

ISBN 1-84544-872-3 ISSN 0025-1747

Volume 43 Number 10 2005

Management Decision

incorporating the
Journal of Management History

**Management history: absorbing
the past to understand the present
and inform the future**

Guest Editor: David Lamond



www.emeraldinsight.com



Management Decision

ISSN 0025-1747

Volume 43
Number 10
2005

Management history: absorbing the past to understand the present and inform the future

Guest Editor
David Lamond

Access this journal online _____ 1271

Editorial advisory board _____ 1272

GUEST EDITORIAL

On the value of management history: absorbing the past to understand the present and inform the future

David Lamond _____ 1273

Speaking about management education: some history of the search for academic legitimacy and the ownership and control of management knowledge

J.-C. Spender _____ 1282

The eighteenth century antecedents of bureaucracy, the Cameralists

Michael Jackson _____ 1293

Timeless advice: Daniel Defoe and small business management

R.H. Hamilton and Patricia L. Hamilton _____ 1304

CONTENTS

Access this journal electronically

The current and past volumes of this journal are available at:

www.emeraldinsight.com/0025-1747.htm

You can also search more than 100 additional Emerald journals in Emerald Fulltext (www.emeraldinsight.com/ft) and Emerald Management Xtra (www.emeraldinsight.com/emx)

See page following contents for full details of what your access includes.



CONTENTS

continued

British management theory and practice: the impact of Fayol <i>Ian Smith and Trevor Boyns</i> _____	1317
Fads, stereotypes and management gurus: Fayol and Follett today <i>Lee D. Parker and Philip Ritson</i> _____	1335
Mary van Kleeck, Taylorism and the control of management knowledge <i>Chris Nyland and Tom Heenan</i> _____	1358
Maslow: man interrupted: reading management theory in context <i>Kelly Dye, Albert J. Mills and Terrance Weatherbee</i> _____	1375
Barnard on conflicts of responsibility: implications for today's perspectives on transformational and authentic leadership <i>Milorad M. Novicevic, Walter Davis, Fred Dorn, M. Ronald Buckley and Jo Ann Brown</i> _____	1396
Contextual implications for transformational and servant leadership: a historical investigation <i>John H. Humphreys</i> _____	1410
Strategy in the Battle of Britain and strategic management theory <i>Robert F. Grattan</i> _____	1432
Note from the publisher _____	1442

Access this journal online

www.emeraldinsight.com/md.htm



As a subscriber to this journal, you can benefit from instant, electronic access to this title via Emerald Fulltext and Emerald Management Xtra. Your access includes a variety of features that increase the value of your journal subscription.

How to access this journal electronically

To benefit from electronic access to this journal you first need to register via the internet. Registration is simple and full instructions are available online at www.emeraldinsight.com/admin Once registration is completed, your institution will have instant access to all articles through the journal's Table of Contents page at www.emeraldinsight.com/0025-1747.htm More information about the journal is also available at www.emeraldinsight.com/md.htm

Our liberal institution-wide licence allows everyone within your institution to access your journal electronically, making your subscription more cost-effective. Our web site has been designed to provide you with a comprehensive, simple system that needs only minimum administration. Access is available via IP authentication or username and password.

Key features of Emerald electronic journals

Automatic permission to make up to 25 copies of individual articles

This facility can be used for training purposes, course notes, seminars etc. This only applies to articles of which Emerald owns copyright. For further details visit www.emeraldinsight.com/copyright

Online publishing and archiving

As well as current volumes of the journal, you can also gain access to past volumes on the internet via Emerald Fulltext and Emerald Management Xtra. You can browse or search these databases for relevant articles.

Key readings

This feature provides abstracts of related articles chosen by the journal editor, selected to provide readers with current awareness of interesting articles from other publications in the field.

Reference linking

Direct links from the journal article references to abstracts of the most influential articles cited. Where possible, this link is to the full text of the article.

E-mail an article

Allows users to e-mail links to relevant and interesting articles to another computer for later use, reference or printing purposes.

Emerald structured abstracts

New for 2005, Emerald structured abstracts provide consistent, clear and informative summaries of the content of the articles, allowing faster evaluation of papers.

Additional complimentary services available

Your access includes a variety of features that add to the functionality and value of your journal subscription:

E-mail alert services

These services allow you to be kept up to date with the latest additions to the journal via e-mail, as soon as new material enters the database. Further information about the services available can be found at www.emeraldinsight.com/alerts

Connections

An online meeting place for the research community where researchers present their own work and interests and seek other researchers for future projects. Register yourself or search our database of researchers at www.emeraldinsight.com/info/researchers/Connections

User services

Comprehensive librarian and user toolkits have been created to help you get the most from your journal subscription. For further information about what is available visit www.emeraldinsight.com/usagetoolkit

Choice of access

Electronic access to this journal is available via a number of channels. Our web site www.emeraldinsight.com is the recommended means of electronic access, as it provides fully searchable and value added access to the complete content of the journal. However, you can also access and search the article content of this journal through the following journal delivery services:

EBSCOHost Electronic Journals Service
ejournals.ebsco.com

Informatics J-Gate
www.j-gate.informindia.co.in

Ingenta
www.ingenta.com

Minerva Electronic Online Services
www.minerva.at

OCLC FirstSearch
www.oclc.org/firstsearch

SilverLinker
www.ovid.com

SwetsWise
www.swetswise.com

Emerald Customer Support

For customer support and technical help contact:
E-mail support@emeraldinsight.com
Web www.emeraldinsight.com/customercharter
Tel +44 (0) 1274 785278
Fax +44 (0) 1274 785204

EDITORIAL ADVISORY BOARD

David Ballantyne

Associate Professor of Marketing, University of Otago,
New Zealand

Laurence Barton PhD

President and Chief Executive Officer, The American College,
Bryn Mawr, PA, USA

Dr Mike Berrell

Professor of Work Organization, Director Academic, Graduate School
of Business, RMIT University, Melbourne, Australia

David M. Boje PhD

Department of Management, New Mexico State University, USA

Mike Bourne

Cranfield School of Management, Centre for Business Performance,
Cranfield, UK

Catherine Cassell

Professor of Occupational Psychology, Manchester
Business School, UK

Mark Dodgson

Director, Technology and Innovation Management Centre,
University of Queensland, Brisbane, Australia

Mario Emiliani

Professor of Management, Rensselaer at Hartford Lally School
of Management and Technology, USA

Stan Glaser

Fred Emery Institute, Melbourne, Australia

Christian Grönroos

Professor, Swedish School of Economics, Helsinki, Finland

John C. Groth

Professor of Finance, Texas A&M University, USA

Professor Angappa Gunasekaran

Department of Management, Charlton College of Business,
University of Massachusetts, North Dartmouth, USA

William D. Guth

Harold Price Professor of Entrepreneurship and Strategic
Management, New York University, USA

Sam Ho

Dean, Hang Seng School of Commerce, Hong Kong

Jay Kandampully

Ohio State University, Columbus, USA

Magda Elsayed Kandil

Senior Economist, International Monetary Fund,
Washington DC, USA

Aneel Karnani

School of Business Administration, University of Michigan
at Ann Arbor, USA

Erdener Kaynak

Professor of Marketing, Pennsylvania University of Harrisburg, USA

Tauno O. Kekale

University of Vaasa, Finland

Yoshio Kondo

Professor Emeritus, Kyoto University, Japan

Hao Ma PhD

Professor of Management & EMBA Director, Peking University,
People's Republic of China

Nigel F. Piercy

Cardiff University, UK

Michael A. Roberto

Assistant Professor, Harvard Business School, Boston,
MA, USA

Jennifer Rowley

Head, School of Management and Social Sciences, Edge Hill
University College, UK

Joseph Sarkis

Clark University, Worcester, MA, USA

Wang ShouQing

Deputy Head, Department of Construction Management, School of
Civil Engineering, Tsinghua University, Beijing, China

Amrik S. Sohal

Department of Management, Monash University, Melbourne,
Australia

David Tranfield

Professor of Management, Director of Research and Faculty
Development, Cranfield School of Management, Cranfield, UK

Joao Vieira da Cunha

MIT Sloan School of Management, Cambridge, USA

Claus von Campenhausen

Accenture, München, Germany

Ingo Walter

Charles Simon Professor of Applied Financial Economics,
New York University, USA

Charlie Weir

Aberdeen Business School, Robert Gordon University, Aberdeen, UK

Ray Wild

Principal, Henley Management College, Henley-on-Thames, UK

Richard Wilding

Cranfield School of Management, Cranfield, UK

Mohamed A. Youssef

Eminent Scholar and Chairman, Norfolk State University, Norfolk,
Virginia, USA

*JOURNAL OF MANAGEMENT HISTORY –
EDITORIAL ADVISORY BOARD*

Bernardo Batiz-Lazo PhD

Senior Lecturer in Banking, Accounting and Finance Division,
London South Bank University, London, UK

Shawn M. Carraher PhD

Director, International Family Business Academy, Professor of
Management & Global Entrepreneurship, Texas A&M University,
USA

Kerry David Carson PhD SPHR

Professor of Management, University of Louisiana at Lafayette,
Lafayette, USA

Paula Phillips Carson PhD SPHR

MBA Director/Associate Dean, University of Louisiana at Lafayette,
Lafayette, USA

Regina A. Greenwood

Associate Professor, Industrial and Manufacturing Engineering and
Business Department, Kettering University, Flint, MI, USA

Jonathon R.B. Halbesleben PhD

Division of Management, Michael F. Price College of Business,
University of Oklahoma, USA

John Humphreys

Eastern New Mexico University, College of Business, USA

Michael Jackson

Professor, Government and International Relations,
University of Sydney, Australia

Satish Mehra PhD CPIM

Professor of Production Operations Management, Fogelman College
of Business and Economics, The University of Memphis, Memphis,
USA

John-Christopher Spender PhD MA BA FRSA

411 East 57th Street, New York, USA

Julia Teahen

Professional Development Workshop Chair, Management History
Division, Baker College, Flint, MI, USA

Daniel A. Wren

Curator, Bass Business History Collection, Bizzell Memorial Library,
University of Oklahoma, Norman, USA



GUEST EDITORIAL

Guest editorial

On the value of management history

Absorbing the past to understand the present and inform the future

1273

David Lamond

*Sydney Graduate School of Management, University of Western Sydney,
Parramatta, Australia*

Abstract

Purpose – The purpose of this paper is to consider the value of management history as a contributor to the development of the theory and practice of management and, to the extent that it is necessary to absorb the past in order to understand the present and inform the future, consider what happens to the knowledge base when the surviving “contributions” to the knowledge base are partial and, indeed, erroneous.

Design/methodology/approach – The articles that constitute this special issue form the launching-pad for this discussion, with the ideas presented here combined with previous research and commentaries on the issues raised.

Research limitations/implications – In *The Life of Reason*, Santayana said, “Those who cannot remember the past are condemned to repeat it”. Managers looking for the “next big thing”, without being able to incorporate it effectively into their experience, and the experience of those who are long gone, are condemned to repeat not just the past, but also the mistakes of the past. Accordingly, it is also critical for management scholars to both recognise and take advantage of earlier thinking and empirical work to inform their contemporary musings and research if they are to provide meaningful frameworks for practitioners.

Originality/value – Drawing on the themes presented in the articles of this special issue, the paper demonstrates the value of knowing accurately the history of management thought to scholars and practitioners alike.

Keywords Management history, Management theory, Working practices

Paper type Conceptual paper

The past is never fully gone. It is absorbed into the present and the future. It stays to shape what we are and what we do (Sir William Deane, 1996).

Introduction

The usual readers of *Management Decision*, who, from time to time, may have sneaked a look in the “sealed section” that has been the *Journal of Management History*, might wonder why *Management Decision* would devote a whole issue to the topic. After all, *Management Decision*’s self-stated remit is to offer “thoughtful and provocative insights into current management practice” – it is a journal focussed on the practicalities of management and management decision making. That being said, one



is reminded of Lewin's (1951, p. 169) exhortation that: "There is nothing so practical as a good theory". The purpose of this special issue is to identify and chronicle the ways in which contributions by early writers in management have been (or at least could have been) absorbed into current understanding and can inform the future development of management ideas – the issue then, is about good theory and is, therefore, most practical.

There are few general management texts today that do not start with homage to the late nineteenth and early twentieth century writers on management and administration – Weber and bureaucracy, Taylor and scientific management, Fayol and the classical school of management, and so on. A quick "tiptoe through the tulips" of their (claimed) main ideas, a passing nod to Chester Barnard and Elton Mayo, and then it is on to Maslow, Mintzberg, Drucker, Porter *et al.*, with nary a backward glance. The notion appears to be that these writers, mostly long dead, are only of "historical" interest, quaint in their ideas that more modern minds have evolved beyond in their thinking. Yet, as the quote at the head of this paper so cogently observes, the past is never fully gone – it is absorbed into the present and future, it stays to shape what we are and what we do. And so we need to consider the past more than merely *en passant*.

There are also writers whose ideas are not widely explored or known, and even ignored (see, for example, Dye *et al.* (2005); and Nyland and Heenan (2005), both in this issue). Accordingly, the history of management ideas that are proffered in the various management/business tomes (with worthy exceptions such as Wren, 2004) are not only sparse, but also patchy and, ultimately, unbalanced. In consequence, we need to examine more closely the historical development of management concepts and practices, with a view to how they inform the present and "shape what we are and what we do". This includes examination or re-examination of established historical management concepts; the historical and continuing role of the behavioural sciences in the development of management practices; historical analysis of management philosophies; methodologies for dealing with historical management materials; the importance of the historical perspective in understanding contemporary management; and historical aspects of such workplace features as quality control, cultures, and occupational health and safety.

The art of editing a special edition – bringing together at one time a series of papers allegedly developed round a common theme and then representing them as a cogent whole – is one with often Zen-like qualities: we learn about the art by observing and studying those examples where the editor(s) has not succeeded. And it may be seen by others that this issue can be added to the Zen collection, but I hope not. I have been fortunate in attracting to the issue a series of papers that have been informed by and that, in turn, inform the theme identified in the call for papers. The rest of this paper is concerned with the demonstration of the *Gestalt* that this collection of papers represents, together with a contribution to the discussion about the ownership and control of management knowledge.

Lenses on management history: the current issue

Earlier in 2005, Spender spoke at the EURAM conference about management education, providing some history of the search for academic legitimacy and the ownership and control of management knowledge. While his paper Spender (2005) has

not received the attention accorded to those of his North American counterparts, it provides a particularly apt introduction to this issue.

The current chorus of criticism about management education in general, and MBA programs in particular (see, for example, Mintzberg, 2004; Pfeffer and Fong, 2004), is not anything new (Spender, 2005). Spender (2005) takes us back before the generally accepted beginnings of management education in the early twentieth century to its geneses in the fourteenth century and, later, in the German Cameralist schools of the eighteenth and nineteenth centuries. He argues that much of the subsequent history of the professionalisation of management has been about a search for legitimacy, ownership and the control of management knowledge. Spender (2005) concludes that we might do better to shift our thinking from the “manager as administrator” to the “manager as artist” and to reorient our educational efforts accordingly. Similar efforts to move the practice of management beyond administrative process to consider other metaphors of organisation as a basis for leading them have found articulate champions in Morgan (1997) and Bolman and Deal (2003), whose works appeared initially in the late 1980s and early 1990s (long enough ago, it seems these days, to count as of historical interest themselves).

Perhaps one of the reasons that the Cameralists have been not been given their merited prominence in discussions of management pedigrees is because, as Jackson (2005) points out in his exploration of the eighteenth century Cameralist antecedents of bureaucracy, administration and public policy are areas left alone by most management texts. Indeed, Max Weber’s exposition of bureaucracy has all but disappeared from recent textbooks and, when it does appear, it is more often than not presented quite inappropriately (see Lamond, 1990; Dye *et al.*, 2005). At a time when there is so much talk about the “business of government” and the citizen as consumer of government services, this is perhaps not surprising. Of course, public policy (and its administration) not only exists, but also represents a critical component of the context within which companies and economic activity are embedded.

Jackson (2005) examines the work of eighteenth century Cameralist, Johann Gottlob von Justi, to shed new light on the evolution of the theory and practice of bureaucracy, and the influence that the Cameralists had on Max Weber’s concept of bureaucracy as the rule-bound application of rules. In doing so, Jackson (2005) reinforces the importance of the Cameralist pedigree to our understanding of the development of administration and management, suggesting it would be timely to investigate further the development of administration in early modern Europe.

Noting Spender’s alternate characterisation of the manager as artist, we might expand this exploration to include the notion of the manager as “author” of the managerial script. This is, in a sense, what Hamilton and Hamilton (2005) do in their paper, “Timeless advice: Daniel Defoe and small business management”. Daniel Defoe probably is best known as the author of *Robinson Crusoe*, but he was also an early entrepreneur who late in his life published a business text called *The Complete English Tradesman*. If, as Napoleon had suggested, Britain was a nation of shopkeepers (“*une nation de boutiquiers*”), then, in Defoe, the *boutiquiers* had a strong supporter who saw them, along with the merchants and tradespeople, as the backbone of British society.

Hamilton and Hamilton’s (2005) description of *The Complete English Tradesman*, as a “sprawling work of almost 1,000 pages with a haphazard organization, including chapters in a seemingly random order” might lead some to consider that the book was

a preview of postmodernism rather than entrepreneurship (see Sokal and Bricmont (1998) for an apposite deconstruction of this observation). It is in the considerable overlap between Defoe's advice and modern small business management principles; and the breadth of topics, from accounting and cash flow to inventory control and customer service, however, that it bears a striking resemblance to modern small business management texts.

