place in the context of existing organisation structure, the matching of groups is on the basis only of organisation level and status.

In the case of 5 units of 6 individuals in a unit, total $N = 30$.

6.2 Variables to be Measured.

The key variable to be measured is change - in the direction of proficiency gain. According to the management strategy on which the development activity is based, proficiency gain may be defined in terms of a increase in the degree of H.R.U. along the continua mentioned in 3.3. Each development activity has different specific change objectives, although all relate to the same central theme, viz. H.R.U.

6.2.1 M.D.S.

- 6.2.1.1 Change in actual individual utilization of human resources as reflected in managerial style change.
- 6.2.1.2 Change in perceived managerial style.
- 6.2.1.3 Change in actual team effectiveness.
- 6.2.1.4 Change in perceived team effectiveness.

6.2.2 S.D.

- 6.2.2.1 Change in the extent to which the subordinate experiences self-realisation on the job.
- 6.2.2.2 Change in subordinates performance as reflected by a) the subordinate himself and b) his manager.

6.2.3 T.D.

- 6.2.3.1 Change in effectiveness of the team as perceived by the team, in terms of H.R.U. and objective attainment.
- 6.2.3.2 Change in effectiveness of the team as perceived by team leader's (i.e. the manager's) superior, in terms of objective attainment.

6.2.4 I.G.D.

- 6.2.4.1 Change in frequency and extent of conflict between interdependent groups. (Actual indicators of frequency and extent will be determined upon identification within the development unit.)

In addition to the anticipated changes listed above, provision will also be made for non-predicted changes in behaviour which may occur. Such changes would be studied from a descriptive rather than metric viewpoint.

6.3 Measurement.

Essentially, one basic construct is to be measured, viz. managerial style change in the direction of greater H.R.U. Each development activity is a manifestation of this central theme of the managerial strategy. Therefore, the measurement task becomes one of measuring the changes in each of the variables or elements relating to the basic construct.

Owing to the small sample and the concomitant metric problems, it has been suggested that the approach to be followed be essentially a descriptive/clinical one, supported by statistical methodology, rather than vice versa. Furthermore, because of the difficulties associated with obtaining control groups, an intra-individual and intra-group approach appears to be the most practical under the circumstance.

However, in so far as statistical methods are able to be used, the following is proposed:

That a combination of independent measurement out of the context of the development activity, and the incorporation of metric instruments as part of the development activity, be used.

In determining the balance between the two approaches, cognizance must be taken of the fact that if participants see the metric side as being irrelevant, it may reduce motivation and decrease the potency of the training stimulus.

6.4 Measuring Instruments.

For each change variable enumerated in 6.2, a measuring instrument is planned.

6.4.1 Change in Managerial Style as result of M.D.S.

Two parallel versions of an in-basket test are to be designed, to be administered prior to and immediately after the M.D.S. The test will be scored to yield a profile of H.R.U. for the elements planning, decision making, etc. While any change which may occur over + 5 days is bound to be superficial, it would nonetheless indicate a measure of

insight into the H.R.U. Strategy and possibly be indicative of attitude change. (Because of the small sample size, the test would of necessity be standardized on an independent sample prior to the Study.)

6.4.2 Change in perceived Managerial Style.

A self-report questionnaire is envisaged, where, on the basis of videotape playback, the individual manager is required to rate his behaviour in terms of H.R.U. This questionnaire will yield a similar profile as in 6.4.1 and the two profiles will be compared to detect congruence of scores. (The questionnaire is to be administered twice, at the same time or the in-basket material.)

6.4.3 Changes in actual and perceived Team Effectiveness during the duration of the M.D.S.

A team action assessment technique is to be devised, similar in form to the L.G.D. technique⁵⁹⁾, but using the H.R.U. dimensions. Assessment would be done by the team at regular intervals on the basis of videotape feedback.

A similar assessment would be made by an independent panel of raters. Significance of intra-group change and congruence of group and rater assessments are to be tested.

6.4.4 Changes which are not anticipated.

In the 3 instances presented above an attempt has been made to obtain an "objective" and self-assessment score for each change variable.

In addition, however, provision is made for non-anticipated changes which may occur as a result of M.D.S. These will be in two forms. First, a description by the manager's supervisor in which he describes, without the use of cues, behaviour changes which may have occurred. Second, a similar description should be completed by the manager's subordinates. This type of change would not lend itself

to measurement but it is proposed that a clinical/
descriptive approach be adopted^{(60) (61)}.

6.4.5 Changes in the extent to which the subordinate experiences self-realisation on the Job.

A self-realisation questionnaire is envisaged, to be completed by the manager's subordinates before M.D.S. attendance and at intervals thereafter. Change in this area is the critical variable in determining the extent to which the manager is succeeding in applying the planned managerial strategy.

In addition, this score is then compared to a performance appraisal - manager appraisal and self-appraisal - to determine extent of congruence. This is done to test the hypothesis that an increase in self-realisation is directly related to improved performance.

6.4.6 Change in Team Effectiveness as a result of T.D. activity.

The fact the T.D. takes place as part of the firms operating structure makes independent measurement difficult. For this reason it is proposed that measurement follow the same pattern as in 6.4.3, (but without C.C.T.V.), where, following a team session, members of the team conduct a team effectiveness assessment. These data would be analysed to determine whether changes are significant.

It is possible that the nature of the team's activities will permit objective criteria to be determined. This, however, can be ascertained only after an experimental setting has been found.

6.4.7 Change in frequency and extent of conflict between Interdependent Groups.

A conflict assessment procedure is to be developed. Representatives of conflicting groups would report changes in frequency and extent of conflict before and after I.G.D. sessions have taken place. Mean scores of both groups could

be analysed to determine significant changes.

6.5 Data Analysis.

It is the intention to consider the question of data analysis more critically while the various tests and assessment devices are being developed. However, preliminary discussions⁶²⁾ tend to reveal a preference for the use of t-tests for significant differences. Such tests could be used for both intra- and inter-individual and group changes.

6.6 Criteria of Long Term Utility.

Approximately 12 months is planned as the period over which the changed variables discussed are to be measured. However, Likert has pointed out that really significant organisational change is unlikely to manifest itself in less than 4 - 6 years⁶³⁾. The problems connected with such long term evaluation are considerable but an attempt will be made to make provision for continued evaluative activity to determine the long term utility to the organisation, of the introduction of such a management system.

Allied to this, the problem of length of potency of training is to be considered. In other words, what is the time lay between say, the initial M.D.S. and the necessity for possibly a second and subsequent seminars to be held as a form of reinforcement. This question is also to be considered as part of the proposed research project.

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