

Brigham Young University

Management Handbook

As a group we studied and learned six of the main management theories. We then, acting as a company, created a handbook to teach these principles to our managing employees. I was responsible for the section related to Maslow's theory and parts of the final editing.

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YNERGY

Management Consulting Inc.

"Working Together to Produce Results"

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“Working Together to Produce Results”

Synergy is cooperation between two or more individuals that produces an end product greater than sum of its individual parts.

As believers of the power in combined effort, we present a variety of management theories. Together they identify management skills that will allow you to unlock the synergy in your own team.

THEORIES OF MANAGEMENT

OVERVIEW

Theory Y

Douglas McGregor explains that people have the desire to work and go the extra mile. Management is available to help individuals reach their potential. If there is a problem with a group then fault should first be placed on poor management rather than the employees (1).

Hygienic vs. Motivation Model

According to Frederick Herzberg, true motivation comes from within a person who receives intrinsic rewards by accomplishing interesting and challenging work. Therefore, motivation will increase when employees are given opportunity for achievement, recognition, responsibility, growth, and advancement (2).

Hierarchy of Needs

Abraham Maslow's theory of motivation suggests that people have basic needs that must be met before the other more complex needs can be focused on. People are motivated by the drive to meet these needs until they reach the top of the hierarchy (3).

The Contingency Model

Fred Fiedler developed the Contingency Model that explores the effectiveness of two distinct leadership styles. Those two leadership styles (people oriented and task oriented) were better suited for certain tasks; there was no leadership style that was ideal for all situations. According to Fiedler, there is a need for both types of leadership style, but the need is determined by the task to be accomplished (4).

The Managerial Grid

Produced by Robert R. Blake and Jane S. Mouton, the two dimensions of the grid are "concern for production" and "concern for people". Along the grid are various character styles of leadership. The style of a leader affects how a leader is motivated, manages conflict, behaves, and influences an organization (5).

The New Pattern of Management

Rensis Likert presented that employee-centered leadership and group management increases organizational performance and productivity. He concluded that the classic pattern of management, which is employee focused, is no longer effective in today's workforce (6).

GROUP AND TEAM MANAGEMENT

CHAPTER 1



A major point made by McGregor is that the workplace it is essential for employees to understand the importance of working together in groups. As stated by Henry Ford, "Coming together is a beginning. Keeping together is progress. Working together is success." The way a company can work together in groups can mean the success or failure of that business.

Many managers would agree that the effectiveness of their organizations would be at least doubled if they could discover how to tap the unrealized potential present in their human resources. It is the job of each manager to find out what motivates their employees and how to get the most out of the potential of each employee. Using that potential found in every employee is what creates synergy (1).

According to Likert, the greater use of group methods for supervision increases productivity and job satisfaction (6). The figure on page 16 highlights what managers can do to improve their group output.

When there is frequent use of group meetings to deal with work-related problems, management is more effective. Group meetings give managers the opportunity to discuss employee's ideas and employees are more likely to offer feedback in a group setting rather than being one-on-one with the supervisor or manager. This way the group is unified in purpose and mind helping achieve greater satisfaction and participation (6).

"Coming together
is a beginning.
Keeping together
is progress.
Working together
is success."

How to Achieve Company and Peer-Group Loyalty

The success of influencing subordinates depends ultimately upon magnifying their ability to achieve their goals and satisfy needs. When this type of success is achieved, company and peer-group loyalty is created.

A manager is dependent on those he supervises to achieve the company goals. In order to have continued support from group members, it is important to balance the group workload evenly (1).

HOW TO MOTIVATE A GROUP

- Inspire confidence and pride in capacity to produce.
- Set common goals. Supervisors who have the skill to build high peer-group loyalty tend to also have the ability to set high performance goals.
- There must be fluidity amongst coworkers and the manager. Trust among those working together opens doors for new levels of creativity (6).

MOTIVATION

CHAPTER 2



According to Herzberg (2), many managers attempt to motivate their employees with several strategies including fringe benefits, time off, and communication trainings. However, these are just short term solutions that only create movement not motivation .

Herzberg believes that a good manager sees his employees as individuals with creative thought and potential, not just as mindless machines that require bribery. Instead, the manager understands that true motivation comes from inside a person who receives intrinsic rewards through accomplishing interesting and challenging work.