Despite being dismissed by literary historians as a product of failure and based on 20-20 hindsight, Hamilton and Hamilton (2005) argue that *The Complete English Tradesman* has made an important contribution to the development of the management pedigree. A pamphlet produced in 1748 by well-known kite-flier, Benjamin Franklin, which is cited in Weber's *The Protestant Ethic and the Spirit of Capitalism*, bears an uncanny resemblance to Defoe's work (Hamilton and Hamilton, 2005). If, as Hamilton and Hamilton (2005) suggest, it is true that Defoe influenced Franklin, who in turn influenced Weber, then Defoe's work does indeed deserve further review.

The type of stereotyping by literary historians of Defoe's work appears to be reflected in the equivalent treatment of the respective works of management theorists Henri Fayol and Mary Parker Follett, at least according to Parker and Ritson (2005). Interestingly, Parker and Ritson (2005) conclude that, while both Fayol and Follett have been victims of the stereotyping characterised as the "management-fashion-setting process" (Abrahamson, 1996, p. 254), their subsequent treatments have varied according to the differential processes applied to them and their works. Follett and her work were celebrated in the early part of the last century, but fell into obscurity in the 1920s and 1930s. It was when her work was rediscovered in the 1980s and 1990s that the stereotype was challenged as part of the rediscovery process and new insights into her ideas developed. On the other hand, according to Parker and Ritson (2005) management scholars have always "known" Fayol and his links to F.W. Taylor, and so there has been no need to revisit the understanding of Fayol as a European adherent of scientific management (the falsity of this has been demonstrated by, among others, Lamond (2003, 2004)).

Was Fayol's approach to general and industrial administration simply a fad? Smith and Boyns (2005) consider the impact of Fayol's work on British management theory and practice, especially in light of the support given to his ideas by respected British management thinker and writer, Lyndall Urwick. On the basis of a series of case studies, Smith and Boyns (2005) conclude that, while Fayol's theoretical influence has stood the test of time, his impact on practice has been much more limited. Their observation that Fayol's impact has been on management theory but not on practice might be considered somewhat puzzling *prima facie*, especially in light of the Lewinian dictum concerning the 'practicality' that should characterise good theory. Lamond (2003, 2004) offers a possible solution to the conundrum.

While Fayol's commentary was originally published in French nearer the turn of the twentieth century, it was not until 1949 that the "definitive" translation of *General and Industrial Management*, by Constance Storrs, appeared (Fayol, 1949). Twenty-five years later, Henry Mintzberg (1973, 1974) dismissed Fayol's characterisation of managers and management as folklore. Managers do not plan, organise, coordinate, command, and control, as Fayol (1949) claimed. Rather, Mintzberg (1973, 1974)

asserted, they enact a series of roles – informational, decisional and symbolic – in various combinations according to the day-to-day exigencies they face.

Lamond (2003, 2004) has sought to reconcile these apparently contradictory understandings by way of a comparison of managers' preferred approaches to managing with their experience of how they manage on a day-to-day basis. He concluded that the two views can be understood to be different layers of the same ontological reality, at least to the extent that, given the similarities between Fayol's characterisation and managers' preferences and between managers' day-to-day experiences and Mintzberg's roles, Fayol gave us management as we would like it to be and Mintzberg gave us management as it is. Returning to Smith and Boyns' (2005) conclusion, it appears that while Fayol (1949) proffers a theory that makes intuitive sense (and so we continue to theorise and even to develop managerial prescriptions on that basis), it is not always able to be translated into the action consistent with the demands confronting the manager in the workplace.

While the arguments between Fayol, Mintzberg and others has essentially been "in-house", this was not the case for pioneering feminist management scholar Mary van Kleeck. Born in 1883, she died at Woodstock, New York, in 1972, a unknown in her own profession (given that she was 89 years of age, she did not, as suggested by one young listener to the conference paper on which this article was based, die at the "3 days of peace and music" that, in any event, took place in 1969). Nyland and Heenan (2005) trace the development of van Kleeck's ideas and her influence on and in the Taylor Society in the USA in the period between the world wars. They point to the impact on the Taylor Society in general, and van Kleeck in particular, of "The Right to Manage" crusade launched by American business in 1944 against the call of the Congress for Industrial Organizations (CIO) for greater labour involvement in management.

This crusade continued into the 1950s where, in 1953, the 70 year-old van Kleeck was called before the House Un-American Activities Committee (HUAC), and accused of being a Communist Party member and an agent of the USSR (Nyland and Heenan, 2005). Like Follett before her (see Parker and Ritson, 2005), subsequent acknowledgment of van Kleeck's contribution is not well-known, being confined to histories of feminism, social welfare, and labor. Perhaps Nyland and Heenan (2005) are in the vanguard of a new movement to recognise the work of van Kleeck and "the many other Taylor Society members who sought to promote the democratisation of management by promoting the diffusion of control over management knowledge amongst the widest possible body of stakeholders".

Abraham Maslow was another scholar who came to the attention of the US federal government authorities in the early 1950s, when he was a signatory to an open appeal to repeal the Internal Security (McCarran) Act that had effectively made the Communist Party and any government-designated "communist front" organisations illegal (Dye *et al.*, 2005). He is, however, much better known to a host of management academics, students and practitioners alike for his "hierarchy of needs", which, according to Dye *et al.* (2005), has been used variously to justify, guide or inform the implementation of customer relationship management (CRM) systems; attempts to lower recidivism in convicted felons; the definition of customer needs and segmentation of individuals based on those needs; explanations of the mechanics of motivating CEOs, senior management and directors of firms; and the motivation of

employees from Generation Y. This popularity is in spite of the demonstrated lack of empirical support for Maslow's hierarchy from as early as 1973 (Dye *et al.*, 2005).

This treatment of Maslow would appear in the first instance simply to be a case of "never spoil a good story with the facts", but it would seem that a much more complex set of dynamics is involved. Rather, it looks like the drive to represent the complexity of Maslow's ideas in more simple form has overflowed from simplicity to the simplistic. As Dye *et al.* (2005) point out, exposure to Maslow's corpus of work would have challenged us to incorporate, *inter alia*, the relationship between culture, organisation, and motivation, and the exploitation of uncertainty and dominance by unscrupulous leaders into the mix. Instead, we retreat to the simplistic in the form of the ubiquitous hierarchy.

We mentioned earlier the passing "nod" to Chester Barnard on our tip-toe through the management tulips. While he is better known for his work on the functions of the executive (Barnard, 1938), Novicevic *et al.* (2005) seek to acquaint us with Barnard's exposition of executive responsibility, alerting us to the moral as well as the technical aspect of leadership in Barnard's (1948) framework. While Maslow might have been able to alert us to the behaviour of unscrupulous leaders on the "dark side" of the organisation (Dye *et al.*, 2005), Barnard argued how crucial is a leader's moral capacity is for the sustainability of cooperative efforts inside and outside the organisation (Novicevic *et al.*, 2005).

Of course, Barnard was not the first to talk about the moral imperatives of leadership. For example, Weber (1946) was concerned about the fitness for purpose of those appointed to positions of authority and their capacity to carry out their duties *sine ira et studio*. Fayol (1949) too, wrote about the importance of integrity as a necessary characteristic of the manager. It was Barnard though, who talked about the role of the executive as a lynchpin in the nexus of the organisation's internal and external stakeholders, and who emphasised the importance of stakeholder management as a process that must be characterised by authenticity (Novicevic *et al.*, 2005).

Leadership, as Humphreys (2005) suggests, may well have existed "from the dawn of the first interactions of humankind" but, despite the best efforts of Weber, Fayol, Barnard and others, it remains an elusive concept. It seems that we are unanimous in pointing to the importance of leadership while being capable of thorough disagreement on what this thing called leadership actually is. One dimension along which desired/required leadership actions/characteristics/attributions/relationships might vary, is the environment/culture within which the exhibited leadership qualities are embedded. Humphreys (2005) uses two case studies – "the retreats of Xenophon and Chief Joseph ... separated by many hundreds of years and miles" – to illustrate the point.

He examines the behaviours of each and the outcomes achieved and concludes "contextual influence could determine the appropriateness of transformational and servant leadership" (Humphreys, 2005). While this might be seen to be "obvious", the creativity of the methodology contributes to the generalisability of the findings and allows us to be more confident of the principle in the broad, even if the author expresses some reservations in this regard. It encourages us to look for more than the "one best way" approach.

This issue of *Management Decision* concludes with a paper that approaches the “value of management history” proposition from the perspective of using contemporary methodology to revisit relatively recent events to analyse them and identify lessons for today’s managers.

Rather than simply trying to pick out lessons from the past for the present and future, Grattan’s (2005) article attempts to use current methodology as a basis for the analysis, through an examination of strategy in the Battle of Britain from the perspective of modern strategic management theory. In what one of the paper’s reviewers described as a “ripping good yarn”, Grattan offers the reader a contemporary route into the understanding of key events in the skies over Britain in the Second World War. In particular, he seeks to understand what the German strategy was, and how was it determined. These strategic issues are considered against the theories of strategic management and indications for business practice are discussed.

The search for legitimacy, ownership and control

Spender (2005) talks about the recent history of the management profession (and management education) as constituted by a search for legitimacy, ownership and control of the knowledge. One might ask whether this is “professionalisation” or, rather, the bureaucratisation of organisation and everyday life that Weber pointed to, sadly, as an inevitable outcome of the efforts to find that “one best way” to manage that is the stuff of means-ends rationality, and the triumph of form over substance (see Lamond, 1990).

The articles in this issue not only offer a series of lenses on management history *per se*, the same lenses can be used to examine aspects of that search for legitimacy, ownership and control. Who has a “voice” and whose ideas are ignored in the line of management scholars and theories we have considered in this issue does not appear to be simply a matter of judgements based on criteria connected with what is logical, rational, objective, valid (those criteria in which we allegedly take pride as scholars). Rather, other values, especially those associated with the managerial prerogative appear also to hold sway. It behoves us then to not only seek out all the voices, but also to be clear about the criteria we use to judge their veracity. Perhaps it also behoves us to seek not to “own” the voices but, rather, in the footsteps of van Kleeck, to democratise that knowledge, making the facts known to all (Nyland and Heenan, 2005).

In doing so, we need to be conscious of context – historical, geographical, cultural, and so on. For example, despite the obvious impact of the environments in which the preceding management scholars can be seen to have developed their theories and frameworks, the textbooks that claim to represent them demonstrate an almost total neglect of the socio-political context in which management theory is discussed (Dye *et al.*, 2005). Dye *et al.* (2005) remind us of the need to incorporate these elements in our understanding of the theories we are examining, especially when we are making decisions as managers whether to import those ideas into our organisations and the contexts within which they are embedded.

Let us then, seek to absorb the past in order to understand the present and inform the future and, in remembering the past, build on it rather than merely repeat it. Then we will be practical. Then we will be better able to provide thoughtful and provocative insights into current management practice.

References

- Abrahamson, E. (1996), "Management fashion", *Academy of Management Review*, Vol. 21 No. 1, pp. 254-85.
- Barnard, C. (1938), *The Functions of the Executive*, Harvard University Press, Cambridge, MA.
- Barnard, C. (1948), *Organization and Management*, Harvard University Press, Cambridge, MA.
- Bolman, L.G. and Deal, T.E. (2003), *Reframing Organizations: Artistry, Choice and Leadership*, 3rd ed., Jossey-Bass, San Francisco, CA.
- Dye, K., Mills, A.J. and Weatherbee, T. (2005), "Maslow: man interrupted: reading management theory in context", *Management Decision*, Vol. 43 No. 10, pp. 1375-95.
- Fayol, H. (1949), *General and Industrial Management*, Pitman, London (trans. by C. Storrs).
- Grattan, R.F. (2005), "Strategy in the Battle of Britain and strategic management theory", *Management Decision*, Vol. 43 No. 10, pp. 1432-41.
- Hamilton, R.H. and Hamilton, P.L. (2005), "Timeless advice: Daniel Defoe and small business management", *Management Decision*, Vol. 43 No. 10, pp. 1304-17.
- Humphreys, J.H. (2005), "Contextual implications for transformational and servant leadership: a historical investigation", *Management Decision*, Vol. 43 No. 10, pp. 1410-31.
- Jackson, M. (2005), "The eighteenth century antecedents of bureaucracy, the Cameralists", *Management Decision*, Vol. 43 No. 10, pp. 1293-303.
- Lamond, D.A. (1990), "The irrational use of Weber's ideal types", *Australian Journal of Public Administration*, Vol. 49 No. 4, pp. 464-73.
- Lamond, D.A. (2003), "Henry Mintzberg vs Henri Fayol: of lighthouses, cubists and the emperor's new clothes", *Journal of Applied Management and Entrepreneurship*, Vol. 8 No. 4, pp. 5-23.
- Lamond, D.A. (2004), "A matter of style: reconciling Henry and Henri", *Management Decision*, Vol. 42 No. 2, pp. 334-60.
- Lewin, K. (1951), *Field Theory in Social Science; Selected Theoretical Papers*, Harper & Row, New York, NY.
- Mintzberg, H. (1973), *The Nature of Managerial Work*, Harper & Row, New York, NY.
- Mintzberg, H. (1974), "The manager's job: folklore and fact", *Harvard Business Review*, March-April, pp. 163-76.
- Mintzberg, H. (2004), *Managers not MBAs: A Hard Look at the Soft Practice of Managing and Management Development*, Berrett-Koehler Publishers, San Francisco, CA.
- Morgan, G. (1997), *Images of Organisation*, 2nd ed., Sage, Thousand Oaks, CA.
- Novicevic, M.M., Davis, W., Dorn, F., Buckley, M.R. and Brown, J.A. (2005), "Barnard on conflicts of responsibility: implications for today's perspectives on transformational and authentic leadership", *Management Decision*, Vol. 43 No. 10, pp. 1396-409.
- Nyland, C. and Heenan, T. (2005), "Mary van Kleeck, Taylorism and the control of management knowledge", *Management Decision*, Vol. 43 No. 10, pp. 1358-74.
- Parker, L.D. and Ritson, P. (2005), "Fads, stereotypes and management gurus: Fayol and Follett today", *Management Decision*, Vol. 43 No. 10, pp. 1335-57.
- Pfeffer, J. and Fong, C.T. (2004), "The business school 'business': some lessons from the US experience", *Journal of Management Studies*, Vol. 41, pp. 1501-20.
- Smith, I. and Boyns, T. (2005), "British management theory and practice: the impact of Fayol", *Management Decision*, Vol. 43 No. 10, pp. 1317-34.
- Sokal, A. and Bricmont, J. (1998), *Intellectual Impostures*, Profile Books, London.

- Spender, J.-C. (2005), "Speaking about management education: some history of the search for academic legitimacy and the ownership and control of management knowledge", *Management Decision*, Vol. 43 No. 10, pp. 1282-92.
- Weber, M. (1946), "Bureaucracy", in Gerth, H. and Mills, C.W. (Eds), *From Max Weber*, Oxford University Press, London, pp. 196-244.
- Wren, D.A. (2004), *The History of Management Thought*, 5th ed., Wiley, New York, NY.

Further reading

Santayana, G. (1905), *The Life of Reason*, Vol. 1, Scribner's, New York, NY.

About the Guest Editor

David Lamond is Director of the Sydney Graduate School of Management at the University of Western Sydney, Australia. He earned his PhD in Managerial Psychology at Macquarie University. His research addresses topics including personality and managerial style, organisational culture and job satisfaction. He is Editor of the *Journal of Management History*.



MD
43,10

1282

Speaking about management education

Some history of the search for academic legitimacy and the ownership and control of management knowledge

J.-C. Spender

Leeds University, Leeds, and Cranfield University, Cranfield, UK

Abstract

Purpose – The purpose of this paper is to examine the notion of management as a regulated profession and provide a critique of some of the recent critiques of the profession, noting from whence the profession has come and offering a number of alternative ways forward.

Design/methodology/approach – The paper explores the notions of ownership and control of professional knowledge, at least as it relates to management, and considers how the profession might fare if it is seen in the light of metaphors other than the rational, scientific approaches.

Findings – The paper finds that management education has become professionalised around quasi-scientific research methods and a regulated body of knowledge which is visibly distant from what managers use

Practical implications – The future shape of management education and the place of B-schools in that process hang on the decisions made about the ideas presented here.

Originality/value – This paper provides some interesting insights into the development of management as a regulated profession.

Keywords Management history, Education, Business schools

Paper type General review

Introduction

Much spins around the idea of management as a profession – a group of people whose practice is shaped by training and credentialing against a rigorous body of knowledge. This knowledge is often regulated by professional associations such as the American Medical Association and the Accreditation Council for Graduate Medical Education leveraging their influence via official credentials. We feel business school researchers produce this body of knowledge and our teachers deliver it as they professionalise managers into its application.

However, it may not be that simple, especially given the many critiques circulating in our industry – such as Mintzberg's (2004) new *Managers not MBAs*, Pfeffer and Fong's (2002, 2004) articles, and the work of Starkey and his colleagues (Starkey and Madan, 2001; Starkey *et al.*, 2004; Starkey and Tempest, n.d.). Previous critiques have appeared in the 1985 special issue of *California Management Review* (Cheit, 1985) and Porter and McKibbin's (1988) book. Some of these critiques are about the way the knowledge is delivered; others are attacks on the body of knowledge itself. Perhaps

An earlier draft of this paper was given as a keynote address at EURAM 2005, 5 May 2005.



there is no body of rigorous knowledge from which to teach and so no real argument for management as a profession. So I begin my paper with two points.

