

Theories of management

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Introduction

Though people have had to ‘manage’ people, operations and organisations for many centuries¹, the concept of ‘management’ is less than 150 years old. It was first developed in Europe by Henri Fayol (1916) and in America by F.W. Taylor (1911). They lived at a time of great optimism about the benefits of the natural sciences and sought to bring similar benefits to management science. Each, in their own ways, have influenced the development of management far more than they may have envisaged in their lifetimes. Though the classical scientific models they borrowed from the natural sciences have since been shown to be less helpful than they thought at the time, faith in their ideas has lived on as management theorists have continued to develop and/or refine their ideas.

Indeed, though others have struck out in new directions, particularly in the second half of the twentieth century, they have had little effect on mainstream management in the UK with, for example, the Management Charter Initiative (1990, 1991) which formulated the S/NVQ management competences still drawing on the ideas formulated by Fayol a century ago.

In this paper we will first set out the main sources for UK management theory and then outline some of the criticisms of the mechanistic models from which these ideas are derived. We will consider three theorists who have each taken a different view of management — Drucker, Deming and Vickers — and one, Stafford Beer, who, while working largely within a mechanistic framework, shows that it is possible to take a different view of management even within a traditional framework. We will explore some of the implications of the ‘new physics’, ecology, systems thinking and the entry of women into management for the traditional models of management, consider the ideas of Semler, a Brazilian of Austrian extraction, some of whose ideas have been suggested by others but who shares with Fayol the distinction of not simply being a theorist but of having put his ideas into practice (and his money at risk in so doing), and conclude with a look at what characterises really ‘great’ managers.

Few women are mentioned in this paper, not because they have not contributed to management theory but because they have been less likely than men to present their ideas as grand theory. Also, though there have been women managers for many years, only in the last

¹The first record of a ‘management consultancy’ appears to be the one undertaken around 1447 BC when Moses’ father-in-law Jethro met Moses not long into his leadership of the Israelites on their journey out of Egypt towards Palestine. Moses, an Israelite adopted by and brought up in the Egyptian royal household who had been a successful general in a campaign on Egypt’s southern border before taking up the cause of the Israelites, was very much trying to do everything; Jethro’s advice: ‘Delegate’ (Exodus 18:13–26).

quarter of the twentieth century have their numbers been sufficient to enable their distinctive contributions to management and management theory to be identified.

There are even fewer black managers and there have certainly not been enough yet for there to be a distinctive literature of black management as there is a growing literature of women in management. As Spender (1998) argues in relation to ideas about women, this may be because white men control the distribution of ideas about management.

It is perhaps worth saying that few management theorists acknowledge their debt to or relationships with other theorists. So this paper also seeks to provide some signposts to where other theorists may have got their ideas about management.

Henri Fayol

The Frenchman, Henri Fayol, trained as a mining engineer but moved rapidly up the management hierarchy becoming seen as a successful manager. He believed that management is a science which can be taught and argued that there are six basic business activities: technical, commercial, financial, security, accounting and managerial. He divided managerial activities into five: planning, organising, commanding, coordinating and controlling. His fourteen 'principles of management' are:

Division of labour	Centralisation
Authority	Hierarchy
Discipline	Order
Unity of command	Equity
Unity of direction	Stability of staff
Subordination of individual interest	Initiative
Remuneration	Esprit de corps

Fayol believed that organisations could have a single purpose and that they operated in relatively stable environments in which a particular organisational structure could survive for many years. He believed in a centralised, hierarchical model of organisational relationships in which good managers ensured that staff were treated fairly in return for their commitment to organisational goals. This follows logically from his belief in a single purpose for the organisation and, in some ways, he was ahead of his time in suggesting that the 'right' relationships between management and staff are essential for the success of an organisation.

But in practice most organisations have multiple purposes and always have to respond to change and, as Woodward (1980) and Drucker (1989) showed, centralised organisations are only suitable for certain types of business while hierarchical models usually fail to maximise the potential of staff.

Why Fayol is interesting

Fayol's ideas remain attractive to many managers and academics even though the former may not know his name; his work was only translated from the French in the 1930s when superior-subordinate and parent-child relationships were the focus of most research interest in the social sciences. His ideas continue to be popular because many people want to think of management as 'scientific,' because Fayol's belief that management can be taught is attractive to anyone

involved in teaching management whether at S/NVQ level 4 or on an MBA programme and because they coincide with many of the assumptions of a masculine culture such as that in the UK (Hofstede, 1998).