This observation has been supported by research; in fact, Herzberg's analysis shows that job dissatisfaction and satisfaction are caused by different reasons. Factors that cause dissatisfaction have been labeled as hygiene items (2).

HYGIENE ITEMS

- Company Policy
- Supervision
- Interpersonal Relationships
- Working Conditions
- Salary
- Status
- Security

MOTIVATION FACTORS

- Achievement
- Recognition
- Work Itself
- Advancement
- Responsibility

If management spends all its time striving to lower the hygienic factors this will only result in less dissatisfaction. In contrast, when the manager increases the motivation factors - job satisfaction increases. Company funds and resources would be better spent on programs that truly inspire motivation.

Increasing motivation is called job enrichment and is done by vertically loading a position. Vertically loading expands a job by providing more responsibility and room for growth. A good manager recognizes the talents of their employees and utilizes those skills. This not only motivates employees but increases overall efficiency (2).

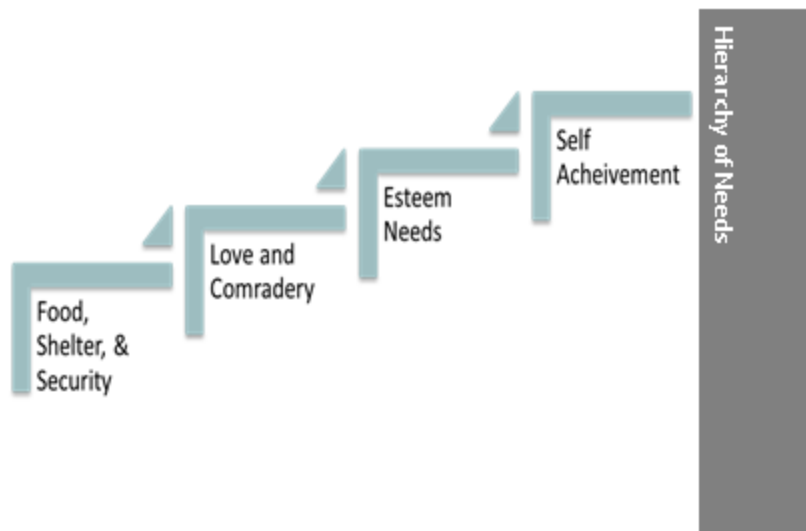
Hierarchy of Motivational Needs

According to Maslow's theory, a person is motivated as a whole to meet basic, universal needs that are arranged in a hierarchy. In other words, all aspects of an individual's life, circumstance, and environment will have some impact to motivate that individual and affect what they do (3).

In management this suggests that motivation comes in part by recognizing the needs of individuals and then directing or managing them in a way that helps them meet those basic needs. When employees' basic needs are met, they will automatically be motivated to pursue the path that meets their higher needs. Accomplishing those higher needs makes employees happier and more productive. In order for management to create these paths for their employees, it is important for them to understand the ultimate human needs, goals, and desires.

Basic Needs

As seen in figure below, the first basic needs are food, shelter and feeling safe. Once those needs are met an individual moves on to more abstract needs, such as feelings of love and camaraderie with those around them. Then the individual will move onto meeting esteem needs by seeking achievement, mastery, and confidence to face the world which brings about feelings of prestige. The highest need is the need for self-actualization, which is simply the idea that "what a man can be, he must be" in order to be satisfied (3).



As a person progresses through life they will automatically try to meet those basic needs in that order. If an employee does not have the basic needs of food and shelter they obviously will not be productive because their only motivation and concern will be to meet those needs. In today's workforce this is rarely an issue with employees. However, safety, esteem and self-actualization are commonly lacking in the workforce. By providing a pathway for individuals to meet those needs, managers can motivate employees.

Encouraging Self-Achievement

In a safe work environment employees can focus on achieving higher needs and be more productive. Providing opportunities for employees to obtain achievement, skill and positive feedback in the workplace will motivate them to increase performance because they will be meeting yet another need. Then, by making an effort to use each employee to their full potential, and allowing them to use their specific skill set, managers encourage self-actualization, which will further motivate their employees.