First, these criticisms are not new; they have been around for decades. Nor are they specific to management education. Jarausch's (1982) *The Transformation of Higher Learning* shows similar criticisms in engineering, medicine, the law, the clergy, and so forth. Most critics, and a pantheon of Academy of Management presidents (Hambrick, 1994; Huff, 2000; Mowday, 1997; Pearce, 2004), point to the gap between theory and practice, arguing the knowledge delivered by the business schools relates poorly to practitioners' needs. And if this gap is a persistent feature of higher education, as Jarausch (1982) suggests, it may be a mistake to think we should make it go away.

Second, perhaps management is the very antithesis of a professionalised practice. Many writers, including Mintzberg (1976) and, more recently, Hatch *et al.* (2005), suggest management is also an art form. While it has creative and aesthetic aspects, I want to take this to its logical conclusion. Then we are at the real heart of the matter – where we can question our blind commitment to the rational decision-making model. Managerial practice is seldom conducted under conditions of perfect information as we presume in our theories and classrooms. Even if a body of rigorous knowledge existed, there would be problems relating it to the circumstances under which managers actually work. Simon (1947) told us this nearly 60 years ago and we have not done much about it. We continue to teach and theorise as if managers operate under conditions of certainty. It is this assumption, clearly unwarranted, that drives the deepest wedges between our teaching and their practice.

However, management education is also a huge successful industry. In April 2005, I was at the AACSB meeting in San Francisco, along with 1,000 B-school deans and administrators from all over the world. Pfeffer and Fong's (2002, 2004) papers give us some numbers. We employ hundreds of thousands of people. There are over 100,000 MBAs awarded annually in the USA – and tens of thousands are awarded elsewhere – as are more thousands of executive and undergraduate business degrees, diplomas, and certificates. We are expanding around the world. There is big money to be made, not only in delivering business education, but also in supporting industries such as management textbooks and magazines, providing on-line resources, and building fancy new B-schools.

Yet we feel unease. Will the expansion continue, given declining MBA applications? What about the supply of faculty, given declining doctoral programmes? Where does ethics teaching fit in? Most of the published criticism is US-based, suggesting these problems are uniquely American. This is simply incorrect. The US mythology is that management education was invented at Dartmouth, or Harvard, or Wharton, around the turn of the last century, and these schools now show us how management education should be done. This ignores the facts.

The B-school pedigree

The line of parentage to these US schools runs direct from the German Cameralist schools, such as those at the University of Halle or the University of Frankfurt-am Oder, which appointed their first professors of Administration in 1727 (Forrester, 1990). The Harvard Business School was founded almost two centuries later, in 1904, by Edwin Gay on his return from the Cameralist school in Berlin where he gained his PhD in economics (Gay, 1927; Heaton, 1968). Likewise the Wharton school was really

formed by Edmund James on his return from Germany (Sass, 1982). Aside from hiring James, Joseph Wharton spoke and read German, visited and admired Prussia, and saw their business education was on a scientific basis (Sass, 1982).

Plus, a short time before this, Woodrow Wilson, later US President, having just received his PhD at Johns Hopkins published an influential 1887 paper in which he argued the Cameralist methods adopted in the German public sector would prove powerful in the USA (Wilson, 1887). In short, we cannot understand the American business school without reference to its Cameralist parentage, or the German university-based research tradition so strikingly successful in the nineteenth and twentieth centuries (Jarausch, 1982; Forrester, 1990).

However, I have to tell you these Germans did not invent management education either. The earliest trace I have found so far is a programme in estate management taught at Oxford in the mid 1300s (Richardson, 1940). The syllabus would be amazingly familiar to you. There were early schools in Paris, Lisbon, and Italy too. We have only to think of counting sticks or granary management in Ancient Mesopotamia, or the amphora trails left on the seabed by the Greek wine supply-chain sailors as they drank their way around the Mediterranean, to appreciate how old administration and administrative education must be.

Business education goes back a long way and co-evolved with management itself. We have a long history of criticism too. There is a lovely paper by Fritz Redlich (1957) tracing the evolution of management education in Germany, and of the emerging gap between rigor and practice – and that between the university schools and the *Handelshochschulen* and *Fachhochschulen*. He tells of the nineteenth century German steel-town which, its business failing, pressed the local B-school principal to take charge. The business failed anyway, and he was tossed in jail to ponder the gap between theory and practice – where he died. Bottom line, by the 1800s these European business schools were under pressure to confront the treacherous gap we see today – it is not only an American issue.

Professionalisation: the search for legitimacy, ownership and control of knowledge

More thoughtful critics appreciate the gap is due, in part, to the urge to legitimate management's scholarship against the other disciplines, and the resulting need for faculty to publish in academic journals to secure promotion and tenure. Merton and Barber (1976) call this in-the-middleness "social ambivalence"; marching to different drummers. Some, such as Pfeffer and Fong (2004), suggest the gap is due to poor teaching and that we should emulate the teaching of physics. Mintzberg (2004) explores whether we are teaching the wrong people the wrong things in the wrong way. Grey (2004) argues it is because we ignore power and class, and the B-school's place in sustaining the status quo. But I want to use the notion of management as an art form to point directly at our assumptions about the nature of managerial knowledge.

Our industry survives and prospers for reasons we seem not to understand, so we should not assume that fixing the theory/practice gap is going to make things better. A respected American saying is "if it ain't broke, don't fix it" and this probably applies to management education too. There is a thorough discussion of all these issues in Mintzberg's (2004) latest book. Some find his style idiosyncratic, but his book presents a wealth of hard evidence, research, and incisive thought grounded on a lifelong

commitment to making management education better. But, with due respect to my friend, I think his book fails to grasp a key issue.

This is pivotal, so I need to make myself completely clear. The notion of a profession is not only about there being a rigorous body of knowledge that shapes practice, but it is also about its possession and the resulting monopoly power. To illustrate – the American medical associations are more or less able to dictate what counts as medical knowledge in the USA, and what does not. Note also a strategic division of labour between the medical research schools and laboratories that produce this knowledge, and the medical practitioners who apply it. The associations regulate the entry of people into the profession – and the entry of new knowledge too. In this way the profession owns its knowledge, and its generation and application processes. When it comes to management there is no corresponding professional body, nor the corresponding people and knowledge processes.

Of course many in B-schools say there is a division of labour between academics and managers – we develop the knowledge, they apply it. If we look honestly at the journals where we display our research, and at what has changed managerial practice over the years, where do we see the great stories that stand alongside, the invention of penicillin, National Health, the joint stock company, computers, or even traffic signals? As Starkey *et al.* (2004) put it: “new business models have never been created in the academy”. On the contrary, important business innovations like 6-Sigma, the BCG strategic matrix, lean manufacturing, junk bonds, etc. all came from without.

So if our research contribution does not compare with that of the medical or engineering schools, what is our place in the world? Do we contribute anything to management’s professionalisation?

There are competing theories about why B-schools exist. One is the research story above. Others are more cynical: the executive boot-camp theory where B-schools put a self-selected group of aggressive individuals through a career-shaping credentialing race; the wimp-corporation theory where, rather than select their own leaders, the firm out-sources to the intellectual snobberies ranked in *Business Week* and the *Financial Times*; the finishing school theory, where a group of students preferred by reason of class network socially and are equipped to maintain the *status quo*. There is the argument found in Locke’s (1996) critiques, or in Livingston’s (1971) *HBR* article “Myth of the well-educated manager”, that B-schools might actually have damaged the economy. Incidentally, this story goes well back beyond Abraham Flexner’s 1907 report on US professional education, the first of the Carnegie reports (Light, 1983).

One of the mysteries of our industry is that it does not seem to matter which of these explanations is true – if any. Without really understanding our place in the system, or the value we add, we are hugely successful and show no real signs of failing to be so. Relieved, most of us just press on with business. But I would not be bothering with this talk if, like Henry Mintzberg, I did not think there is something useful to be said. Management might be better understood if we take a different viewpoint – I suggest as an art form – possibly the most significant art form to be found in today’s complex society. Recall Simon (1991) told us we are a society of organisations, not of markets, and these organisations have to be managed.

I draw your attention to a paradox. Those who read Luhmann (1995), or even Kuhn (1970), will remember the relation of paradox and change. We think about management as a profession, and our role in providing the body of knowledge on which it stands,

and about our regulating access by credentialing aspirants as masters of that knowledge. But here is the paradox. While trying to professionalise management, we have professionalised ourselves. We have a precisely regulated body of knowledge – look in our journals; access to our profession is regulated by research degrees, publications, and university slots; and we have vigorous professional institutions such as the Academy of Management, the Association for Information Systems, and EFMD.

Accreditation reinforces this professionalisation. A total of 430 of the USA's 3,500 business schools and a further 74 non-American schools are accredited by the AACSB; more will follow. And, as our main regulating agency, its influence is far wider. It is expanding fast along with agencies such as EQUIS, and AMBA. AACSB accreditation hinges on measuring the professionalisation of the faculty in terms of the Cameralist principles presented in Simon's (1967) paper on the design of business schools. Although its declared mission is to support excellence in management education, accreditation's greatest impact is on the post-degree value of the student's credential. Given the way this is measured by students and recruiters, faculty's research work scarcely enters the picture.

Having served on the editorial boards of so-called A-journals, I can repeat what many know already, that the editorial process strongly favours the rigorously irrelevant over the un-rigorously relevant, so furthering the divide between theory and practice. But here is paradox again, we feel more professionalised by this rather than less. Let me add I regret the tendency I see among European schools today who, feeling pressure to gain accreditation, force this kind of "professionalisation" on their doctoral students and faculty.

But who can resist this imperative, given accreditation is more and more a determinant of student and recruiter choice, and B-schools are more and more obliged to run as businesses? The rankings have added materially to this trend and now determine many a school's academic strategy. We complain about how the rankings are done yet run our schools to better our score. There are huge pathologies here - for the scores may be neither objective nor controllable. Attempts to raise one's ranking means the diverting of scarce educational resources to image management, to facilities that make the students happy rather than better qualified, and most cynical of all, to pleasuring the recruiters. Mintzberg (2004, p. 78) excerpts Andy Policano's tongue-in-cheek advice on how to fix your rankings, none of it having much connection to the theory/practice gap or faculty's research.

The professionalisation of our education is not new. The American Social Sciences Association (ASSA) was founded in Boston in 1856, shortly after the Civil War, to bring academics and business people together and hasten post-war recovery. Wharton read them a paper on international industrial competition in 1870. But commerce was awkwardly placed so in 1885, Edmund James, just back from Germany and now helping Wharton set up his school, joined two Americans from his doctoral class to set up the American Economic Association (AEA). Their objective was to establish a Cameralist approach to economics that would open up the study of national policies to rigorous study. The success of the AEA led the leading US B-schools, influenced by James and others, to set up the AACSB in 1916, specifically to bring Cameralist rigor and method to the study of business, and thereby regulate the emerging educators and protect their body of knowledge (Metcalf, 1927).

As Mintzberg (2004, p. 25) shows, the Cameralist research message carried clear through to Carnegie Mellon's 1950s adoption of the rational decision-making model under Dean Bach, the 1959 Carnegie and Ford Foundation reports he helped write (Gordon and Howell, 1959; Pierson *et al.*, 1959), and to Simon's (1967) paper. The strategic objective was to own the academic high ground and discredit the existing nation-wide system of commercial schools, the USA's *Handelshochschulen*. The universities were greedy for this business – in precisely the same way the history of nineteenth century US medical education shows the universities wiped out the commercial medical schools (Jarausch, 1982).

We have seen how our industry – management education – got to be so professionalised. Let's go back to the professionalisation of management and who might own the necessary knowledge, given that we do not. There is an analogy here with the rankings. We feel unease because we do not own that knowledge. We find *Business Week*, the *Financial Times*, and *US News* creating and owning what recruiters and prospective students use to shape our behaviour. Who else might actually own or control the knowledge that managers use? In the USA we are agog with Enron, Martha Stewart, Safety-Kleen, and WorldCom. Here you have Parmalat. There is nothing new about executive crime, of course, but there is progress, not in the ethics courses now mandated by AACSB and delivered in many B-schools but in the legislation we in the US call Sarbanes-Oxley, named for the senators who pushed it through. Although many think it less than what is needed, it has had the effect of making accounting more transparent, forcing that profession to protect the public better.

Now we are at the second pivotal point. The first was about power and the ownership of professional knowledge. This second point is also about control, about understanding that the public, through the government and legislative processes, can actually constrain executive behaviour. In short, a profession's power is always constrained, as was the mediaeval Guild's by the King. It suggests the real struggle over the ownership of knowledge is between managers and the public. Secrecy sustains monopoly and executive crime; transparency moves managerial knowledge to the public.

I move to a more general point. If we read the history of corporate law, say Commons' (1924) *The Legal Foundations of Capitalism*, we see much managerial practice is really a response to the situation's legal opportunities and constraints. Hedge funds are not facts of nature. They are inventions that reflect needs and opportunities in a complex of interlocking financial systems. Likewise the financial markets shape managements' options. CEOs watch their share price for many reasons. It shapes their relationships with stockholders and bankers – it might also shape their bonuses. But it also constrains their strategic opportunities, such as to take over other companies. Likewise the Federal Reserve's management of interest rates and money supply constrains choice. But where in the strategy literature do we find the empirical study of the legal or financial opportunities as a key to strategic analysis? Porter's (1980) five-force diagram does not help us here.

So to study practising management's knowledge and to solve the puzzle about who owns it, we should focus on the full variety of practical constraints to management's practice. Ironically this attention to context was the basis of the original Cameralist methodology – at the core, for instance, of Commons' (1924) "old" institutional theorising. But it has now been lost to our research under the press of hypothesis

testing. We might do well to correct this imbalance between theory and the empirical study of constraints, and develop a more contextualised notion of managerial knowledge. Rather than delve into the history of how this loss occurred, I want to turn to what might be done about it, and how that might reshape the relationship between B-schools and practitioners.

First, we know there are constraints other than the social and legal ones mentioned above – or the ones Porter (1980) suggests. Some are psychological, reflecting our perceiving and valuing, but also our personal learned and tacit ways of responding to the situations in which we find ourselves. There are the constraints of moral values, social needs, public goods issues, and so forth. There are also the physical constraints we note especially when they change, as when transistors replaced vacuum tubes and so radically transformed communication and computing. Here I allude to the three universes in which we seem to exist, finding ourselves at the intersection, so to speak, of disparate psychological, social, and physical universes. Some might recall the same ideas in *The Functions of the Executive* by Simon's mentor Barnard (1938).

Second, if these contextual constraints are fundamental to the knowledge that managers apply, what can we say that is generalised, theoretical, and reaching beyond the specifics of these constraints? I seem to have backed myself into a relativist corner denying the very possibility of professional knowledge. Again, those who read Luhmann (1995) or Giddens (1984) will sense where I am headed. I say there is no possibility of us ever knowing – in a practice-relevant way – the context of managerial choice except from the viewpoint of the managers acting within it. To think that there is a more objective knowing, such as a physicist or economist might achieve, is to miss that they too only know it from their practice. There is no de-contextualised but still practice-relevant knowledge. What philosophers call a “God’s Eye” view is irrelevant to us. Bounded rationality is Simon’s realisation of this. Yet we insist we can know about management in an objective way. It is this presumption that so separates us from managers whose responsibilities oblige them to act from within their bounded rationality. They are forced to attend to the constraints that define their context. Those are the sum of what can be known.

Manager as professional artist?

To get us – or rather me – out of this relativistic corner let me flip back to management as an art form rather than the skilled implementation of an externally warranted or regulated body of objective knowledge. High art is what it is precisely because it departs from the objective “God’s Eye” representations sought by science. Art is about the way our imagination confronts the perceptual, emotional, moral, social, and technological constraints of the time. Hatch *et al.* (2005) tell us art is creative precisely because it speaks to and challenges us, and thereby becomes part of the social processes that change these constraints. Thus Ofili’s elephant-dung picture of the Virgin Mary caused uproar in New York. Art’s challenge to these constraints helps us understand Japanese textbooks triggering riots in China or, going back a few years, the Iranian *fatwah* on Salman Rushdie.

So management may be more about the exercise of the managerial imagination as it confronts these constraints, than about the application of a body of rigorous knowledge. I am not saying science and rationality are irrelevant, or that medicine’s or engineering’s regulated knowledge bases are entirely objective, far from it. Rather I

highlight the balance of creativity and rigorous knowledge use, and what this implies for management education. Professions like medicine and engineering are tilted towards regulation, to protecting the public, with a structural division of labour between those that generate professional knowledge but do not apply it, and those who apply it but do not generate it. A professional body then regulates the knowledge traffic between them. We need our surgeons, architects, and aerospace engineers to employ standardised and proven procedures, not to be overly creative. But the core of management may be different. Innovation and entrepreneurship rule. We may want managers to be creative rather than bureaucratic rule followers. And if art rather than rational decision making is to be our metaphor is there anything relevant we can learn from art education?

Higher art education is a profession that parallels our own in many ways, and has also been around a long time. The *École des Beaux-Arts* was founded in 1648 as a school for the painters decorating the nobility's palaces. The *Beaux-Arts* tradition required a huge amount of disciplined work from students, years of studying prior art and drawing "in the flat" before you were allowed to work "in the round" – let alone use coloured paints. But, by the mid-1800s, the tradition was theoretically sterile. Surprise! A gulf opened up between the teaching, what new artists wanted to present, and a new industrialising society wanted to see. The school, controlling access to the *Salon*, was no longer able to regulate the profession. There was then a violent paradigm shift; precipitated by Napoleon III allowing the artists we now call the Impressionists to show their work at the 1863 *Salon des Refusées*.