F.W. Taylor

In contrast with Fayol, the American F.W. Taylor concentrated on the components of work rather than the structures within which it is carried out. He argued that it is in the best interests of both worker and manager to break tasks down into components which will enable workers to use minimum energy while producing maximum output, thereby maximising their earnings for the least possible effort. His approach of analysing the physical movements a worker made and then training the worker to perform a single movement very efficiently remained a key element in many industries which relied on ‘time and motion’ studies until the 1970s and occasionally threatens to make a comeback as it did in the 1990s in ‘activities analysis.’

Though Taylor argued passionately for improving workers’ conditions — and thereby met resistance from many managers — he failed to convince the nascent US unions that his ideas would improve the lot of workers. His ideas, like those of Fayol, did not reach the UK until the 1930s when some British manufacturers saw them as the only way to meet the threat of US competition. Ironically, they were introduced in the teeth of union opposition via the introduction of ‘piece work’ and eventually dismantled in the 1970s again in the teeth of union opposition. Taylor is generally — and incorrectly — regarded as supporting the worst excesses of authoritarian management as a result of the ways in which his ideas have been put into practice. The film *I’m all right, Jack* (1959) illustrates well one commonly held (mis)interpretation of his approach.

However, Taylor can be criticised on other grounds. Firstly, he assumed that people work only to get something tangible, like a wage, out of work. Secondly, he viewed work solely as using the body in place of a machine. Both these fallacies are widely believed today, though the second is usually re-framed to suggest that machines can take the place of human beings or that human beings are no more than intelligent machines.

Elton Mayo and the Human Relations School

The first fallacy was challenged through the work of Elton Mayo and his colleagues at the Hawthorne plant of General Electric. Though starting from a Taylorist viewpoint, they found that intangible rewards, like esteem or group acceptance, and intangible punishments, like loss of group approval, had significant effects on worker performance. Mayo’s work inspired behavioural scientists to invade management and develop a variety of theories of motivation — including the hierarchy of needs (Maslow, 1987), social systems theory (Emery and Trist, 1960) and hygiene theory (Herzberg, 1974).

The failure of such approaches to improve output led to further theories. McGregor (2006) suggested that the belief system of a manager would influence the manager’s approach. A manager who believes people are lazy and undisciplined will use a different approach from a manager who believes that people can be relied on to be self-motivating. Burns and Stalker (1994) found that the manager’s personal style was a significant factor in the success of technological companies. Similar results have been found in studies of headteachers and hostel

Table 1: Mintzberg

<i>Interpersonal</i>	<i>Informational</i>	<i>Decisional</i>
Figurehead	Monitor	Entrepreneur
Leader	Disseminator	Disturbance handler
Liaison	Spokesperson	Resource allocator
		Negotiator

wardens though Owen (1996) suggests that such conclusions may be too simplistic.

Blake and Mouton (1964) tried to integrate the Taylorist concern for output and the behavioural science pre-occupation with workplace relationships by proposing that managers' styles are a combination of two elements '*concern for production*' and '*concern for people*' that may vary both between managers and between individual situations. This theory has been developed and Lowman (1984) has proposed a similar framework for the understanding of teacher behaviour.

However, many writers within the human relations school of management have simply replaced Taylor's physiological model with an alternative psychological model. They have also tended to accept Fayol's belief that organisations have a single purpose.

Contingency management

Following the study by Woodward (1958) who found that different organisational structures suited different types of production, some management theorists argued that trying to develop a single type of manager would fail because the multi-faceted nature of people and situations meant that multi-faceted responses were needed. Rather than argue about which theory of management would work, one should concentrate on developing managers who were flexible enough to meet any situation.

They justified their approach by arguing that effectiveness is the key to good management and that the key to effectiveness is managerial flexibility. However, the arguments of the contingency management theorists are essentially circular — if you are effective, you must have been flexible and therefore you were using contingency management — and have never been supported by any research into managers.

Henry Mintzberg

Mintzberg decided that, since management theory seemed to offer so little, it might be worth looking at what managers actually do? Drawing on material by Rosemary Stewart (1967) and others, Mintzberg (1975) proposed a different model of managerial work. He found that managers hardly ever had time to do any of the things they were supposed to do and he suggested that in reality they have three main areas of work — interpersonal, informational and decisional — within which they have ten key roles (Table 1).

Mintzberg's 'realistic' account of what managers do brought management theory back to earth but Mintzberg does not say anything about the purposes behind or values of these key roles. His work begs the question — if managers are doing all these things, why are they doing them and should they be doing them?