Manager-Employee Relationships and Motivation

By having a good relationship with staff, managers can help facilitate an environment that meets the basic needs of their employees. In order to create such a workplace, a manager must accomplish the following:

- 1) Perceive the needs of an employee
- 2) Recognize what stage of the hierarchy they are in
- 3) Know types of activities and encouragement that is most motivating for each individual employee.

When this is accomplished employees will be happy and motivated which will increase productivity and synergy in the workplace.

MANAGERIAL BEHAVIOR

CHAPTER 3



In Likert's *New Patterns of Management* (6), the attitude of employees was influenced by how well supervisors and managers performed leadership tasks. When employees had favorable attitudes towards the company, the turnover rate and number of absences decreased significantly. By showing real interest for the well-being of their employees, supervisors can positively influence employee attitudes.

By showing real interest for the well-being of their staff, supervisors can positively influence employee attitudes. Some of the things supervisors can do to show this interest include the following:

- Recommend Transfers, Promotions, and Pay Increases
- Keep Employees Involved in Company Matters
- Work Hard for the Entire Company, Not Just Themselves
- Openly Discuss Problems
- Be Willing to Hear Complaints and Grievances
- Interact with Employees Daily and Show Interest in Their Work

Characteristics of Superior Managers:

- Unselfish
- Interested in Employee's Success
- Cooperative
- Sympathetic
- Democratic
- Honest
- Willing to Help
- Take the Time to Train Employees for Better Jobs

As a supervisor learns to be a superior manager, employee performance and attitude can benefit a company greatly; this in turn can produce synergy throughout the company.

Contingency Model

According to Fred Fiedler (4), there are two main types of behavior that a manager can have: High-LPC and Low-LPC. How these ratings were acquired was workers were asked to describe their Least Preferred Coworker (LPC). Those who still had good things to say about their LPC were given the title High-LPC leaders, and those who rated their LPC low were given the corresponding title Low-LPC leaders. The difference between these two personality types were determined to be where the priorities of the leader fell.