Recently there has been another paradigm shift in art education, moving away from undisciplined self-expression, an excuse to let students run wild in the studio, to an approach called discipline-based art education (DBAE) (Smith, 2000). Students must now study hard to enter the profession. They take four kinds of course: art history, aesthetics, art criticism, and art production. The first two focus on learning to see and comprehend the social, historical, political, and technological constraints on art. Students can then understand the constraints of the present, and search out the contradictions, anomalies, and opportunities presented. Art criticism develops language, community, and an intellectual vantage point from which they can observe and theorise. The production of art is where creative ideas collide with the constraints – and technology and practice evolves. Students respond to the constraints, and so push towards new artistic knowledge as reflected by the community's critiques of their work. We see a shift from rigorous theories that imply a kind of artistic objectivity, and that got the *École des Beaux-Arts* into such difficulty, to a focus on the community's evaluation of the artist's responses to the changing constraints. Research in creativity and developmental education is also moving in the same direction (Sawyer *et al.*, 2003).

Conclusion

What should we conclude? Management education has professionalised – perhaps to a pathological degree – around quasi-scientific research methods and a regulated body of knowledge visibly distant from what managers use. Yet this does not seem to have hindered our commercial success. Clearly our value proposition is more in what we do than in what we know, in our credentialing activity rather than in our research. Just

how and why, and for how long we can sustain this is a matter of speculation, perhaps an area of management we have not yet dared research.

Should we do anything about this? Let's think reflexively and use our own imaginations. Our situation is constrained by how we add value to the socio-economy even if we do not understand it. Some think there is competition from corporate universities, from the University of Phoenix, from the consultancies. Note these folks are not constrained by the system of professionalisation we have put in place for ourselves; their degrees of freedom differ from ours. Nor is their value proposition the same as ours.

Who will prosper? Times change, and just as the US commercial colleges and the old-style *Handelshochschulen* disappeared, our value proposition, and today's top B-schools, might also pass away (Parker, 2002). The 100 years since the founding of the American schools is but a short chapter in the history of business education. Right now credentialing sells well. But many executives tell us they prefer to hire liberal arts graduates or PhD physicists. They find them adaptive and creative, while the MBAs' imaginations seem calcified by irrelevant – but rigorous – theory, and questionable ethical attitudes.

What is to be done? Can we usefully re-imagine management as a community of creative professionals analogous to the community of artists? Could there be a form of education for that profession? My answer is an emphatic “yes” and it is about the practice-based interplay of context and imagination. Observe the *École des Beaux-Arts* survived to compete with leading schools like Cal Arts, and the DBAE movement plays directly to their disciplined tradition.

Education for creativity in the real world is not about free expression, a whack on the side of the head, or other irresponsible things, it is about the seriously hard work of understanding and putting into operation the constraints to the creative imagination. When we think “out of the box” and get beyond the constraints it is only because we know them first. Such hard work generates context-specific and context defining knowledge that can be brought into contact with others' needs. At the same time, denied the pseudo-objectivity and neutrality of our B-school abstractions, hard working students will discover for themselves the important legal and ethical constraints to their imaginings.

But can I so glibly treat art as a profession? We see no scientific body of art knowledge, no division of knowledge labour between researchers and users, no institutions regulating the knowledge flow. Yet my inclination is to say “yes”. I see the essence of a profession in that community's self-conscious consideration of experiencing the constraints against which their imagination is thrown. This requires serious hard work, serious commitment to the community, serious pushing at the limits of practice, and serious consideration of the resulting impact on others.

Come to think of it, that sounds like a pretty good description of management as a profession – one regulated by dynamic interaction with society's varied and changing needs rather than by a change-resistant theory-invested institution.

References

- Barnard, C.I. (1938), *The Functions of the Executive*, Harvard University Press, Cambridge, MA.
Cheit, E.F. (1985), “Business schools and their critics”, *California Management Review*, Vol. 27 No. 3, pp. 43-62.

-
- Commons, J.R. (1924), *The Legal Foundations of Capitalism*, Macmillan, New York, NY.
- Forrester, D.A.R. (1990), "Rational administration, finance and control accounting: the experience of Cameralism", *Critical Perspectives on Accounting*, Vol. 1 No. 4, pp. 285-317.
- Gay, E.F. (1927), "The founding of the Harvard Business School", *Harvard Business Review*, Vol. 4, pp. 397-400.
- Giddens, A. (1984), *The Constitution of Society: Outline of the Theory of Structuration*, University of California Press, Berkeley, CA.
- Gordon, R. and Howell, J. (1959), *Higher Education for Business*, Columbia University Press, New York, NY.
- Grey, C. (2004), "Reinventing business schools: the contribution of critical management education", *Academy of Management Learning & Education*, Vol. 3 No. 2, pp. 178-86.
- Hambrick, D. (1994), "1993 presidential address – what if the Academy actually mattered?", *Academy of Management Review*, Vol. 19 No. 1, pp. 11-16.
- Hatch, M.J., Kostera, M. and Koźmiński, A.K. (2005), *The Three Faces of Leadership: Manager, Artist, and Priest*, Blackwell Publishing, Malden, MA.
- Heaton, H. (1968), *A Scholar in Action: Edwin F. Gay*, Greenwood Press, New York, NY.
- Huff, A.S. (2000), "1999 presidential address – changes in organizational knowledge production", *Academy of Management Review*, Vol. 25 No. 2, pp. 288-93.
- Jarausch, K.H. (Ed.) (1982), *The Transformation of Higher Learning: Expansion, Diversification, Social Opening and Professionalization in England, Germany, Russia and the United States*, University of Chicago Press, Chicago, IL.
- Kuhn, T.S. (1970), *The Structure of Scientific Revolutions*, 2nd ed., University of Chicago Press, Chicago, IL.
- Light, D.W. (1983), "The development of professional schools in America", in Jarausch, K.H. (Ed.), *The Transformation of Higher Learning 1860-1930*, University of Chicago Press, Stuttgart, pp. 345-65.
- Livingston, J.S. (1971), "Myth of the well-educated manager", *Harvard Business Review*, January-February, pp. 79-89.
- Locke, R.R. (1996), *The Collapse of the American Management Mystique*, Oxford University Press, New York, NY.
- Luhmann, N. (1995), *Social Systems*, Stanford University Press, Stanford, CA (trans. by J. Bednarz and D. Baecker).
- Merton, R.K. and Barber, E. (1976), "Sociological ambivalence", in Merton, R.K. (Ed.), *Sociological Ambivalence and Other Essays*, Simon & Schuster, New York, NY.
- Metcalf, H.C. (1927), *Business Management as a Profession*, A.W. Shaw, Chicago, IL.
- Mintzberg, H. (1976), "Planning on the left side, managing on the right", *Harvard Business Review*, Vol. 54, July/August, pp. 49-58.
- Mintzberg, H. (2004), *Managers Not MBAs: A Hard Look at the Soft Practice of Managing and Management Development*, Berrett-Koehler Publishers, San Francisco, CA.
- Mowday, R.T. (1997), "Reaffirming our scholarly values", *Academy of Management Review*, Vol. 22 No. 2, pp. 335-45.
- Parker, M. (2002), *Against Management*, Polity Press, Cambridge.
- Pearce, J.L. (2004), "What do we know and how do we really know it?", *Academy of Management Review*, Vol. 29, pp. 175-9.

- Pfeffer, J. and Fong, C.T. (2002), "The end of business schools? Less success than meets the eye", *Academy of Management Executive*, Vol. 1 No. 1, pp. 78-95.
- Pfeffer, J. and Fong, C.T. (2004), "The business school 'business': some lessons from the US experience", *Journal of Management Studies*, Vol. 41 No. 8, pp. 1501-20.
- Pierson, F.C. et al. (1959), *The Education of American Businessmen: A Study of University-College Programs in Business Education*, McGraw-Hill, New York, NY.
- Porter, L.W. and McKibbin, L. (1988), *Management Education and Development*, McGraw-Hill, New York, NY.
- Porter, M.E. (1980), *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, Free Press, New York, NY.
- Redlich, F. (1957), "Academic education for business: its development and the contribution of Ignaz Jastrow (1856-1937)", *Business History Review*, Vol. 31, pp. 35-91.
- Richardson, H.G. (1940), "Business training in Medieval Oxford", *American History Review*, Vol. 46, pp. 259-78.
- Sass, S.A. (1982), *The Pragmatic Imagination: A History of the Wharton School 1881-1981*, University of Pennsylvania Press, Philadelphia, PA.
- Sawyer, R.K., Moran, S., John-Steiner, V., Sternberg, R., Feldman, D.H., Csikszentmihalyi, M. and Nakamura, J. (2003), *Creativity and Development*, Oxford University Press, Oxford.
- Simon, H.A. (1947), *Administrative Behavior: A Study of Decision-making Processes in Administrative Organization*, 1st ed., Macmillan, New York, NY.
- Simon, H.A. (1967), "The business school: a problem in organizational design", *Journal of Management Studies*, Vol. 4, pp. 1-16.
- Simon, H.A. (1991), "Organizations and markets", *Journal of Economic Perspectives*, Vol. 5 No. 2, pp. 25-44.
- Smith, R.A. (Ed.) (2000), *Readings in Discipline-based Art Education: A Literature of Educational Reform*, National Art Education Association, Reston, VA.
- Starkey, K. and Madan, P. (2001), "Bridging the relevance gap: aligning stakeholders in the future of management research", *British Journal of Management*, Vol. 12, Supplement 1, pp. S3-S26.
- Starkey, K. and Tempest, S. (n.d.), *The World-class Business School: A UK Perspective*, Council for Excellence in Management & Leadership, London, p. 49.
- Starkey, K., Hatchuel, A. and Tempest, S. (2004), "Rethinking the business school", *Journal of Management Studies*, Vol. 41 No. 8, pp. 1521-31.
- Wilson, W. (1887), "The study of administration", *Political Science Quarterly*, Vol. 2, pp. 197-220.



The eighteenth century antecedents of bureaucracy, the Cameralists

The Cameralists

1293

Michael Jackson

*Government and International Relations, University of Sydney, Sydney,
Australia*

Abstract

Purpose – The purpose of this paper is to show that the master narrative of bureaucracy of Max Weber had deep roots in the development of public administration in Germany.

Design/methodology/approach – One nearly forgotten predecessor of Weber's was Johann Gottlob von Justi, an eighteenth century Cameralist. This paper compares his work with Weber in order to shed new light on the evolution of the theory and practice of bureaucracy.

Findings – By taking von Justi as representative of Cameralism in general, the paper finds that there is in his work about half of the criteria of Weber's concept of bureaucracy as the rule-bound application of rules. Although Cameralism focused on economic regulation, it was political science rather than economics (where it is usually dismissed as an inferior version of mercantilism), for it constantly stressed political control of the economy and the use of administration and management to achieve that control. It was political science in a second sense, too, in that it supposed that there was an underlying analytic order to the world to be discovered by scientific investigation and study. The unique historical circumstance of the dispersion of German-speaking Middle Europe both provided the stimulus for Cameralism and ensured its failure.

Research limitations/implications – Of course, there is more to Cameralism than just one writer, and that limitation needs to be recalled. It would be timely to investigate further the development of administration in early modern Europe.

Originality/value – The scant research literature on Cameralism means that the comparison with Weber is seldom, if ever, made.

Keywords Management history, Germany

Paper type Research paper

While the word "bureaucracy" is French in origin, the practice and study of bureaucracy have many associations with Germany, chief of which is that the ever redoubtable Max Weber made "bureaucracy" into a master narrative in the social sciences, through which much of the story of government is told, and the modern German state, in its different forms, has exemplified the rational, ordered, and rule-bound approach that inspired Weber to that conceptualization. For these reasons the history of bureaucracy often starts with Weber.

Yet the practice of bureaucracy existed before Weber wrote and he was not the first to conceptualize state service. I have argued elsewhere that most of the ten points of Weber's ten criteria of bureaucracy were prefigured in Georg Hegel's account of the rational state in his 1821 *Philosophy of Right* (Jackson, 2004). Weber and Hegel saw rationality embodied in a similar way. All ideas have pedigrees, and equally all practices have precursors. The argument in these pages is that at least half of Weber's concept of bureaucracy is found in a still earlier body of German thought called



Cameralism. The etymology of “Cameralism” is simple; it derives from the name of the strong box, the *kammer*, where German rulers kept the money – the treasure, and then the room where the box sat, and then the use of the monies, rather like the evolution of the French word “*bureau*” from the cloth that made smooth writing surface.

The argument in these pages takes four steps, the first describes the context in which Cameralism developed, the second examines its chief doctrines, third explains the role of the police state in Cameralism, fourth compares the Cameralist notion of bureaucracy with Weber’s well known concept, leading to the conclusion that Cameralism is doctrine of public administration in Weber’s sense.

I. Development

In the eighteenth century the German nation was politically divided. Apart from the polyglot Austrian Empire, more than 300 self-governing political units, not always contiguous, comprised German-speaking Europe, dominated, but not controlled, by Prussia. Prussia spread across Europe like an archipelago from Liepāja (then Königsberg and later Kaliningrad of the Soviet Union) in what is today’s Latvia through Berlin to Neuchâtel in the French part of western Switzerland. Its patchwork character reflected the ebb and flow of love and war in matrimonial alliances and military conquests. Faced with the growing threat of France, England, and Russia, and the competition of Austria, there emerged in the German nation the desire to create a powerful state. Without the natural resources of France, the access to the sea of England, or the vast hinterlands of Russia, a strong state seemed one guarantee of German interest, as distinct from Austrian, though that state would of necessity reduce the independence of most of the nation’s self-governing units. The centrifugal forces of the self-governing units had pulled the German nation apart for centuries, but now there developed centripetal forces of Prussia to pull it together.

The Cameralists were a diversity of writers who expounded and practiced doctrines of state development, focused especially on what later came to be called bureaucracy (generally on the Cameralists see Sommer (1930), Tautscher (1956a), Kasnacich-Schmid (1958), Tribe (1988, 1995), Lindfield (1997), and Spicer (2001)). Although the roots of Cameralism can be traced back to the sixteenth century, it reached its flower in the eighteenth century (Raeff, 1975, p. 1232) and its influence stretched from Sweden in North to the Tyrol in the South and from Switzerland in the west to Russia in the east. It was a continental phenomenon that is now largely forgotten. The Cameralists consisted of both practitioners and theorists. They were among the very first self-conscious students of public administration (Small, 1909).

Although Cameralism influenced its time and place, it has largely fallen down the memory hole. “To readers of English only, Cameralism is virtually a lost chapter in the history of the social sciences”, opined Small (1909, p. vii), a judgment that is still largely true 100 years later, there are exceptions (Hood and Jackson, 1991, pp. 177-97; Rutgers, 2001, p. 228). Even specialist studies of the history of German administration often omit it (Gray, 1986). At best Cameralism is simply labeled as the German version of mercantilism and left at that (Knight, 1973, p. 45). Library search engines often do just this. It certainly drew much of its inspiration from the same sources that nourished mercantilism and, consequently, has many similarities to it. It remains known, to the extent that it is, as an economic doctrine. Part of the purpose here then is to show that Cameralism had as much to do with politics and public administration as it did with

economics. Moreover, although similar to mercantilism, it also had a distinctive character that emerged from German conditions sketched above.

A great many writers and administrators can be described as Cameralist. Some of them wrote multiple volume works, each being a massive tome. Like many schools of thought, its unity is best seen from a distance, because its exponents concentrated more of their differences than their similarities. Accordingly, there is no single, definitive text of Cameralism, but for the purposes at hand the work of Johann von Justi (1717-1771) serves to illustrate the broad outlines of the Cameralist school and indicates the rhetorical element that aided its digestion (on von Justi see Tautscher 1956b; Klein, 1961; Tribe, 1987; Wakefield, 1999). He is cited as one of the more original thinkers among the Cameralists (Tribe, 1995, p. 22, n. 37).

In some of the German territories where Cameralism took hold it served a domestic political purpose. More than one crowned head wanted to displace the traditional aristocracy's hold on government office by right of birth, without regard to attitude, aptitude, or ability. As part of Cameralism stressed the suitable qualifications – achieved and not ascribed – for office that placed a premium on skill and merit, it thus allowed members of the bourgeoisie to qualify for state service at new levels. A king, a prince, an emperor found in Cameralism an intellectual framework that promised to enlarge the realm by ingesting the smaller units and, perhaps more importantly, to increase the scope of the ruler's power by displacing the aristocracy's hold on offices. No wonder kings, princes, and emperors were willing sponsors of it. The state would be made out of the nation.

II. The doctrines of Cameralism

One specific goad to Frederick the Great was the realization that Prussian soldiers lacked the health, stamina and intelligence to match their French, Russian, and English counterparts. Their deficiencies were endemic, not to be remedied at the time of conscription (Duffy, 1996). As result, Frederick and his officials looked to the health of wellbeing of citizens in general (Johnson, 1975) with characteristic thoroughness and energy (Spicer, 1998). Like mercantilism, Cameralism stressed the foundation of the state depended partly on the economy.