Sociology and organisation theory

Sociologists began to have an impact on management and organisation theory with the development in the 1930s of large corporations and public sector organisations. However, their major impact on management and organisation theory was to come in the second half of the twentieth century with the development of large international and national governmental and non-governmental organisations.

Sociology, like psychology and management, was a child of the late nineteenth century fascination with the mechanical models of classical science which appeared to have been so successful in the development of the natural sciences and all social scientists wanted to emulate the success of the natural scientists. The 18th century idea of a bureaucracy, an organisation which did not operate through personal relationships of nepotism or favouritism but according to strict rules of fairness and equity and in which staff fulfilled their roles impersonally without allowing their personal prejudices to affect their judgement, was taken up by Max Weber who argued that it enabled a shift to rational social action (Haralambos et al., 2004). Other contributions were in the areas of leadership, power and control.

But though there has been nearly a century of organisation theory, Harmon and Mayer (1986) argue that all organisation theory is essentially written from the same philosophical standpoint, in effect, the classical scientific model. They do not explicitly suggest a gender bias but their conclusion comes very close to that of a number of feminist writers (e.g. Spender, 1998) who argue that the organisations under study are themselves 'constructed' by men using ideas like hierarchy, division of labour and impersonal relationships with which they are comfortable.

Classical scientific models

The classical scientific models which informed the work of Fayol, Taylor and the social scientists draw on the ideas of Descartes and Newton. Among the four principles which Descartes enunciated in his *Discourse on Method* (1637) are dividing up any difficulty into as many parts as possible and achieving complexity by the combination of simple things while Newton, in the preface to his *Principia* (1687), makes clear his view that everything in the world can be explained within mechanical models.

Newton's first law of motion states that anything travelling in a particular direction will continue to travel in this direction until it meets some hindrance and Fayol's emphasis on unity of direction, division of labour and stability of staff all relate to the idea that, if you can get an organisation moving un-hindered in a particular direction, it is more likely to reach its goal. Taylor's approach of achieving complex objectives by breaking the worker's physical actions down into their smallest components and then assembling all these actions to produce something is clearly in the tradition of Descartes.

All the theorists within this tradition assume that the world is relatively stable, that other than occasionally change is gradual and unidirectional, that everything that happens can be linked causally with something else and that these links can be described using mechanical analogies. As Capra (1982), Godet (1982) and Prigogine and Stengers (1984) have shown, this is an inadequate model of the world though it continues to underpin all the social sciences.

The story so far

Before looking at some theorists who take different approaches, we can sum up the current state of mainstream management theory as follows:

1. the majority of managers and management theorists, including those with some knowledge of the social sciences, are likely to be operating under the influence of the ‘masculine’ mechanical ideas of classical science;
2. most managers and management theorists assume that organisations have a single purpose, should be stable and hierarchical and have structures based on impersonal rather than personal relationships;
3. most management theorists believe there are distinct skills of management which can be taught; and
4. most management theorists seek to routinise rather than to develop the human aspects of management.

Concern for people

The second half of the twentieth century saw the emergence of several new approaches to management and, though none really consider the implications of their approaches for women, they did suggest some quite new ways forward. None support centralised hierarchies and they all emphasise the human relationships that are the links between everyone in organisations.

While Peter F. Drucker has been widely published since the late 1940s, his ideas hardly appear to have affected American or European management. W. Edwards Deming only got into print in the last quarter of the twentieth century but his ideas underpinned the success of the US war effort in the 1940s and Japanese industry after the war and the Deming prize is awarded annually for improvements in quality — the ‘quality cycle’ being known in Japan as the ‘Deming cycle’. Sir Geoffrey Vickers only began to publish his ideas at the end of a life of public service and has so far had little impact on management thinking. All three implicitly or explicitly reject the mechanical models of human behaviour that inform classical science, most social science and most management theories.

Peter F. Drucker

In *The Practice of Management* (1989), Drucker starts by saying that you have to know the *business* you are in — is it about price? quality? service? selling to a mass market? or selling to a niche market? who are your customers and what is your relationship with them?

Once you know this, you need an *organisation* to match. Drucker identifies three broad types of production each of which needs a different type of organisation:

- *unique product* production — in which articles are produced individually — needs centralisation and specialisation;
- *mass* production — in which many articles are produced simultaneously — requires a high degree of coordination but not necessarily centralisation;

Table 2: Managerial activities

	<i>Drucker (1989, pp. 337–338)</i>	<i>Stewart (1997)</i>
1	sets objectives	plans
2	organises	organises
3	motivates and communicates	motivates
4	measures	controls
5	develops people	

- *process* production — in which products are produced via a continuous process (e.g. an oil refinery or a nuclear power plant) — requires a decentralised structure.