High LPC

Relationship Oriented

- Likes working with other people
- Wants to receive more recognition

Under Stress

- Interacts more intensely with group members

Ideal Leadership Situation

- Group input needed

Low LPC

Task oriented

- Interested in the performance of a task
- Wants to complete assignments

Under Stress

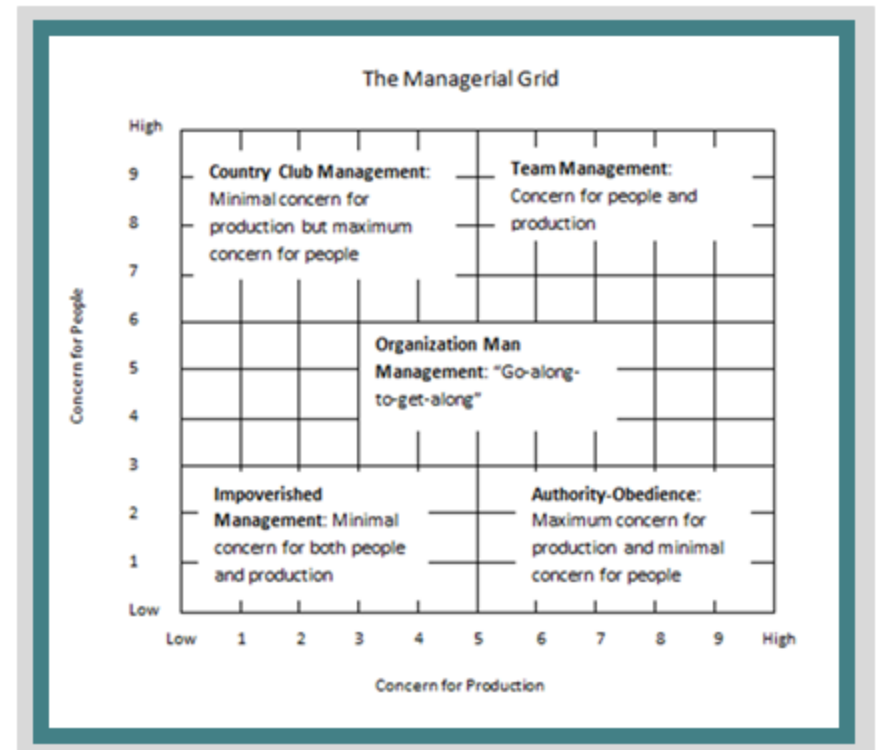
- Become more impatient; micromanages

Ideal Leadership Situation

- Direction of the group is needed

The Managerial Grid

In Blake and Mouton's study they explored the relationship between a leader's concern for production and their concern for people (5). Similar to Fiedler's Contingency Model, leaders who had a concern for production (Low-LPC) were focused on what an organization hires people to accomplish. On the other hand those who had a concern for people (High-LPC) wanted to ensure that subordinates like them; they show trust, understanding, obedience, sympathy, and support. In contrast to the Contingency Model, Blake and Mouton's study focused on overlapping the two behaviors to present how the concerns interrelate:



The ideal would be to acquire both traits (concern for production and concern for people), which would lead to team management. Some of the traits of a manager that promote team management include the following:

- **Initiative**-eager to exercise initiative and seeks to involve others
- **Inquiry**- comprehensive, in depth, analytical; two-way questioning; listens to understand
- **Advocacy**– expresses opinions quickly
- **Decisions**- the thorough inquiry and advocacy allow managers to make decisions quickly because they have already sought understanding and agreement
- **Critique**- continuous examination

A team manager is confident, candid, determined, innovative, open-minded, positive, unselfish, follows through, has high standards/clear priorities, and gets issues out in the open. The behavior of the manager can greatly affect the relationships and ultimate synergy of the employees.

HOW TO CHANGE BEHAVIOR

CHAPTER 4



Fiedler's theory suggests that a leader change the situation rather than his behavior. Changes can be made to the assigned task, the leader's position of power, or the relationship between the leader and members in a group. In order to know what to modify a leader needs to discover his strengths and weaknesses. This will allow the leader to modify situations to match his style of leadership or avoid situations that conflict with his style (4).

According to the Managerial Grid Theory, the 9,9 (see pg. 19) team management behavior brings the greatest success to an organization; therefore, managers of a different behavior type would benefit from change to become more team oriented. For each behavior type, suggestions are listed for how to improve motivation, initiative, inquiry, advocacy, conflict, decisions, and critiquing.

9,1 Authority Obedience Management

High Concern for Productivity and Low for People

Motivation	Utilize subordinates and increase their involvement in solving problems
Initiative	Invite others to take initiative and consult others
Inquiry	Don't discount others' information, consult them for additional information
Advocacy	Listen to understand and don't interrupt
Conflict	Don't just argue to win but listen to others' views
Decisions	Consult others before making decisions too quickly
Critique	Do not try to fault find

5,5 Organization Man Management

Meet the Status Quo

Motivation	Seek respect
Initiative	Do what needs to be done even if it isn't tradition
Inquiry	Be more thorough
Advocacy	Express your opinions
Conflict	Avoid being disagreeable; disagreement can still occur and increase innovation
Decisions	Make decisions without delay and on your own
Critique	Ask for feedback

1,9 Country Club Management

Low Concern for Productivity and High for People

Motivation	Do not be overly friendly
Initiative	Do it, don't hesitate
Inquiry	Be prepared for meetings and ask "why" questions
Advocacy	Be the first to express opinions rather than wait to see what others say to make your opinion
Conflict	Solve problems rather than just smooth them over
Decisions	Don't procrastinate making decisions
Critique	Correct bad behavior and as reinforce positive behavior

1,1 Impoverished Management

Low Concern for Productivity and Low for People

Motivation	Re-arouse interest and involvement
Initiative	Ask for more assignments
Inquiry	Ask subordinates more questions
Advocacy	Take a stand and answer clearly and honestly
Conflict	Try to reach an agreement rather than avoid disagreement
Decisions	Coordinate teamwork and volunteer to help
Critique	Ask for feedback and give it

THE IMPACT OF MANAGERIAL BEHAVIOR

CHAPTER 5



The Managerial Grid Theory states that based on a comparison of concern for productivity and concern for people, there are five different types of managerial behaviors. The manager's behavior affects various aspects of an organization for bad or good. That influence can affect a team's synergy and ultimate success. The outcome of the manager's behavior on productivity, creativity, satisfaction, and the manager's career success are listed (4).