Efforts of all kinds were made. Successive Prussia governments sought to improve the peasant diet. One way to do this was to increase the yield of crops. Irish potatoes were imported and planted on the belief that they were more prolific than the varieties grown in Pomerania. When Irish potatoes failed to multiply, the next step was to sponsor the immigration of Irish potato farmers to grow them on the assumption that these farmers knew something about the potatoes that Pomeranians did not. Only when this scheme failed was the conclusion drawn that Irish potatoes were not suitable to Prussia soil. In this hit and miss fashion the Aristotelian lesson was gradually learned: solutions had to fit local conditions.

To find such solutions Cameralists advocated that government play the role of estate manager. The realm was conceived as a manor in the trust of the monarch. A professional public bureaucracy would be created to mimic on the vast canvas the division of labor on a large property. Cameralism includes the classic doctrine of bureaucracy, namely agency. Described by Hobbes (1651, p. 157) a century earlier as the “nerves” and “tendons” of the sovereign just when Cameralism was in embryo. The administrators execute the sovereign's will on his behalf.

In emphasizing the importance of local conditions, Cameralism was not a fore-runner of federalism. Because of the external threats to each German political unit in the rough and rolling sea of European politics, the emphasis was on central control. No where was this more true than in Prussia itself with ambitions to create Germany. Indeed part of the guiding purpose of Cameralism was to increase the strength of the centre at the expense of the dispersion of authority to traditional landed aristocrats, dukes, and princelings who had long enjoyed varied and inconsistent rights in their own fiefdoms. Military necessity was often cited for this centralization. Cameralism also includes the preference for large organizations at the centre. This is a doctrine of scale long part of the justification for central government.

Even these two doctrinal characteristics alone should be enough to indicate that Cameralism is a kind of bureaucracy *avant la mot*. It generalizes well beyond traditional forms of rule, with abstract agency and central control.

In the eighteenth century change filled the atmosphere. The Enlightenment taught that human intelligence could understand the natural order and human will could control it. Such an atmosphere undermined the claims of the traditional aristocracy in Germany and elsewhere. The assorted claims of members of the aristocracy were traced back to political and ecclesiastical settlements made in dim feudal times. In short, the claims were traditional. History, not reason, was their source, but the eighteenth century was above all else the century of reason. The test the Cameralists applied, not always consistently, in their opaque volumes was rationality.

Cameralism analyzed society in terms of functions (Walker 1978). On occasion the metaphor used is mechanical. Since German leaders in this time were trying to imitate the English factory system, such metaphors struck home. In a factory, in a modern state feudal claims had no place. Paradoxically, at various time Cameralism also invoked the estate as a metaphor for the state. Each metaphor comforted a constituency. The estate metaphor emphasized continuity with the past, while the factory metaphor looked over the horizon to the future. (At times Cameralists also used the army as a metaphor for the state, and that satisfied patriotism at a time when it was said that the army created Prussia.)

The Germans were in transition from societies based on feudal rights to modern societies based on functions. Cameralism was an articulate expression of this change that was general enough to command attention in all directions as earlier mentioned. The domination of German life by rights had meant that the chief purpose of the state was legal, to disentangle competing and conflicting claims to feudal rights, such as arise, for example, from marriages within aristocratic, noble, or royal families. Insofar as there was formal qualification for state service it had long been the study of law. Such training equipped one to adjudicate intricate and arcane disputes and nothing else. It was of no help in coping with French diplomacy, English merchants, or Russian armies.

Let it be clearly understood that “rights” and “law” here both refer to the feudal claims of tradition. They do not refer to the Enlightenment meanings assigned to these words during the turbulent eighteenth century, still less to modern meanings based on the theory of individualism born of the French and American revolutions. That functions were emphasized is another way of saying that a division of labor was recognized as the whole was analyzed into its parts. To take one’s place in the division of labor required a well ordered society. Those who order the society must understand

the division of labor appropriate to the society. That means that they in turn must be educated, and educated in something apart from feudal law, something that made reason the master of tradition.

Educated and trained though bureaucrats may be, Cameralism deferred to the head that wore the crown. The monarch delegated limited authority to the functionary to act as an agent. Formal procedures were laid down to guide the functionary in the discharge of this writ. Much of the volume of Cameralist tracts is lies in the detail with which they describe even the most routine of duties. Discretion has no place in the Cameralist litany contra Carl Friedrich (1941) who championed administrative discretion in the twentieth century. The result was “the routine duty concept” (Johnson, 1964). When a king like Frederick the Great delegated to an administrator he wanted to be sure that his will was done.

That his will would be done was not something that Frederick took for granted (Dorn, 1931a, b, c). When high office was owned by the incumbent due to feudal right and passed on by inheritance, Frederick had few means to secure compliance with his directions. His preference was clearly for a class of administrators recruited on merit and through examination directly from bourgeois life young enough to be trained in Cameralism at a university. They would be trained in administrative skills. These administrators would owe their existence and their authority to the king. They would do his bidding by rule and rote.

The chief assumption of Cameralism was that an unseen order existed beneath the surface of the colorful and confusing hubble-bubble of everyday life. Intelligence and will could understand and slowly reveal this order to make it work for human ends. Here it starts to sound like social science. The chief concept in this order was harmony (Walker, 1971, p. 146). Whereas earlier writers had compiled massive tomes of encyclopedic detail without a central thesis, Cameralism united these details in the theme of harmony. Although there is an invisible order, neither natural bounty nor social harmony was spontaneous. To achieve harmony government must be added to the social science of Cameralism. Even so Cameralism, like earlier writers, proceeds by piling detail on detail ever higher, at times apparently in the hope that altitude creates authority. Despite the praise for science to be found in Cameralist texts, they do not offer arguments so much as stories, selected to make the point, and maddening details that often obscure the point.

Specifically, Cameralism attributed to government three roles:

- (1) fiscal management;
- (2) exploitation of natural resources; and
- (3) economic regulation.

In due course economic regulation (*Polizeisachen*) came to dominate. I will review each of these three under the heading of bureaucracy in part IV below, but before that some other parts of the picture must be developed to provide the context.

III. The police state

The term “police state” derived so many terrible associations from twentieth century totalitarianism that we may forget that it was once a common and honorable term in German-speaking middle Europe to refer to a state that policed, looked after, its realm (Chapman, 1970; Raeff, 1983). In the words of von Justi (1782):

Police is the foundation of true cameral science . . . Police is concerned to maintain the total wealth and substance of the state.

A police state in von Justi's rendering is one in which the government directed the economy. Cameralism was a theory of positive government. In it harmony meant combining the best interest of the whole with the best interest of individual in an early version of a command economy. As a social theory, Cameralism saw the society to be made up of individuals. Communities within the society were disregarded as medieval relics. Guilds, for example, were specifically opposed by von Justi (1760, Vol. I, pp. 439-40 and 444-6, Vol. II, pp. 406-409).

Individuals each have a place within the division of labor. Von Justi made a detailed study of a needle factory, detailing the advantages of specialized labor. Cameralism rested on the doctrine of putting like functions together. One scholar has suggested that it may be this study that prompted Adam Smith to use needle production in his famous example of the virtues of the division of labor (Walker, 1971, p. 167).

Individual and state interests were to be reconciled, according to Cameralism, through enlightened self-interest. Policing is to promote productive activities rather than to punish wrong-doing. These productive activities benefit the individuals who pursue them. Cameralism extolled economic development in every way. Sumptuary laws limited spending in an effort to conserve resources (Raeff, 1983), and public health became a concern of government (Rosen, 1953). New laws subsidized factory operations to develop resources. Von Justi (1760, Vol. II, pp. 331-57) favored unrestricted consumption. At the same time he also advocated a nascent form of unemployment insurance (von Justi 1760, Vol. II, pp. 406-409).

Not satisfied merely to have such laws, Cameralists like von Justi also wrote prolegomena to them. These prolegomena were addressed to the citizenry at large, read aloud when the law was proclaimed in town squares and country inns. Many prolegomena were didactic accounts of the duties of a citizen in the regime of economic regulation. Everyone was told the Cameralist plan with the aim of moral uplift (Small, 1909, p. 56).

Von Justi, 1760, pp. 482-97 cited Montesquieu in defense of his argument that there was no universal constitution. Each constitution must be suited to local conditions. The antique authority of Aristotle might also have been applied. While the lesson may seem obvious it is well to remember that it was about this time that Bentham (1843) wrote constitutions with the name of the country left blank to be filled in later, e.g. "the state of []: its constitutional code". The Cameralists, in contrast to Bentham, had a political science sensitive to time and place. Two images of society dominated Cameralism. The first, and earlier of the two, is estate management. In it government plays the same role as the manager of an aristocratic estate. The responsibility is to conserve and protect the resources for the owner. In the implicit political theory the owner of the realm is the king. But there came a time when both the social and political theory had to be changed.

Frederick the Great realized this when he declared himself to be the first servant of the Reich. He preferred to rule subjects who recognized the unity of their own interest with his. This union he meant to promote. He did not, for doing so, feel any the less that he did in fact own the realm, but in time others came to feel that his successors did not own the realm and the wheel of revolution slowly turned. Estate management is explicitly a conservative craft yet the implications in time were radical.

Cameralism was introduced in university curricula in 1727 at Halle (Armstrong, 1973, p. 163; Mueller 1984, p. 61). Cameralism included agriculture, mining, public works, administrative history, and comparative administration, financial and commercial economics (Parry, 1963). The list goes well beyond economics. Junior entry into state service depended on passing an examination in it (Tribe 1984). Raw recruits were to be channeled into university training courses. They would repay the commonweal by their subsequent service. Cameralism contained the doctrine of selection by objective recruitment. Its aim was to recruit, train, and retain a professional body of administrators. Continuity in service was an important component of its personnel management.

Trained officials could do more than conserve resources. They could also develop them. Existing resources had to be used in the most effective way. New resources had to be identified and developed. Expansion was captured in the other image that came to dominate Cameralism: the factory. Society was pictured as a kind of factory where everyone had a productive role to play for mutual benefit. At that time in Germany the factory had an exotic allure that bespoke the power of England and the wealth of France, and there were so few factories in Germany that the imagination was free to think them far more glamorous than they were. The rhetorical heavy artillery is brought to bear in this passage from von Justi (1761, III, pp. 86-7):

A properly constituted state must be exactly analogous to a machine, in which all the wheels and gears are precisely adjusted to one another; and the ruler must be the foreman, the mainspring, or the soul – if one may use the expression – that sets everything in motion.

On this analogy, subjects are employees of the monarch, not yet citizens of the realm.

In sum, the police state of Cameralism effected loose command economy, making decisions on political grounds to manage both the state and the people. The chief focus of its public administration was the economy.

IV. Bureaucracy

Before returning to the three central tenets of Cameralism it is time to summarize its bureaucratic character from von Justi (1761). Max Weber (1946) listed ten criteria of bureaucracy with his usual comprehensive and detailed industry. Cameralism meets more than half of these criteria, as summarized in Table I.

Item	Criteria	Found in von Justi
(1)	Hierarchy of offices	Partly
(2)	Merit recruitment	Yes
(3)	Salary paid	Yes
(4)	Office main occupation	Yes
(5)	Office not owned	Yes
(6)	Centralization	Yes
(7)	Personal freedom	No
(8)	Seniority promotion	No
(9)	Contractual appointment	No
(10)	Duties clearly specified	No

Table I.
Weber's criteria of
bureaucracy

Cameralism can be credited only with a hierarchy that placed the political leader, the king in Prussia, over the bureaucracy. The king and the highest ministers of state constituted the policy level separate from operations. Within the bureaucracy at decision making levels collegiality was the rule. One result of collegiality was that duties were not specified with the clarity that Weber stipulated. Here I dissent from the judgment of Parry (1963, p. 185) who supposes individual responsibility existed. Mill (1968, p. 231) strongly advocated individual rather than the collegial responsibility he saw in a Europe governed in good part by the vestigial remnants of the appendix of Cameralism.

Nor is there evidence in Cameralist texts of any interest in the personal freedom of the individual official, contract appointment, or promotion by seniority. However, on the other hand, there is specific mention of merit recruitment of the best and the brightest, paid salary, office as main occupation, and that the office is not owned, and tenure for good behavior (Small, 1909, p. 335). In addition, Cameralism's advocates saw the need for central management and control, overcoming the divisive and draining force of local nobles and notables, of economy and society. In addition to these defining features of Weberian bureaucracy, Cameralism also emphasized the importance of written files and secrecy.

Now that the story has been fleshed out, the discussion can return to the three focal points of Cameralism: fiscal control, exploitation of resources, and economic regulation. A few comments about each of these will suffice to close this discussion.

To exploit natural resources government must learn how to make use of productive resources. It must then find ways to convey this knowledge to its unlettered citizens. To convince the populace to embrace this knowledge the government must teach it that it is a matter of self-interest. Animal, vegetable, and mineral resources must all be investigated.

Economic regulation meant, in part, that no human resources should be left untapped. Cameralist writers like von Justi were inclined to praise middling men. They were, according to Cameralists, more willing to work than either the rich or the poor. They were both the stakeholders in the modern state and its chief engineers. Like the Scots James Stewart, whom he knew personally and whose major work appeared in a German translation the year after its English publication (Stewart, 1767), von Justi thought order meant the integration of the whole (on Stewart see Hirschman (1977)). He wrote that:

Every civil society must have good order and coordination in all its parts: that is, the various classes of the people, the ruling and the ruled, must stay in the right relation with respect of one another (von Justi, 1760).

To focus on the bourgeoisie satisfied that class and suited many a ruler. The Prussian kings were not alone in finding their hands tied by the feudal nobility. The middle class offered the kings a natural ally against the aristocracy's monopoly on places in government, judiciary, and military. One of the principal goals of Cameralism was to bring the middle class into government. In the end the sons of the traditional aristocracy was siphoned into the military and sidelined there into parade grounds, while the judiciary was undermined and the government concentrated on middling men.

Cameralism was a bourgeois doctrine that praised the life of the burgher while counseling that burghers join their interest to that of the monarch. In this way it integrated the top and middle of society. It was a doctrine consistent with enlightened despotism, and Frederick the Great had explicitly sworn fealty to the Enlightenment. In return intellectual luminaries like Denis Diderot and Voltaire conceded Frederick's enlightenment and coined the flattery term *despotisme éclairé* (Hartung, 1975) in his honor.

I have left fiscal matters to last because it is here that Cameralism was most like mercantilism. Von Justi and other Cameralists supposed that the velocity of money increased productivity. The faster money circulated, the richer the realm would be, if this theory were true, then the role of government is to oil this circulation by, for example, standard coinage, guaranteed value, standard weights and measures, and the like (Raeff, 1983).

Earlier I emphasized that many Cameralists had direct experience in government. That experience generated a practical agenda (Wakefield 1999). Unfortunately in the case of von Justi it also meant that he made powerful enemies, ending his days in prison (Walker, 1981, p. 205), a grim outcome compared to the gilded cage despots afforded those other philosophers who called on them to be enlightened, as when Catherine the Great detained Denis Diderot against his will (Raeff, 1983). There is in that Plato's twice-learned lesson from Syracuse: "Beware, all those who would make a king into a philosopher".

V. Conclusion

Cameralism had both a conservative and radical doctrine. On the one hand, its aim was to conserve the resources of the realm. In this it drew on the knowledge of estate management that had underwritten the old regime. On the other hand, it hoped to bring the German people into step with the modern world of nation states. To do this it looked to the factory. That early Cameralism did not succeed in winning the day and modernizing Germany is sign of how difficult a reconciliation that was in the circumstances. That task remained when faced with Napoleon's armies.

More specifically to the argument in hand, Cameralism concerned politics and public administration in great and small ways. It provided an argument for centralizing authority ever higher at the expense of the myriad of self-governing units in German-speaking Europe, for displacing the ancient patchwork of feudal rights, clearing the way for functions performed by the rising new class of the bourgeoisie, and finally it demystified government by laying down prescriptions for its practice, anticipating a good half of Weber's master narrative of bureaucracy.

References

- Armstrong, J.A. (1973), *The European Administrative Elite*, Princeton University Press, Princeton, NJ.
- Bentham, J. (1843), "Constitutional codes", in Bowring, J. (Ed.), *Works IX*, Tait, Edinburgh.
- Chapman, B. (1970), *Police State*, Macmillan, London.
- Dorn, W. (1931a), "The Prussian bureaucracy in the 18th century, I", *Political Science Quarterly*, Vol. 46, pp. 402-23.