Drucker argues for a minimum of hierarchy, decentralisation wherever possible and decisions to be taken as far down an organisation as possible. He also argues that productivity can only be improved through human resourcefulness, that, to liberate that resourcefulness, *people* must be encouraged to use their brains productively and that they will only do that if that are given the freedom to develop their own ideas about how to carry on the business of the organisation.

So each manager must set her/his own objectives related to the organisation’s overall aims which his/her boss will help her/him to achieve. Their manager will do this primarily through clarifying how they will meet the organisation’s overall aims and supplying the information the manager needs to chart his/her progress and to make any adjustments that may be necessary to achieve those objectives. Each manager then does the same for her/his subordinates.

Drucker implicitly rejects mechanistic models of management and assumes that differences of view will arise within organisations. He integrates these tensions into his descriptions of good management and argues that the structures and relationships an organisation has must serve the people who are to carry on the business of the organisation, not the other way round.

Drucker defines management thus:

A manager has two specific tasks. Nobody else in the business discharges these tasks. And everyone charged with them works as a manager.

The manager has the task of creating a true whole that is larger than the sum of its parts, ... [and of harmonising] in every decision and action the requirements of immediate and long-range future (1989, pp. 335–336).

and adds to the usual list of managerial activities (Stewart, 1997) ‘A manager develops people’ (Table 2).

Drucker has always presented his ideas at a very general level, leaving others to turn them into reality. He also concentrates on business management to the exclusion of other types of management and appears never to have considered the contribution of women to management.

W. Edwards Deming

W Edwards Deming (2000) trained as a statistician and developed the use of statistical methods to improve productivity during the 1941–45 War. In spite of his successes, US companies were not interested in his ideas after the war and he was ‘pensioned off’ to help the Japanese rebuild their industry. His ideas are couched in 14 principles addressed to US industry which are intended to be applicable to all workers and not just managers:

1. Create constancy of purpose towards improvement of product and service.
2. Adopt the new philosophy: we are in an economic age created by Japan.
3. Cease dependence on inspection to achieve quality.
4. End the practice of awarding business on the basis of price tag alone.
5. Improve constantly and for ever every activity in the company, to improve quality and productivity and thus constantly decrease costs.
6. Institute training and education on the job, including management.
7. Adopt and institute leadership.
8. Drive out fear, so that everyone may work efficiently.
9. Break down barriers between staff areas.
10. Eliminate slogans, exhortations and targets for the workforce.
11. Eliminate numerical quotas for the workforce. Eliminate numerical goals for people in management.
12. Remove barriers that rob people of pride in workmanship.
13. Encourage education and self-improvement.
14. Put everybody to work in teams to accomplish the transformation.

Deming expresses his concern for people most strongly in his opposition to anything which prevents someone from doing a good job — status, hierarchy, lack of knowledge, organisational barriers, poor leadership, etc. — and he advocates teamwork as the basis for all organisational relationships. His fishtail diagram, which has been widely developed by Japanese management theorists, was intended to illustrate the interdependence of workers involved in producing anything.

Sir Geoffrey Vickers

Geoffrey Vickers served with distinction in the First World War before commencing a career largely in public service. He spent the last twenty years of his life trying to make sense of his own life experience by writing books through which he came into contact with Peter Checkland and the Open University Systems Group and became their ‘guru,’ advising them and helping them to develop many of their ideas. He died in a suitably ‘guru-like’ way, declining painful treatment for an illness that he knew would kill him.

Vickers tried in his books to provide an account of the social process by means of which societies, professions, organisations and other cultural inventions can exist, persist and change. He rejected means-ends language and the goal-seeking model of human behaviour as inadequate. The cybernetic paradigm is ‘equally inadequate’ because the helmsman’s course is defined from outside the system while