Compare to The Managerial Grid on pg. 15

The behavior of a 9,1 authority obedience leader evokes high productivity; however, employee morale and satisfaction decrease - causing an increase in absenteeism and employee turnover. The only creativity present is anti-organizational such as stealing. 9,1 leaders have average success in their career.

The 1,9 Country Club leader causes productivity to decrease along with profits. With the focus of having a positive atmosphere, disagreement is often avoided and therefore stunts creativity. The warm atmosphere creates a safe and secure environment, but it may smother subordinates. These managers are not likely to advance in their career.

Failure is the ultimate consequence of a 1,1 impoverished leader. This occurs because there is little creativity and satisfaction. Due to productivity failure, a 1,1 leader does not advance in his career.

Production of a 5,5 organization leader is stifled by the bureaucracy. This leader tries only to conform, making little room for creativity. Satisfaction comes when the leader reaches the status-quo. A 5,5 leader is likely to advance his career to middle management.

A 9,9 team leader creates the highest productivity. This can be attributed to the high creativity of the team and the high, long lasting satisfaction of both leader and subordinates. The success of a 9,9 leader increases the rate of managerial advancement.

PROBLEM SOLVING

CHAPTER 6



Previously, common traditions among companies for communication and problem-solving were open-door policies and suggestion boxes. Rensis Likert (6) explained in his book, *New Patterns of Management*, that these methods have proven to be ineffective in encouraging open communication and actually inhibits successful problem solving. Managers must interact with their employees on a personal level and hold regular meetings with groups or committees that make up their department. Each problem should be solved with a company-wide view where any member of the staff can propose problems and solutions.

The author of *The Human Side of Enterprise*, Douglas McGregor, supports Likert's theory. McGregor suggests that supervisors cannot solve a problem without understanding two essential things (1):

1. Know what is going on within the unit
2. Distinguish between the problems that he can or cannot solve

To know what is going on within the unit, a manager must have employees participate in company meetings and decision making. According to McGregor, managerial participation in problem solving means:

- Analyzing the problem and arriving at the best solution
- Calling subordinates together to discuss problems and possible solutions
- Leaving the meeting with a better solution than before

Blake and Mouton (4) suggest through their Managerial Grid Theory that problem-solving is done based on the personality and priorities of the manager. He outlines five different styles of management that all handle conflict and problem-solving in unique ways. The team management leader encompasses Likert's and McGregor's theories as well, and is recommended as the best problem-solving method by Synergy Management Inc. A summary of Blake and Mouton's styles can be seen on the next page. Try to identify which category your management style would fall under and look for qualities you may possess to improve upon.

The ultimate goal is to become a team management leader and create synergy among your employees in the workplace.

9,9 Team Management

High Concern for Productivity and People

Preventing & Managing Conflict	<p>Involves others in helping to solve the problem early</p> <p>Commits to achieving the best solution and focuses on "what is right" not "who is right"</p> <p>Is aware of personal needs and expectations of others</p>
Communication	<p>Gives full self-disclosure that directly concerns the job</p> <p>Shares and welcomes background viewpoints and perspectives</p> <p>Communicates clearly</p> <p>Develops criteria</p>
When Conflict Remains	<p>Discusses problem with a third party</p> <p>Seeks feedback on problems from "neutrals" who are not involved in the problem</p> <p>When nothing works, turn to prior commitment</p>

Conclusion

Management is a combination of using knowledge and skill to help move an organization forward. A large part of moving the organization is being able to move people to create synergy. The different theories discussed can be applied to a variety of settings. Maslow states the importance of understanding the fundamentals of what inherently motivates individuals. Herzberg emphasizes motivating workers by increasing job satisfaction. McGregor suggests that the success of a company depends on the manager, not the employees. Blake and Mouton propose that the most successful manager is one who has high concern for both production and people. Fiedler explains that leadership styles are situation dependent and the appropriate use of these styles result in the most effective management. Likert emphasizes that high productivity is achieved through group management which creates unity, making the company one in purpose and mind. By applying these concepts, managers will be able to improve the productivity of their establishment while also having happier and more effective employees.

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