- Dorn, W. (1931b), "The Prussian bureaucracy in the 18th century, II", *Political Science Quarterly*, Vol. 47, pp. 75-94.
- Dorn, W. (1931c), "The Prussian bureaucracy in the 18th century, III", *Political Science Quarterly*, Vol. 47, pp. 259-73.
- Duffy, C. (1996), *The Army of Frederick the Great*, 2nd ed., University of Chicago Press, Chicago, IL.
- Friedrich, C. (1941), *Constitutional Government and Democracy: Theory and Practice in Europe and America*, Little Brown, Boston, MA.
- Gray, M.W. (1986), "Prussia in transition: society and politics under the Stein Reform Ministry of 1808", *Transactions*, Vol. 76 No. 1.
- Hartung, F. (1975), *Enlightened Despotism*, Historical Association, London (originally published in 1957).
- Hirschman, A.O. (1977), *The Passions and the Interests: Political Arguments for Capitalism before Its Triumph*, Princeton University Press, Princeton, NJ.
- Hobbes, T. (1651), *Leviathan*, Blackwell, London.
- Hood, C. and Jackson, M. (1991), *Administrative Argument*, Dartmouth, London.
- Jackson, M. (2004), "Hegel's theory of bureaucracy", in Jenkins, B. and Page, E. (Eds), *The Foundations of Bureaucracy in Economic and Social Thought*, Edward Elgar, London, pp. 3-21.
- Johnson, H.C. (1964), "The concept of bureaucracy in Cameralism", *Political Science Quarterly*, Vol. 79 No. 3, pp. 378-402.
- Johnson, H.C. (1975), *Frederick the Great and His Officials*, Yale University Press, New Haven, CT.
- Kasnacich-Schmid, J. (1958), "Grundsätze Kameralistischer Geldpolitik", *Weltwirtschaftliches Archiv*, Vol. 80, pp. 90-130.
- Klein, E. (1961), "Johann Heinrich Gottlob von Justi und die Preussische Staatwirtschaft", *Vierteljahrschrift für Sozial und Wirtschaftsgeschichte*, Vol. 48, pp. 145-202.
- Knight, F. (1973), "Economic history", in Wiener, P. (Ed.), *Dictionary of the History of Ideas*, Vol. II, Scribner's, New York, NY, pp. 44-61.
- Lindfield, D. (1997), *The Practical Imagination: The German Sciences of the State in the Nineteenth Century*, University of Chicago Press, Chicago, IL.
- Mill, J.S. (1968), *On Representative Government*, Dent, London (originally published in 1861).
- Mueller, H.-E. (1984), *Bureaucracy, Education, and Monopoly: Civil Service Reforms in Prussia and England*, University of California Press, Berkeley, CA.
- Parry, G. (1963), "Enlightenment government and its critics in Enlightenment Germany", *Historical Journal*, Vol. 6 No. 2, pp. 178-92.
- Raeff, M. (1975), "The well-ordered police state and the development of modernity in seventeenth and eighteenth century Europe", *American Historical Review*, Vol. 80, pp. 1221-43.
- Raeff, M. (1983), *The Well-Ordered Police State: Social and Institutional Change through Law in the Germanies and Russia, 1600-1800*, Yale University Press, New Haven, CT.
- Rosen, G. (1953), "Cameralism and the concept of medical police", *Bulletin of the History of Medicine*, Vol. 27 No. 1, pp. 21-42.
- Rutgers, M.R. (2001), "Traditional flavors? The different sentiments in European and American administrative thought", *Administration Society*, Vol. 33 No. 2, pp. 220-44.

-
- Small, A.W. (1909), *The Cameralists: The Pioneers of German Social Polity*, University of Chicago Press, Chicago, IL.
- Sommer, L. (1930), *Cameralism, Encyclopedia of the Social Sciences*, Vol. III, Macmillan, New York, NY, pp. 158-61.
- Spicer, M.W. (1998), "Public administration under 'enlightened despotism' in Prussia: an examination of Frederick the Great's administrative practice", *Administrative Theory & Praxis*, Vol. 20 No. 1, pp. 23-31.
- Spicer, M. (2001), *Public Administration and the State*, University of Alabama Press, Tuscaloosa, AL.
- Stewart, J. (1767), *An Inquiry into the Principles of Political Economy: Being an Essay on the Science of Domestic Policy in Free Nations*, A. Millar and T. Cadell, London.
- Tautscher, A. (1956a), "Justi, Johann Heinrich Gottlob von", *Handwörterbuch der Sozialwissenschaften*, Vol. 5, Fischer, Stuttgart, pp. 452-4.
- Tautscher, A. (1956b), "Kameralismus", *Handwörterbuch der Sozialwissenschaften*, Vol. 5, Fischer, Stuttgart, pp. 463-7.
- Tribe, K. (1984), "Cameralism and the science of government", *Journal of Modern History*, Vol. 56 No. 2, pp. 263-84.
- Tribe, K. (1987), "Justi, Johann Heinrich Gottlob von (1720-1771)", in Eatwell, J. (Ed.), *The New Palgrave: A Dictionary of Economics*, Vol. 2, Macmillan, London, p. 1039.
- Tribe, K. (1988), *Governing Economy: The Reformation of German Economic Discourse, 1750-1840*, Cambridge University Press, Cambridge.
- Tribe, K. (1995), *Strategies of Economic Order: German Economic Discourse*, Cambridge University Press, Cambridge.
- von Justi, J.G. (1760), *Die Grundfeste der Macht und Glückseligkeit der Staaten*, J.H. Hartungs, Königsberg.
- von Justi, J.G. (1761), *Gesammelte Politische und Finanzschriften*, Rothenschen, Copenhagen.
- von Justi, J.G. (1782), *Grundsatz der Polizeiwissenschaft*, Wittwe Vandenhoeck, Göttingen.
- Wakefield, A. (1999), "The apostles of good police: science, Cameralism, and the culture of administration in Central Europe, 1656-1800", PhD thesis, University of Chicago, Chicago, IL.
- Walker, M. (1971), *German Home Towns: Community, State and General Estate, 1648-1871*, Cornell University Press, Ithaca, NY.
- Walker, M. (1978), "Rights and functions: the social categories of eighteenth century German Jurists and Cameralists", *Journal of Modern History*, Vol. 50 No. 2, pp. 234-51.
- Walker, M. (1981), *Johan Jakob Moser and the Holy Roman Empire of the German Nation*, University of North Carolina Press, Chapel Hill, NC.
- Weber, M. (1946), "Bureaucracy", in Gerth, H. and Mills, C.W. (Eds), *From Max Weber*, Oxford University Press, London, pp. 196-244.



MD
43,10

Timeless advice: Daniel Defoe and small business management

R.H. Hamilton

*Department of Management, The University of Mississippi, Southaven,
Mississippi, USA, and*

Patricia L. Hamilton

Department of English, Union University, Jackson, Tennessee, USA

1304

Abstract

Purpose – Daniel Defoe, best known as the author of *Robinson Crusoe*, was also an early entrepreneur who late in his life published a business text called *The Complete English Tradesman*. The purpose of this paper is to argue that *The Complete English Tradesman* should be given renewed consideration as an early predecessor to the great works in management literature.

Design/methodology/approach – The paper compares the content found in *The Complete English Tradesman* with topics and content typically found in modern small business management texts.

Findings – The paper finds considerable overlap between Defoe's advice and modern small business management principles. Besides the overall relevant content, the paper also finds unique insights offered by Defoe that could be applied by the modern small business entrepreneur. The paper presents possible reasons why Defoe's work is not widely known today.

Research limitations/implications – Defoe's work may be reflective of the general eighteenth-century entrepreneurial climate. There may be other related sources of interest, as well as potential parallels between the eighteenth-century climate and the modern entrepreneurial environment.

Practical implications – A timeless core set of actions may be essential for entrepreneurial success.

Originality/value – This is the first research to compare Defoe's work explicitly with modern small business management theory or practice.

Keywords Management history, Literature, Entrepreneurialism, Small enterprises, Performance management

Paper type General review

Introduction

If the name Daniel Defoe is recognized today, it is usually as the author of the early eighteenth-century novels *Robinson Crusoe* and *Moll Flanders*. Although a few scholars have examined Defoe's economic writings (Schumpeter, 1954; Novak, 1962; Illingworth, 1974; Earle, 1976; Smith, 1995; Sherman, 1995a), not many people besides literary historians realize that Defoe was better known in his own day as a political propagandist and journalist than as a novelist or that he worked variously as a merchant, government agent, and spy (Backscheider, 1989; Novak, 2001). With one notable exception (Stevens, 1977), the smattering of scholarly articles that treat Defoe in a business context tend to focus on his contribution to business writing (DiRenzo, 1998; Lund, 1998; Sherman, 1995b). Yet Defoe's *The Complete English Tradesman* (*TCET*), written 50 years prior to the publication of Adam Smith's *The Wealth of Nations*, was directed at small business entrepreneurs. Because of its breadth of topics, from accounting and cash flow to inventory control and customer service, it bears a



striking resemblance to modern small business management texts. To our knowledge, however, there has not been an assessment of this work in the light of modern small business and entrepreneurial principles, even though the field of entrepreneurship has grown increasingly important in the management discipline. Given the topics *TCET* develops, we believe it should be given renewed consideration as an early predecessor to the great works in management literature. This review will look at Defoe's credentials as a entrepreneurial practitioner, will observe how the text gives classic as well unique insights applicable to the modern small business owner, will give some possible reasons it has not received consideration previously, and finally will suggest ways in which this and other eighteenth-century texts may inform contemporary research and management practice.

Defoe as entrepreneur

Daniel Defoe was born in London in 1660, the year of Charles II's restoration to the throne after a disruptive 18-year period of civil war and Puritan reform under Cromwell. The roots of Defoe's entrepreneurial activity can be traced to his early life. His family experienced religious persecution as Protestant Dissenters from the Church of England. During this period, Dissenters were barred from the universities and consequently were excluded from careers as teachers, civil servants, lawyers, doctors, and military men. Turning to commerce and business for their sustenance, Dissenters typically educated their children in utilitarian subjects such as arithmetic, accounts, geography, and modern languages and in some cases provided vocational training in fields such as surveying and navigation (Lawson and Silver, 1973). Daniel was educated at Newington Green, a prominent Dissenter's academy (Backscheider, 1989; Novak, 2001). Defoe's father was a prosperous London merchant who served as the Renter Warden, or treasurer, of the Butchers' Company (Backscheider, 1989; Novak, 2001), which was the seventeenth-century equivalent of a powerful trade association.

Daniel eventually followed his father into business, deciding in 1681 to become a wholesale hosier. As his business grew, the young Defoe began to invest in ships and deal in commodities along with trading in beer, wine, spirits, and cloth goods (Backscheider, 1989). However, by 1688, Defoe began to experience significant financial difficulties from a combination of shipping losses and mounting debts. Undaunted, he embarked on several speculative ventures, including raising civet cats for their musk, an ingredient in perfume, and engaging in a plan to recover sunken treasure using a diving bell (Backscheider, 1989). However, Defoe was increasingly hounded by creditors and embroiled in lawsuits – at least eight between 1688 and 1694 (Novak, 1985). Defoe was finally forced in 1692 to declare bankruptcy, which entailed being sent to debtors' prison until he could repay his debts or negotiate terms with his creditors. In the late seventeenth century there was no system of debt restructuring comparable to modern provisions such as Chapter 11 in the USA.

By 1695 Defoe was back on his feet as an accountant for one of the commissioners who collected the glass duty, a tax on glassware and bottles. At about the same time, Defoe began manufacturing bricks and roofing tiles at a factory in Essex, from which he reports clearing about £600 a year (Backscheider, 1989), which significantly exceeded the average wage of £40 per year (Earle, 1976). However, his success was interrupted by his imprisonment on a charge of libel for writing *The Shortest Way with the Dissenters*, a political satire that backfired. Given that he was incarcerated, it is not

a surprise that his businesses faltered. A second declaration of bankruptcy followed in 1703, this time more the result of Defoe's political entanglements than mismanagement or overextension. From his own experiences with the misery of eighteenth-century debtors' prisons, Defoe became an advocate for changes in the treatment of bankruptcy cases, reasoning that locking people up until they could repay their creditors prevented them from being able to earn the money they needed to discharge their debts.

To provide financial stability for his family, Defoe increasingly turned to writing, from 1704 to 1713 publishing a successful journal that focused on economic and political issues. By the time Defoe published *Robinson Crusoe* in 1719 when he was in his late 50s, he had written works on a variety of topics, including history, adventure, travel and exploration, crime, spirituality, and family life. His output of both fiction and non-fiction in the remaining dozen years of his life was stunning. Among the more than 30 book-length works Defoe produced during this period was *TCET*, written and published over a two-year span, from 1725 to 1727. As early as 1713, Defoe had commented that trade was the subject he enjoyed writing about most (Novak, 1985). *TCET*, in two volumes, reflects Defoe's lifelong passion for commerce and fascination with business. He was particularly interested in the concerns of the shopkeepers and merchants who supplied goods to the populace of London (Earle, 1976). In a very real sense, Defoe saw the small businessman (or tradesman) as the economic backbone of society.

Comparison with modern texts

In this section, we will compare some of Defoe's specific instructions and advice in *TCET* with topics typically found in modern entrepreneurship and small business management texts (Burns, 2001; Longenecker *et al.*, 2003; Stolze, 1999; Megginson *et al.*, 2000; Zimmerer and Scarborough, 2005; Scarborough and Zimmerer, 2003; Hodgetts and Kuratko, 2001; Lambing and Kuehl, 2003). University small business management courses are often the central entrepreneurship-related course in the undergraduate business school curriculum and are sometimes the only entrepreneurship-related course offered. Frequently, texts use the term "small business owner" interchangeably with the term "entrepreneur" (Lambing and Kuehl, 2003; Zimmerer and Scarborough, 2005), and even when a distinction is made between a small business owner/manager and the entrepreneur who creates a high-powered strategic venture, texts suggest that there is a great deal of overlap between the categories (Hodgetts and Kuratko, 2001; Longenecker *et al.*, 2003). The purpose of such a point-by-point comparison is not only to show that Defoe addressed many of the same topics that modern texts do, but also to demonstrate that he was remarkably sophisticated in his thinking about what causes businesses to fail or succeed. Space constraints do not allow us to discuss his ideas on contemporary topics such as business ethics or strategic alliances; instead, we will focus exclusively on concerns related to small business entrepreneurship. Our comparison is based on the second edition of *TCET*, which was revised by Defoe himself prior to his death in 1731.

Accounting

Small business management texts stress the need to understand financial statements, especially income statements, balance sheets, and cash flows. Without a solid grasp of

what is going on in the books, a company would make decisions based on inaccurate information (Longenecker *et al.*, 2003; Zimmerer and Scarborough, 2005).

Defoe similarly gives a prominent place to accounting in *TCET*. Defoe's (1727, Vol. I, p. 267) insistence that "exact keeping [of] his books is one essential part of a tradesman's prosperity" is rooted in the reasoning that a lack of understanding of what is in the books, or sloppy records-keeping, will result in uninformed and strategically flawed decisions. He argues that the tradesman "ought to be always acquainting himself with his books, stating his expenses and his profits, and casting [adding] things up frequently, at least in his head, so as always to know whether he goes backward or forward" (Defoe, 1727, Vol. I, p. 74). Similarly, many successful modern small business owners have an uncanny ability to "cast up" their transactions in their heads, as Defoe puts it; they are always aware of the contribution margin (Lambing and Kuehl, 2003) of their potential deals. Defoe (1727, Vol. I, pp. 271, 275) also instructs businessmen to keep a separate ledger from their cash books, facilitating a separate review of income and cash flow. Such separation is a primary accounting concern for modern small businesses (Longenecker *et al.*, 2003; Stolze, 1999; Burns, 2001; Zimmerer and Scarborough, 2005). Additionally, Defoe (1727, Supplement, p. 147) urges tradesmen to keep a duplicate pocket ledger, analogous to modern businesses making backups of all their computer files. Defoe (1727, Vol. I, p. 277) underscores the importance of accuracy by arguing that the businessman who is comfortable with mistakes in his cash "may be easy with a gang of thieves in his house".

As in present-day texts (Longenecker *et al.*, 2003; Stolze, 1999; Burns, 2001), Defoe illustrates accounting principles with examples and cases. He presents numerous sample income statements and cash reconciliation procedures.

Managing liabilities

A modern small business text typically addresses the risk/reward tradeoffs inherent in accumulating debt in order to expand (Zimmerer and Scarborough, 2005; Longenecker *et al.*, 2003; Stolze, 1999). For Defoe, debt and credit were defining issues. Because of his own experiences with bankruptcy, in *TCET* Defoe repeatedly urges tradesmen to avoid bankruptcy if at all possible. One clear way to do that is to manage credit well: he who "keeps his credit unshaken, has a double stock . . . 'tis an addition to his real stock, and often superior to it" (Defoe, 1727, Vol. I, p. 62). For Defoe, having credit is what we would term a "virtual resource", an invisible asset (Itami, 1987; Grant, 2002). According to Defoe (1727, Vol. I, p. 62), effectively managed credit can be a source of competitive advantage:

I have known several considerable tradesmen . . . who have traded with great success, and to a very considerable degree, and yet have not had at bottom one shilling real stock.

Defoe (1727, Vol. I, p. 63) offers the common-sense advice that a tradesman should "be very sure not to give so much credit as he takes" so that he does not overextend himself. However, Defoe suggests that in the small business environment of the eighteenth century, not offering credit would be unprofitable for business. If a tradesman is not willing to trust others, why should anyone trust him? (Defoe, 1727, Supplement, p. 16). If a small businessman does run into trouble with overextension, Defoe advocates owning up to the fact and dealing with it in a responsible and timely manner. This includes dealing fairly with suppliers and explaining early on that he is

having trouble so that a fair settlement on debts may be negotiated, if necessary (Defoe, 1727, Vol. I, pp. 77-8). The idea is that by ending well the entrepreneur can start over again. Defoe's advice parallels twenty-first-century advice offered to entrepreneurs looking to start over with new venture investors (Burns, 2001; Zimmerer and Scarborough, 2005).

Managing cash flow and accounts receivables

A related concern to supplier credit in a small business is the need for cash management. Longenecker *et al.* (2003, p. 303) state: "we believe strongly that an entrepreneur who does not understand how decisions impact cash flows is almost certain to fail. If a firm runs out of cash, 'the game is over'". Moreover, entrepreneurs are warned about the "growth trap" (Longenecker *et al.*, 2003, p. 582), where sales begin to skyrocket, and in response the small business owner makes purchases in fixed assets or inventory to create new stock to sell even more goods. But if the payment for those initial sales has not been received, then the small business can lurch into a serious cash flow crisis, owing suppliers money that cannot be repaid in a timely manner. Suppliers will then be less willing to extend financing, or perhaps they will stop extending credit altogether. To avoid a potential cash crisis, texts suggest accelerating cash receivables, collecting quickly on monies owed, and establishing the creditworthiness of customers (Zimmerer and Scarborough, 2005; Megginson *et al.*, 2000; Longenecker *et al.*, 2003).