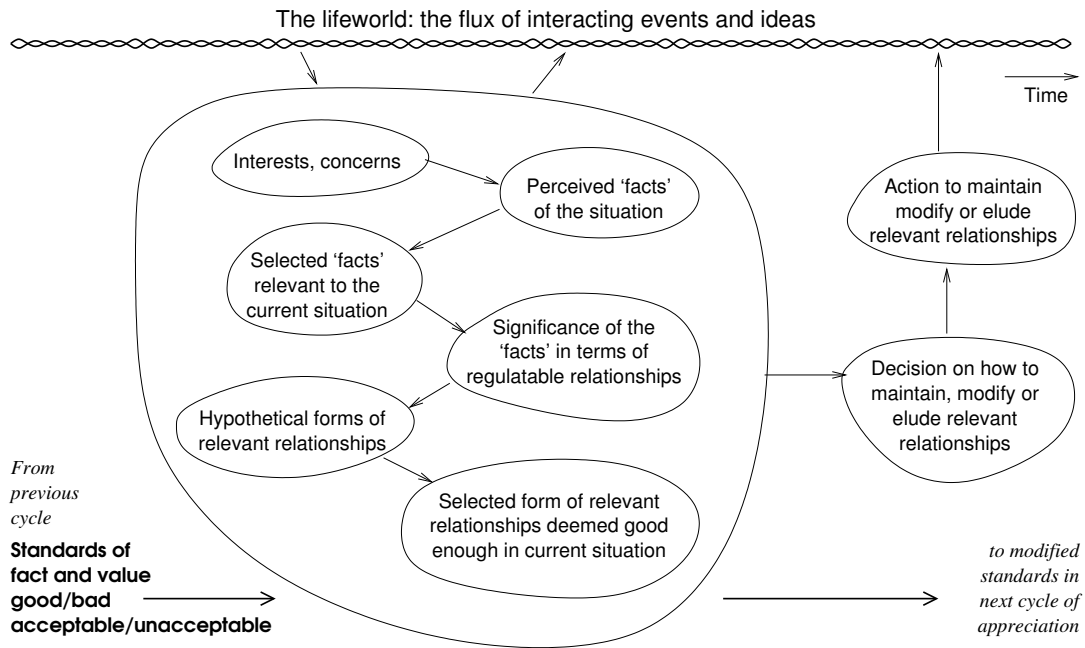


Figure 1: Vickers' model of an appreciative system

the human regulator, personal or collective, controls a system which generates multiple and mutually inconsistent courses.

Vickers believed that both events and ideas are significant influences on people and that they respond to events or ideas from certain standards of fact and value. Thus the same event or idea may not only be perceived differently by different people because of different points of view (or values) but also because of different attitudes to what is a 'fact.' If something of interest or concern occurs among these events or ideas, people will already have a particular perception of those events or ideas derived from their existing appreciative system. They will therefore select certain 'facts' as relevant to their consideration of how they should behave. The outcome of any consideration will always have two elements:

- a decision on how to act in the light of their considerations and
- modified standards of fact and value that will go into the consideration of the next event or idea of interest or concern (Figure 1).

Because Vickers believed that all our decisions are primarily about how to manage our relationships (to 'maintain, modify or elude' them, in Checkland and Casar's words (1986)), he regarded the outcome of any consideration as something that would be visible in the way we responded to new events. The modified standards of fact and value explain why our 'appreciation' of the 'same' event or idea would be different at different times.

He argued that the continuous operation of the 'appreciative system' made human studies intrinsically different from the natural scientist's approach to Nature. In putting things this way Vickers was reacting to the classical scientific model of a universe linked by a chain of mechanistic causes and effects. At around the same time Prigogine was developing the ideas which brought him a Nobel prize and coming to very similar conclusions about our interactions

with the natural world. He argues (Prigogine and Stengers, 1984) that classical physics' failure to account for time and for the behaviour of far-from-equilibrium systems has led people to assume that natural systems are far more determined than in fact they are.

Put in Vickers' terms, Prigogine argues that our 'appreciative system' influences the ways in which we interact with the natural world and the results of our interactions change both the natural world and our perceptions of it. Thus the next time we interact with the natural world it is not the same natural world and our perceptions of it have changed. For Vickers then, management is not about goals or outcomes, products or solutions but about the relationships people wish to enter into with other people which are in turn influenced by all the participants' previous experiences of relationships.

Strategic management²

However strange Vickers' and Prigogine's conclusions may seem, quite independently Porter (1998b,a) came to very similar conclusions about how organisations survive in the longer term. He does not emphasise profits or outputs but an organisation's relationships with its customers, suppliers, competitors and any new entrants to the field suggesting that these are far more important to the long term survival of an organisation — a point made by Semler (2001) and João Vendramin (BBC, 1994). Porter encourages managers to understand the business they are in, to know who their customers, suppliers, competitors and new entrants are, to identify threats to their business as well as opportunities for development and to create planning mechanisms that can respond at the rate of change appropriate to their business (Ansoff and McDowell, 1990).

Stafford Beer

Stafford Beer (1985), who had worked for the Reed Group in the 1960s and the Allende government in Chile in the early 1970s, integrates several ideas within his account of management; for him, managers at every level in an organisation:

1. think about what the organisation should do;
2. keep watch on the outside world;
3. manage the internal operations of the organisation; and
4. regulate internal conflicts.