Similarly, Defoe argues that the effective managing of accounts receivables (credit given out to others) is a major determinant of whether cash flow will be positive or negative. If a small business has not collected the money owed to it, then it will not be able to pay its bills. Defoe's (1727, Vol. I, p. 65) way to avoid the growth trap is to keep accounts receivable at about a third less than accounts payable. In addition, he advises focusing primarily on a few creditworthy customers, reasoning in this manner: Perhaps a tradesman owes "ten thousand pounds to twenty men, perhaps . . . eleven thousand is owing to him by two hundred men: it is scarce possible that these two hundred petty customers of his, should all so punctually comply with their payments, as to enable him to comply with his; and if two or three thousand pounds fall short, the poor tradesman, unless he has a fund to support the deficiency, must be undone" (Defoe, 1727, Vol. I, p. 65).

The key to having enough margin so that the inventory can be paid for is to charge a premium price to compensate for the fact that some customers will not repay in a timely way (compare Longenecker *et al.* (2003)). Defoe (1727, Vol. I, p. 65) suggests that instead of defaulting, the tradesman should sell off some of his receivables for "ready money" – similar to the concept of factoring – to satisfy his creditors. Defoe's idea of a "time spread" as a cash management device also has a modern analogue: many small retailers make customers pay immediately (for example, via credit card) while paying suppliers on a net-30 basis, etc. In any case, rather than getting in more trouble with creditors, the tradesman should have "rubb'd up his debtors" (leaned on customers who have not paid) and "stopped his hand from buying" new goods and materials (Defoe, 1727, Supplement, p. 10). Pursuing collection of accounts receivables and stopping unnecessary expenditures are two classic strategies for modern small businesses needing cash.

Startup capital/expense

Frequently, entrepreneurial enterprises spend too many resources on non-essential things like office furniture or fancy offices, or, in the 1990s version, foosball tables (Stolze, 1999; Burns, 2001). Along the same lines, Defoe (1727, Vol. I, p. 257) complains that two thirds of the tradesman's fortune is used in "fitting the shops". Defoe (1727, Vol. I, p. 259) wisely suggests that instead, a tradesman should "furnish his shop with goods" and get a reputation for his "good choice of wares". The tradesman/entrepreneur should focus his resources on the goods he has to sell – his area of competitive advantage – rather than on display cases. The shop fittings will not motivate customers to return; good selection and service will.

Inventory management

Effectively managing inventory is important for the profitability of a small business in the twenty-first century. Recent theory focuses on just-in-time inventory systems and the economic order quantity (Hodgetts and Kuratko, 2001; Scarborough and Zimmerer, 2003; Longenecker *et al.*, 2003). Having too much inventory is not usually seen as a good idea. Proper control of inventory has been shown to be a key factor in profitability for small businesses (Longenecker *et al.*, 2003; Zimmerer and Scarborough, 2005; Scarborough and Zimmerer, 2003; Megginson *et al.*, 2000). Maintaining a large quantity of items in inventory means that scarce resources are being deployed in the wrong place.

Similarly, Defoe saw inventory management as critical in the eighteenth century. He complains that too many small business owners are "fond of seeing their shops well stocked, and their warehouses full of goods" (Defoe, 1727, Vol. I, p. 61). He argues that "a well-experienced tradesman [would] rather see his warehouse too empty than too full; if it be too empty, he can fill it when he pleases, if his credit be good, or his cash strong; but a thronged warehouse is a sign of the want of customer, and of a bad market; whereas an empty warehouse is a sign of nimble demand" (Defoe, 1727, Vol. I, p. 61). It is more important that a business not be "crowded with a large bulk of goods, as with a well-sorted, and well-chosen quantity proper for his business" (Defoe, 1727, Vol. I, p. 82). Keeping an appropriate level of inventory means that the tradesman's "payments may come in on his front, as fast as they go out in his rear" (Defoe, 1727, Vol. I, p. 62).

Legal forms of business

A good deal of discussion in a typical entrepreneurship and small business management text concerns the legal form of business. Recently, corporate or other limited liability forms that were unavailable to Defoe have become preferable to partnerships. However, the general partnership form has persisted. Frequently partnerships have problems similar to those Defoe mentions. Such problems may cause a business to fail miserably. In *TCET*, Defoe advises that partnerships are full of potential pitfalls. For example, one partner can contract debts in the name of the business unknown to another, and in so doing make all partners liable. One partner can also go bankrupt without the knowledge of other partners (Defoe, 1727, Vol. I, pp. 219-20). This is still possible in the modern partnership form of business (Longenecker *et al.*, 2003; Scarborough and Zimmerer, 2003; Megginson *et al.*, 2000). Defoe contends that a partnership should only be engaged in if all partners are diligent

and if significant synergies are possible (Defoe, 1727, Vol. I, p. 215; compare Longenecker *et al.*, 2003; Scarborough and Zimmerer, 2003). In a unique twist, Defoe (1727, Vol. I, p. 222) suggests that to avoid problems, partnerships of equal equity should be avoided; instead, a partner should be limited to approximately 20 per cent ownership. This advice would prevent the tugs-of-war often seen in modern equal-equity business partnerships (Longenecker *et al.*, 2003; Burns, 2001; Megginson *et al.*, 2000; Zimmerer and Scarborough, 2005).

Adapting to the environment/strategic positioning

Modern texts frequently suggest that “the only constant is change” and that small business owners need to adapt to new trends and changing markets (Lambing and Kuehl, 2003, p. 9). Rapidly changing external environments are nothing new, as Defoe (1727, Vol. II, part 2, p. 3) points out:

How frequent it is to hear an old tradesman say, Trade is quite altered, since I knew it; the methods are changed, the course of things is changed . . . the manufactures are changed, the very places where they are made are changed . . . the very nations to which they were exported in former times, take none now.

He goes on to add, “the manufacturer has daily new rules to learn . . . and new measures to take, such as his forefathers never knew” (Defoe, 1727, Vol. II, part 2, p. 6). The fact that there are “daily” new rules to learn suggests that change was a constant in the eighteenth century, as it is today. Even though a more complex “new economy” was to follow (the Industrial Revolution), in Defoe’s time business rules were not necessarily easy for the entrepreneur to learn, nor were they always standardized.

Moreover, Defoe says that the entrepreneur must be conscious of changes in order to adapt his business to new circumstances. The strategy literature calls this “strategic responsiveness” or “adaptation” to marketplace change (Grant, 2002, pp. 229, 317). Defoe (1727, Vol. I, p. 5) urges that the tradesman needs to know “what markets are the most proper to buy everything at”. He also needs “a general knowledge of not his own particular trade and business only” but of “all the inland trade of England” (Defoe, 1727, Vol. I, p. 4). Similarly, current texts tell entrepreneurs to monitor the environment so that their businesses can better fit in with available opportunities and existing threats (Longenecker *et al.*, 2003; Zimmerer and Scarborough, 2005).

At some point, strategic adaptation means that, over time, the kinds of products and services entrepreneurs offer must change. Given the changes in the external environment, Defoe (1727, Vol. I, p. 37) warns that the tradesman must be able to “lay down one trade, and take up another, if occasion leads him to it, and if he sees an evident view of profit and advantage in it; and this is only done by his having a general knowledge of trade”.

Customer service

Modern small business management texts suggest that customer service is a way businesses can differentiate themselves (Longenecker *et al.*, 2003; Stolze, 1999). Defoe’s advice regarding customer service reveals that modern problems in this area are nothing new. He finds it particularly irksome that business owners are frequently absent from their businesses, and he reports the common complaints that erupt:

There is nobody to serve, but a prentice boy or two, and an idle journeyman; one finds them always at play together, rather than looking out for customers; and when you come to buy, they look as if they did not care whether they showed you anything or no (Defoe, 1727, Vol. I, p. 46).

This could be the complaint of anyone who has recently been to a shopping mall or fast-food establishment! Defoe (1727, Vol. I, p. 86) urges that instead of offering insolence, “the man that stands behind the counter must be all courtesy, civility, and good manners”. Furthermore, if a customer insults or offends him, he must pretend not to notice because if he reacts negatively, he “puts an ill name upon the general usage” customers receive in his shop (Defoe, 1727, Vol. I, p. 86). If this happens, word of mouth will kill the business. Defoe (1727, Vol. I, p. 158) adds the insightful observation that while bonding an employee can safeguard a business owner against loss, no insurance policy can protect a business from employees who alienate customers.

Location management

For years the mantra in real estate has been “location, location, location!” Modern texts discuss the importance of location for the small business, considering such factors as customer accessibility, the economic and competitive environment, the availability of resources, and the need to project the right kind of image for the customer base (Longenecker *et al.*, 2003; Megginson *et al.*, 2000; Zimmerer and Scarborough, 2005). Texts also advise that strong consideration be given to locating the business in an area where certain firms tend to “cluster” (Zimmerer and Scarborough, 2005, p. 433). Similarly, Defoe stresses the importance of locating one’s business in the right spot. Just as cities today may have recognizable financial districts, garment districts, jewelry districts, and so on, in eighteenth-century London certain streets were designated for furniture makers or seamstresses or butchers. According to Defoe (1727, Vol. I, p. 82), a fledgling retailer must locate his business among his competitors so that he may draw his share of trade. He also notes that “whenever the principal shopkeepers of any trade remove from such a street, or settled place where that particular trade used to be, the rest soon follow” (Defoe, 1727, Vol. I, p. 82). This phenomenon is still familiar today. The business that stays in an area after major competitors have pulled out may find both its traffic and its revenues dwindling, and if it opens in the wrong place to begin with, it might soon fail. A related issue that Defoe (1727, Vol. I, p. 83) comments on is that a retailer should know his customers’ needs and tastes: a particular assortment of goods “suits one part of the town, or one town and not another”. He illustrates this fact by pointing out that a clothier will sell more silks in a well-to-do neighborhood than in a working-class one. In deciding on his product selection, a retailer must carefully consider the market segment he wishes to attract.

Why *TCET* is not well-known

TCET, as with many modern business books, is intended as prescriptive advice for the practitioner. Defoe clearly positions himself as a sage who wants to help the novice tradesmen avoid the pitfalls of the marketplace. Interwoven with general advice are stories (which today we would term “cases”) that clearly demonstrate Defoe’s prowess at dialogue and narrative. The book is full of practical suggestions for effective small business management – suggestions that in many cases are still as relevant, insightful, and applicable in the twenty-first century as they were in the eighteenth

century. However, *TCET* has generally not been recognized as a significant contribution to management practice. There are a number of reasons for this. From a practical perspective, *TCET* is a sprawling work of almost 1,000 pages with a haphazard organization, including chapters in a seemingly random order. This is due in part to the fact that the text was written in several stages and in multiple volumes. Additionally, changes in language usage since the eighteenth century (such as the use of the term “breaking” for bankruptcy) make some of the arguments and constructs Defoe develops difficult for modern readers to follow.

However, these are not the only factors involved in *TCET*'s lack of visibility. Recently several articles have discussed “great works” and how certain management-related books end up being considered classics (Beu and Leonard, 2004; Wheeler *et al.*, 2004; Bedeian and Wren, 2001). While these articles are written from an “exemplar” perspective, trying to gain understanding about commonality among classics, the “great works” research can also add context as to why some texts such as Defoe's are not considered “great.” Beu and Leonard (2004) discuss how great works usually have an evangelist who helps promote that work, and they describe how Frederick Taylor presented papers to associations, spoke to community and university groups, had *The Principles of Scientific Management* translated into seven languages shortly after publication, and trained specific disciples to continue the work after him. Taylor is contrasted with Henri Fayol, whose work did not gain traction until after his death, since he was not as active in its promotion. Alternatively, Wheeler *et al.* (2004, p. 1327) suggest that great works emanate from research that has great timing, defines or clarifies concepts, focuses on multiple levels of the organization, or has become a foundation article. Given those criteria, it is not surprising that *TCET* has not been seen as a great work. Defoe died, nearly penniless, a few years after the publication of the second edition of *TCET*, so he could not “evangelize” his work. While important constructs can be inferred from *TCET*, they are not always obvious. The text focuses on small businesses – not, obviously, on a multi-level organization. Furthermore, up till now, Defoe's work has not been seen as a foundation article.

However, Defoe's influence cannot be summarily dismissed. Benjamin Franklin, the eighteenth-century politician who was perhaps the most important engineer behind the rebellion of the American colonies, is also heralded by many as the quintessential serial entrepreneur, having major success in printing and insurance, among other fields, before turning to politics (Abdnor, 1988; Baida, 1986; Salerno and Gumpert, 1986). A connection between Defoe and Franklin has not yet been conclusively established. Yet it is known that as early as 1732, Franklin offered *TCET* to customers of his printing house (Stevens, 1977). Moreover, Franklin's “Advice to a young tradesman”, a two-page pamphlet written in 1748, bears a resemblance to Defoe's work, especially in Franklin's commentary on credit:

Remember that credit is money . . . this amounts to a considerable Sum when a man has good and large credit, and makes good used of it (quoted in Baida, 1986, p. 100).

Franklin's pamphlet is cited in Weber's classic *The Protestant Ethic and the Spirit of Capitalism* (see Baida, 1986). If indeed it is true that *TCET* influenced Franklin, who in turn influenced Weber, then *TCET* clearly deserves further review.

In contrast, the scholars who have always known about *TCET* – literary historians – have been hampered by certain inaccurate perceptions. Typically not conversant

with modern entrepreneurship theory, literary historians have tended to focus on Defoe's bankruptcies as a mark of his failure as a businessman. In their thinking, "bankruptcy" is equated with "lack of business acumen". However, this view is shortsighted and misses the thrust of entrepreneurship risk and venture development. In a surprisingly modern way, Defoe represents the classic entrepreneur or investor who calculates his risk/reward ratio in taking on new types of business and is willing to incur financial risk in the hope of significant reward. Defoe's diving bell enterprise, labeled somewhat pejoratively as a "scheme" by one of his biographers (Backscheider, 1989, p. 56), would in today's linguistic context be labeled more positively as a "high technology venture" since it used proprietary technologies in order to create new products and markets. Like Defoe, many modern-day entrepreneurs are forced to take on considerable debt in order to start up their businesses. The problem in Defoe's time was that if the venture was unsuccessful, the debts could dog the entrepreneur permanently. The difficulty of ever "clearing the slate" is perhaps best illustrated by the fact that in the last few months of Defoe's life, long after he had established himself as a successful writer, a creditor was still hounding him for a decades-old debt (Backscheider, 1989, p. 526). Those literary historians who cast aspersions on Defoe with the suggestion that all his wisdom is the product of 20-20 hindsight misunderstand the venture development process, and in particular the modern view of how entrepreneurs mature (Zimmerer and Scarborough, 2005; Burns, 2001; Stolze, 2001; Lambing and Kuehl, 2003). "Business failure" in the modern entrepreneurial context is seen as closer to a "badge of courage" than a "scarlet letter." After a firm goes belly up, the entrepreneur is considered "experienced", scarred, but worldly-wise. For this reason, venture capitalists are much more likely to invest in firms with entrepreneurs who have failed than those who have no startup experience whatsoever (Burns, 2001; Stolze, 1999). From the venture capitalist's viewpoint, the entrepreneur has learned using someone else's money and is unlikely to make the same mistakes again.

History shows that once a figure has been canonized as a novelist or inventor or scientist or management guru, people tend to have a short memory regarding his or her other accomplishments. For example, when people hear the name "Benjamin Disraeli", they are more likely to think "Prime Minister" than "Victorian novelist". The fact is, he was both. Similarly, while Peter Drucker is recognized by many as a giant in the area of management theory, few people know he published a novel in 1982 called *The Last of All Possible Worlds*. Analogously, Defoe's historical importance as an early novelist has obviously eclipsed his reputation as a business writer. His rollicking adventure stories such as *Robinson Crusoe* and *Moll Flanders* tap into timeless themes with perennial appeal. *TCET*, by contrast, was from the beginning aimed at a narrower audience and dealt with a more specialized subject than would appeal to the average eighteenth-century reader.

Conclusion

TCET is a book that presages a good deal of the current theory related to small business management and entrepreneurship. Defoe discusses important topics that appear in current texts, such as credit management, inventory control, and customer service. In the light of the great changes that followed the Industrial Revolution, works such as Defoe's that discuss entrepreneurship and management practices in the

pre-industrial era have been easy to overlook. While there are some clear differences between the modern mega-corporation and the shops of the early eighteenth century, however, some of the basic management principles Defoe advocates are still relevant, especially to smaller businesses. In the mercantilist economy of Defoe's time, when global trade between European nations and their colonies was flourishing and urban centers such as London enjoyed a high degree of specialization between retailers and wholesalers, businessmen were concerned with how to gain competitive advantage and maximize profitability. In today's modern, hollowed-out enterprise, where manufacturing is outsourced and sent overseas and knowledge is pre-eminent, some of Defoe's advice may be more relevant than the classic management discussions developed in the context of the post-Industrial Revolution assembly line.