Every manager has to pay attention to these four elements at her/his level in the organisation, the only differences between managers at different levels being the breadth of their perspective and the 'outside world' to which they must pay attention.

Like Drucker, Beer does not see organisations as centralised hierarchies but rather as a series of levels between which 'resource bargains,' that is, agreements between managers at different

²Strategic management was developed in the late 1960s as a response to the needs of large organisations to develop long term plans for their own survival in the face of trade cycles and international competition. Its early manifestations are generally regarded as having failed but work by Porter (1998a,b) and Ansoff and McDowell (1990) has led to a reassessment of its usefulness.

levels about the outcomes that will be achieved and the resources needed to achieve them based on plans produced by the junior manager, are struck.

Like Drucker, Beer assumes there will be tensions within organisations but he sees the clear separation of responsibilities at each level and the process of developing the ‘resource bargain’ as ways of managing these tensions while offering each manager the greatest flexibility to operate at his/her level in the organisation.

Beer does not specifically express any concern for the people in an organisation but he shows that it is possible to develop a model of management and managerial relationships which is fluid and flexible rather than structured and rigid. However, he relies on the cybernetic model of organisations and in the end gets bogged down in trying to develop a mathematical model which does not reflect the diversity of the real world and which requires people to do quite a lot of work on the detail to make it work.

Beer is probably best viewed as the leading exponent of the cybernetic school of management against which Vickers protested.

Cybernetics and design in management

Cybernetics arrived in the late 1940s out of information theory and the understanding of the importance of feedback in communication and control. It has had a profound effect on the communications and information technology industries where it has been seen as a key to designing sound telecommunications and information systems.

Cybernetic comes from the Greek word for ‘steersman’ and the idea of ‘steering’ an organisation in the right course has become a metaphor for good management. However, Stacey (1999) has argued that importing an engineering model of control built on cybernetic theory, which draws heavily on ideas of stability, predictability and consensus which go back to Fayol, into management ignores our lived experience of not knowing and of not being in control, of seeing things as unpredictable and yet, in practice, even in unpredictable situations, coping as human beings.

Ralph Stacey

Rather than thinking about human nature in terms of control, predictability, stability and designed roles, we need to think about human nature in terms of self organisation and the production of order through local action in the absence of any overall blueprint or design.³ To do this we must shift our focus from the nature of entities to their interactions/relationships, from thinking about systems in terms of control to thinking about them in terms of their internal capacity for change.

Stacey (1999) argues that:

- connection is the key to maintaining stability in a time of change;
- difference/diversity is the impetus for successful change;
- organisations with too much or too little difference/diversity will not survive;
- relationships are essential to our understanding of ourselves.

³As exemplified in the rise of [free and open source software](#).

The first psychoanalytic models of self focused on individuals and control and individuals were represented as driven by instincts so that the social dimension only came in to provide constraints on individual drives. This individual focus is central to western thinking which elevates the heroic individual, the charismatic leader and the objective observer whereas relationships underpin human nature and an emphasis on relationships is more compatible with understanding human nature as it is.

In order to translate ideas about complexity to human nature, we need a relationship centred psychology which recognises that relationships arise when two subjects are interacting and each is contributing to their behaviour. Once we begin to think of human nature in these terms, it becomes easier to think of a system radical enough to change but stable enough to survive.

Stacey argues that no new skills are involved in thinking about human nature in this way. People are already highly skilled at dealing with complexity but no one has looked at how they do it. Instead, they have focused on that which is predictable rather than on what is not predictable. The skills needed are:

- listening.
- helping other people to take the next step, and
- reflecting much more on what we do.

We must refocus from control and design to understanding the nature of participation, especially in conversation, and the conversational life of organisations; organisations only change if their conversational life changes.

Because the dominant ideologies make it feel natural for the existing relationships to continue, change often only comes through the challenges of the ‘shrill cry from the margins,’ for example, feminism at one time, gay liberation, black liberation; change doesn’t come from within but from outside the dominant discourse. In other words, institutions crystallise relationships until they are upset by some disturbance.

Stacey questions the use of atomic, biological metaphors rather than specific organisational metaphors and the idea of a hierarchy of levels, pointing out that fractals do not have levels but degrees of detail, each following a similar pattern.

Women and management

Apart from Stacey, for whom difference/diversity is central to his understanding of complexity and change, none of the management theorists whose ideas have been described earlier explicitly address gender issues. Both Drucker and Deming show concern for people and implicitly or explicitly reject the mechanical models of human behaviour that inform classical science, most social science and most management theories. But neither Drucker nor Deming explicitly address gender issues in spite of their concern for people, suggesting that there is still some way to go in developing theories of management that fully integrate ‘feminine’ concern for people with ‘masculine’ concern for achievement. They, like the women theorists — Jane Mouton, Joan Woodward (1980), Rosemary Stewart (1997) and Rosabeth Moss Kanter (1993) — who have made significant contributions to the development of management theory, have had little overall impact on management theory and managers in general.

One reason for this is that, as women increasingly began to take managerial positions in the 1980s, they were evaluated using the frameworks developed for evaluating male managers’

performance, in particular, competence frameworks (Rees, 2003), and, when they were found to be different from men, these differences were construed as weaknesses rather than strengths. In practice, the differences between women and men in the ways in which they approach the leadership aspects of management are small; women tend to use more democratic and transformational styles but otherwise there are no differences in this area (Burke and Mattis, 2005). Women whose managerial careers are as long as men's make as much progress as men.

Rather the differences are between the views of women and men about what constitutes managerial effectiveness and what women and men would do in particular situations (Burke, 2005). This partly reflects the lack of female role models in management; women are more likely to get promotion if there are other women at their level or above and in smaller organisations where there is not a long promotion ladder. It also reflects the different views of women and men about social networks with men more likely to develop work related networks and benefit from them in later promotions. Where women are given encouragement or challenging assignments early on their careers, they are more likely to advance (Tharenou, 2005).

Some of the barriers to women's advancement are generational: for example, older women managers are more likely to have been impeded by the 'old boys network' whereas younger women managers are more likely to be in non-traditional occupations where promotion tends to come more quickly for them but where they may later come up against a male dominated organisational culture (Altman et al., 2005). But others are cultural, with gender, organisational and social system perspectives all creating barriers, albeit different ones in different countries, so that, for example, while 50% of judges in Eastern Europe are female, half of all female lawyers in the UK quit for family reasons (Yukongdi and Rowley, 2009). In a series of studies originally commissioned by IBM Hofstede (1998) found that cultures could be distinguished on four dimensions, one of which involved attitudes which could be defined as relatively 'masculine' or relatively 'feminine.' Such differences may explain, for example, why women in Tunisia have made more progress than women in the UK (Singh, 2008).

Studies of the language and reasoning of men and women (Gilligan, 1993; Tannen, 1992) show that men tend to prefer impersonal relationships and see status as an important element in determining the progress of a relationship. Hierarchical structures thus tend to be more acceptable to more men though they are usually only relevant to a small number of organisations (Drucker, 1989; Woodward, 1958). A women friendly culture increases the proportion of women in management as do organisations that encourage nurturing, sensitivity, generosity and kindness (Tharenou, 2005).

However, though women often cite the lack of family friendly policies as a barrier to advancement, these have no effect on women's advancement and, while those women who gain advancement tend to be single or childless married women, married men tend to advance further than single men, suggesting that not having childcare responsibilities is not on its own the explanation (Tharenou, 2005). Perhaps it relates to the fact that women with more social capital, whose development can be impeded by family responsibilities (Tharenou, 2005), are more likely to make advancement and therefore that both women (perhaps because of their particular family responsibilities) and single men who are unable to develop their social capital are disadvantaged.

Ricardo Semler

Ricardo Semler was born to inherit his father's company in Brazil and for four years tried to run it along mainstream management lines, inducing a stress-related illness in himself. From 1984 to 1988 he introduced a series of reforms which radically changed the nature of the company and, following the Brazilian recession of the early 1990s, further reshaped the company (Semco) to enable satellite companies to be set up.

Semler (2001) emphasises the importance of trusting people to make decisions and giving them the space to make those decisions. Semler does not promise employment for life nor does he expect people to agree with everything the company does. He accepts the worker's right to go on strike and to take legal action against the company if they feel the company's procedures have disadvantaged them but he expects them above all to behave reasonably. If you treat people as adults, they will behave as adults. Though Semler has not formulated them in this way, his principles can be described as:

- trust people
- tell people the truth
- give people the information
- give people responsibility and choice
- delegate
- quality is more important than quantity
- encourage teamwork and democratic decision making
- let workers manage their own work including setting their own hours and pay
- empower women
- develop people through job rotation
- let employees appraise those with responsibility for them
- pay people to think
- eliminate unnecessary rules and paperwork
- small can be beautiful
- share the profits
- zero tolerance of unethical practice

The satellite programme, through which groups of workers were given Semco machinery and encouraged to set up as independent suppliers was developed as a response to the 1990s recession but can be seen as the ultimate empowerment — empowering workers to become fully in control of their destinies. Satellite companies can supply Semco and its competitors; the long term advantage to Semco is that it does not lose the skills of its workers but it no longer has the capital costs of accommodating them and their machinery. Since the workers can also supply competitors, the machinery can be used more cost effectively and the workers can retain the profit from that extra work.

As with some of Semler's other ideas, this had been tried previously — by Xerox in the UK in the 1970s as a response to a changing market for Xerox products — but Semler is probably unique in combining all these ideas in one company and in arguing for them on the grounds that giving workers freedom and trust is ethically sound as well as practically effective.

Table 3: Fayol and Semler

<i>Fayol</i>	<i>Semler</i>
Division of labour	Flexible/team working
Centralisation	Decentralisation
Authority	Empowerment
Hierarchy	Circles — Counsellors, Partners and Associates
Discipline	Self-discipline + zero tolerance of unethical practice
Order	Comfort
Unity of command	Delegation
Equity	Equal opportunity
Unity of direction	Multiple directions within an overall philosophy
Stability of staff	Job rotation
Subordination of individual interest	Allowance for individual interest
Initiative	Initiative
Remuneration	Profit sharing
Esprit de corps	Semco philosophy

Fayol and Semler

Though Fayol and Semler are poles apart in many aspects of their approaches to management, it is instructive to compare Fayol's 14 principles with Semler's and see where they agree (Table 3). They agree about the need for initiative, for remuneration (though Semler's approach is somewhat different from Fayol's) and for a shared philosophy within the organisation, though Semler accepts that not everyone in Semco fully accepts the company's principles. Both believe in having organisational relationships which benefit staff but Fayol emphasises fairness (or 'equity') in return for commitment to the organisation whereas Semler emphasises freedom to enable staff to think more effectively on behalf of the organisation and themselves.

Given the turbulence of the Brazilian economy, one might argue, it is not surprising that Semler comes up with different principles from Fayol who believed that organisations could have a single purpose within relatively stable environments. But Semler is also much more in tune with modern scientific views of the world and with the ideas of Capra (1982), Godet (1982) and Prigogine and Stengers (1984).

Jim Collins

While Peter Drucker had drawn on a number of well-known companies to illustrate his arguments, Jim Collins came to the conclusion that just studying good companies (Collins and Porras, 1995) wasn't enough to understand what made a company great. You have to study those who become great and he therefore looked for companies which had demonstrated sustained improvement in their performance as measured by the Forbes 500 (now superseded by the Forbes Global 2000) over a fifteen year period.

Of 1,435 companies which had appeared in the Forbes 500 over a fifteen year period, only eleven had demonstrated sustained improvement. He found that they lacked most of the

features commonly thought to be associated with management success; instead

- their leaders were self-effacing, quiet, reserved, even shy people;
- they got the right people in place because what matters is not *what* you pay but *who* you pay;
- they assigned the best people to the greatest opportunities (not the biggest problems) for the company;
- they confronted brutal facts and never lost faith;
- they recognised that you can only be great if you are best in the world at your business;
- they instilled a culture of discipline in which people took responsibility for their decisions;
- they used technology to accelerate progress rather than allowing themselves to be driven by technology;
- the transformation of the company from good to great was more like a flywheel gradually accelerating; so there was nothing to mark the transformation, no change of direction or acquisition.

Alongside their humility and modesty, their leaders have a ferocious resolve to see the company successful regardless of their personal wealth; they often come from within the company and their focus is not on what they will *get* but on what they will *build*. Staff motivation comes from each other in the company because they are doing something they care about and they don't care about being great.

A model of management

Peter Drucker had put forward the idea that good managers serve those whom they supervise; Jim Collins puts it more generally: they serve the company rather than themselves. So we can begin to see management in a quite different light from the one that is suggested on most management courses in the UK:

1. all management is about change, not stability;
2. most organisations have multiple purposes;
3. most people work for intangible rewards;
4. the greatest single resource any manager has is the people s/he manages;
5. management is about creating a team who will draw out human resourcefulness;
6. a manager's beliefs about people and the relationships s/he should have with them will affect her/his performance as a manager;
7. quality comes from teamwork;
8. women and men have different perceptions of and bring different skills to management but women are at least as effective as men;

9. a manager should trust people, expect them to be responsible, tell them the brutal truth, give them the information they need and give them the freedom to use it effectively; and
10. recognising and accepting differences of view does not undermine the organisation.

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