However, the fact that management principles such as Defoe discusses are now being re-discovered in the twenty-first century suggests that there are additional areas of research to explore. First, the entrepreneurial environment that spawned Defoe and his text should be reviewed to see if there are other connecting points between early and modern entrepreneurial activity. Early entrepreneurs faced challenges similar to those of today. For example, all entrepreneurs must rise to the challenge of meeting customer needs and managing cash flow. However, no research from an entrepreneurship perspective has compared the feverish early-eighteenth-century climate for speculative "projects" to the current high-risk environment of the modern technology venture capitalist. Second, further research should determine if there are other early works that describe or attempt to norm management practices in the seventeenth and eighteenth centuries. If they exist, some of these may have contributed to Defoe's knowledge; perhaps they served as background information for TCET. It is certainly true that the printing presses cranked out a great deal of material during Defoe's period, including hundreds of books and pamphlets. Defoe's heavy borrowings in books he wrote on other topics (Furbank and Owens, 1988) suggest that an investigation into his sources on business and management might prove fruitful. It may even be that Defoe was not unique in his understanding of small businesses, but instead simply discussed what was widely known among veterans of the marketplace. Perhaps, as the 3,000-year-old adage suggests, there really is "nothing new under the sun".

For managers, Defoe's timeless advice suggests that basic practices involving inventory control, cash management, customer service, and the like may be more important than an exotic strategy. Many entrepreneurs took an opposite course in the 1990s, when watching the numbers took a back seat to the Holy Grail chase of the IPO. Moreover, in an era when small businesses are once again believed to be the engine of the economy, yet many small businesses fail, it is appropriate for managers to know that certain key actions that have not changed in three centuries can be taken to increase their chances of success.

References

- Abdnor, J. (1988), "The spirit of entrepreneurship", *Journal of Small Business Management*, Vol. 26 No. 1, pp. 1-4.
- Backscheider, P.R. (1989), *Daniel Defoe: His Life*, Johns Hopkins University Press, Baltimore, MD.

- Baida, P. (1986), "Flying kites with Ben Franklin", *Harvard Business Review*, Vol. 64 No. 1, pp. 98-107.
- Bedeian, A.G. and Wren, D.A. (2001), "Most influential books of the 20th century", *Organizational Dynamics*, Vol. 29 No. 3, pp. 221-5.
- Beu, D.S. and Leonard, N.H. (2004), "Evangelism of great works in management", *Management Decision*, Vol. 42 No. 10, pp. 1226-39.
- Burns, T. (2001), *Entrepreneurship.com*, Dearborn Financial Publishing, Chicago, IL.
- Defoe, D. (1727), *The Compleat English Tradesman*, 2nd ed., Reel 400 No. 6519 and Reel 438 No. 6968, Goldsmith Kress Library of Economic Literature, London.
- DiRenzo, A. (1998), "The Complete English Tradesman: Daniel Defoe and the emergence of business writing", *Journal of Technical Writing and Communication*, Vol. 28, pp. 325-34.
- Earle, P. (1976), *The World of Defoe*, Readers Union, Newton Abbot.
- Furbank, P.N. and Owens, W.R. (1988), *The Canonization of Defoe*, Yale University Press, New Haven, CT.
- Grant, R. (2002), *Contemporary Strategy Analysis*, 4th ed., Blackwell, London.
- Hodgetts, R.M. and Kuratko, D.F. (2001), *Effective Small Business Management*, 7th ed., Harcourt College Publishers, Orlando, FL.
- Illingworth, E. (1974), "The economic ideas of Daniel Defoe", unpublished doctoral dissertation, University of Leeds, Leeds.
- Itami, H. (1987), *Mobilizing Invisible Assets*, Harvard University Press, Cambridge, MA.
- Lambing, P.A. and Kuehl, C.R. (2003), *Entrepreneurship*, Prentice-Hall, Upper Saddle River, NJ.
- Lawson, J. and Silver, H. (1973), *A Social History of Education in England*, Methuen, London.
- Longenecker, R., Moore, H. and Petty, J. (2003), *Small Business Management: An Entrepreneurial Approach*, 12th ed., Southwestern, Fort Worth, TX.
- Lund, R.D. (1998), "Writing the history of business communication: the example of Defoe", *Journal of Business Communication*, Vol. 35, pp. 500-20.
- Megginson, W.L., Byrd, M.J. and Megginson, L.C. (2000), *Small Business Management: An Entrepreneur's Guidebook*, Irwin/McGraw-Hill, Burr Ridge, IL.
- Novak, M.E. (1962), *Economics and the Fiction of Daniel Defoe*, University of California Press, Los Angeles, CA.
- Novak, M.E. (1985), "Daniel Defoe", in Battestin, M.C. (Ed.), *Dictionary of Literary Biography*, Vol. 39, Gale Research, Detroit, MI, pp. 143-66.
- Novak, M.E. (2001), *Daniel Defoe: Master of Fictions*, Oxford University Press, Oxford.
- Salerno, L.M. and Gumpert, D.E. (1986), "Stalking the entrepreneur", *Harvard Business Review*, Vol. 64 No. 3, pp. 32-4.
- Scarborough, N.M. and Zimmerer, T.W. (2003), *Effective Small Business Management: An Entrepreneurial Approach*, Prentice-Hall, Upper Saddle River, NJ.
- Schumpeter, J.A. (1954), *History of Economic Analysis*, Oxford University Press, New York, NY.
- Sherman, S. (1995a), "Servants and semiotics: reversible signs, capital instability, and Defoe's logic of the market", *ELH*, Vol. 62, pp. 551-73.
- Sherman, S. (1995b), "Commercial paper, commercial fiction: *The Compleat English Tradesman* and Defoe's reluctant novels", *Criticism*, Vol. 37, pp. 391-411.
- Smith, S.D. (1995), "British exports to colonial North America and the mercantilist fallacy", *Business History*, Vol. 37 No. 1, pp. 45-63.

MD
43,10

Stolze, W.J. (1999), *Start-up: An Entrepreneur's Guide to Launching and Managing a New Business*, 5th ed, Career Press, New York, NY.

Wheeler, A.R., Richter, E. and Sahadevan, S. (2004), "Looking back on their 'great works'", *Management Decision*, Vol. 42 No. 10, pp. 1326-42.

Zimmerer, T.W. and Scarborough, N.M. (2005), *Essentials of Entrepreneurship and Small Business Management*, 4th ed., Pearson/Prentice-Hall, Upper Saddle River, NJ.

1316

Further reading

Wren, D. (1994), *The Evolution of Management Thought*, 4th ed., John Wiley & Sons, New York, NY.



British management theory and practice: the impact of Fayol

The impact of
Fayol

Ian Smith and Trevor Boyns

Cardiff Business School, Cardiff University, Cardiff, UK

1317

Abstract

Purpose – The purpose of this paper is to examine the impact of Fayol's ideas on both British management thought and practice.

Design/methodology/approach – The paper presents a schematic which seeks to illustrate the links between the various strands of scientific management theory, especially that of Fayol, in Britain between the 1920s and the 1960s/1970s and, for the same period, the links between the theory and practice of scientific management. The links indicated in the schematic are assessed first through an examination of the development of British management thought, in particular the exemplification of Fayol's ideas by Lyndall Fownes Urwick and the British neoclassical school. Using archival evidence from a small number of engineering companies, the impact on practice of the ideas of Fayol and other aspects of scientific management is then examined.

Findings – The paper concludes that, while Fayol's theoretical influence has stood the test of time, his impact on practice was much more limited.

Originality/value – By focusing on the historical impact on practice of management theory, this paper not only provides a basis for future research by business and management historians, but also throws light on the relevance for practice of theory, an issue of relevance for all theoreticians and management practitioners.

Keywords Scientific management, Management history, Management theory, Case studies, United Kingdom

Paper type General review

Introduction

The extent of the impact of Fayol's theory of administration on British management remains debatable, while the re-iteration of Fayol's principles in management texts continues unabated. The post-Second World War presentation of these principles in Britain, in Constance Storrs' translation of *Administration Industrielle et Générale* published in 1949, was "championed" by Lyndall Urwick, a respected British management thinker and writer, who described Fayol as "the most distinguished figure which Europe contributed to the management movement up to the end of the first half of the present century" (Urwick, 1950, p. 21). Fayol's ideas may therefore have found a role in the formulation of post-war British management theories, with Urwick at least providing a "conduit" for this influence. Even stronger arguments have been made which rank Fayol alongside such luminaries as Taylor and Follett in providing a theoretical bedrock on which subsequent theories were built (Child, 1969). Whatever perspective we bring to bear on Fayol's work, and its significance in the British



The authors would like to thank Mark Matthews for conducting some of the archival research reported in the "case study" section, the Economic and Social Research Council (grant reference R000237946) for their financial support which made such research possible, and the archivists, etc. who made access to the various collections possible.

context, those with a professional interest in management theory and practice cannot (and, indeed, generally do not) ignore it.

This paper re-examines the impact of Fayol’s work on the theory and practice of management in Britain, first, in the interwar period and second, in the post-war period of 1945 to the late 1960s. The argument advanced in this paper is outlined in schematic form in Figure 1. On the left of the schematic, under the heading “Thought”, it is shown that both Fayol’s ideas and those of Taylor and scientific management impacted on management theory (and indeed education) in Britain. In the period between the First and Second World Wars, Fayol’s work assumed a position in the “classical” collection of ideas working through to notions of administrative control, aimed largely at senior and corporate management.

Urwick’s much published and spoken support for Fayol’s translated general principles of management ensured an undeniable influence on post-war British management theories known as the neoclassical school during the 1950s. The neoclassical school, however, was also influenced by the ideas of Taylor and scientific management, as well as those from independent sources, which not only influenced Urwick but also, together with Fayol’s ideas, brought about a concern in the 1930s and subsequently with the concept of higher management/higher control. Discussions of this latter concept can be found in papers of the Management Research Groups during the 1930s (held in the Ward Papers at the British Library of Political and Economic Science, University of London), in Rose (1934) and in a number of books published in the 1940s. For Rose, higher control concerned the issue of presenting facts and figures for use by senior management.

While the left-hand side of Figure 1 reveals that Fayol’s impact on theory was indirect and mixed with other influences, the right-hand side indicates that British management practice was little affected by Fayol’s ideas. The major impact on practice was that of scientific engineering methodologies deriving from Taylor’s ideas and scientific management. These worked through and influenced practice in the form of technical planning, control and piecework payment systems linked to managerial

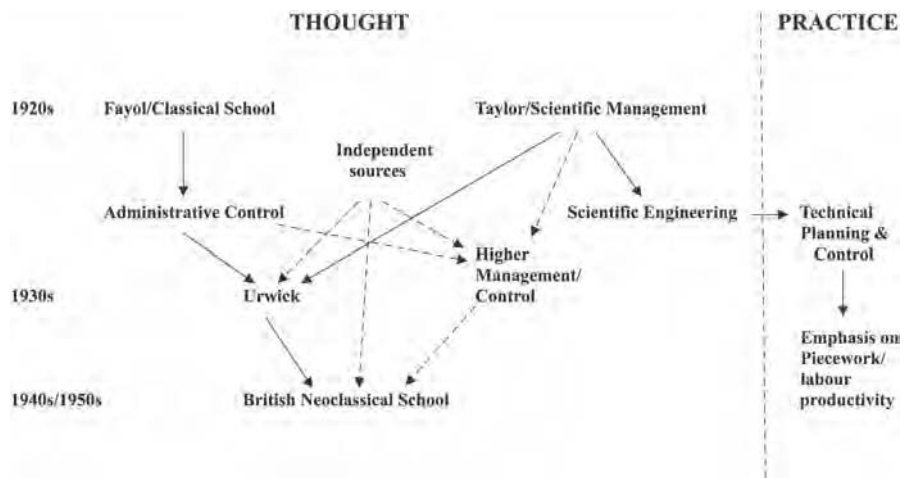


Figure 1.
The development of
British management
thought and practice –
a schematic diagram

objectives for increasing labour productivity (Smith and Boyns, 2005); not the general principles of managerial work as defined by Fayol.

The paper is divided into two main sections. In the first, we examine and assess the impact of Fayol's principles and ideas on British management theory between 1920 and 1960. In the second section we focus on examples of management practice, contrasting the reality of control in British firms with the theoretical views of Fayol. We conclude with some comments on the degree of influence that Fayol's work may have achieved in British management theory and practice during the middle decades of the twentieth century, and of his relevance for management today.

Fayol's impact on British management thought

As indicated in Figure 1, there were a number of influences on the British neoclassical school of management thought in the 1940s and 1950s. In his history of British management thought published over 30 years ago, Child (1969, p. 234) wrote as follows:

It would probably be little disputed that ideas previously formulated by management writers had some influence over subsequent thought – in the sense of creating a “school” of thought. Thus many subsequent writers made frequent reference to ideas put forward by pioneers such as Fayol, Follett, and Taylor. . . . There are, however, indications that the second class of ideas – those deriving from independent sources outside the management movement – also held some autonomous influence over the development of British management thought.

During the interwar years, management theories made little impact, partly because they lacked focus and consensus. For example, while some British writers and practitioners favoured management co-operation with the trade unions (Rowntree, 1927; Cadbury, 1928; Casson, 1928) there was a parallel awakening amongst managers to the advantages offered by increased control of production and labour (Lee, 1925; Bowie, 1930). As a result of this development, exponents of industrial democracy such as Northcott (1928) and Urwick (1929) were obliged to limit their focus to the replacement of “democratic leadership” by “friendly persuasion”.

In part, this limitation may have reflected a process which gained ground from the late 1920s, whereby F.W. Taylor's insistence on industrial efficiency through control was starting to win the day in Britain and industrial democracy was being “watered down” to a process of communication. For one British management writer, however, there was no conflict between industrial democracy on the one hand and scientific management. Over the 20 years spanning the period from the late 1920s to the late 1940s, Urwick spent much of his time trying to weave together the threads of contemporary management ideas, including those of Taylor and Fayol, in order to develop a rational set of management principles (Urwick, 1937; Child, 1969). Having been employed by Benjamin Seeborn Rowntree between 1920 and late 1928, working alongside individuals such as Northcott and Sheldon, Urwick represented a bridge between the ideas of such independent sources, and the works of management theorists, most notably Fayol (see Figure 1).

The translation of Fayol's work into English

An important barrier to the ideas of Fayol having any impact in Britain was, of course, the fact that they were written in French. A French mining engineer with some 30 years' experience as managing director of the Commentry-Fourchambault

metallurgical and mining company, Henri Fayol (1841-1925) first published his main managerial ideas under the title, “*Administration industrielle et générale*”, in the *Bulletin de la Société de l’Industrie Minérale* at the age of 75. This 160-page “article” was subsequently published in book form by Dunod Frères in 1917, and reprinted many times thereafter (Peaucelle, 2003). The contents of the work, based on Fayol’s own managerial experiences, represent a very early attempt to provide an analysis of the management role and are important not just for their originality but for their continuing influence on management thinking in the west to this day. It is not clear if it was the original issuing of Fayol’s work in book form in 1917, or its re-printing in 1925, the year of Fayol’s death, which brought it to their attention, but a small number of persons interested in management thought and practice in Britain gradually became aware of it during the 1920s. The most significant of these was Urwick, who declared many years later that, “To those of us who, like myself, were young men beginning to study management in other countries, and who could read French, Fayol’s little book seemed like a revelation” (Urwick, 1968, f.3).

Urwick had been introduced to F.W. Taylor’s (1903) *Shop Management* while on active service during the First World War. Somewhat paradoxically, in 1917, Urwick found himself stationed in the offices of the Commentry-Fourchambault group of collieries, at that time blissfully unaware of Fayol’s writings on management, which were to later have an important impact on this own thinking. While it is feasible that Urwick may have met Fayol at an international conference in the early 1920s, there is no direct evidence that he did so, nor is there precise evidence as to when he first read *Administration Industrielle et Générale*, although his reference to “little book” would imply that it was after 1917, and possibly after 1925.

When Urwick was appointed as director of the International Management Institute (IMI) in Geneva in late 1928, one of the first things he set out to do was to arrange for the publication of an English language version of *Administration Industrielle et Générale*. This task was carried out on a voluntary basis by J.A. Coubrough, a friend to whom Urwick had introduced Fayol’s work. Coubrough was a close relative of Charles Franklin Merriam who, together with Urwick and the chairman of Rowntree & Co. Ltd, B.S. Rowntree, had been instrumental in late 1926/early 1927 in the establishment of an organisation for the interchange and dissemination of new management ideas and business practices known as the Management Research Groups. The resultant English-language text was produced in 1929 as a special mimeographed report of the IMI under the title *Industrial and General Administration*.

To help foster the spread of Fayol’s ideas in Britain, the IMI made a few hundred copies of Coubrough’s translation available to the publisher Pitman for distribution in Britain (Fayol, 1949, p. v), but this does not seem to have had much of an impact, though some clearly did read it (see sub-section below on Fayol’s impact on British management practice). Prior to the Second World War, Urwick was also partly responsible for the appearance in English of a translation by Sarah Greer of Fayol’s paper, “La doctrine administrative dans l’état”, which had been presented to the 2nd International Congress on Administrative Science held at Brussels in 1923. The paper, under the title “The administrative theory in the state”, appeared in 1937 in a book which Urwick jointly edited with the American, Luther Gulick, entitled *Papers on the Science of Administration* (published by Columbia University Press).

A greater awareness of Fayol's ideas, however, resulted from the appearance of a second English translation of his book in 1949. Constance Storrs' translation of *Administration Industrielle et Générale*, which was published by Pitman and contained a 16-page foreword by Urwick, appeared under the title *General and Industrial Management*. Although the book, together with the incorporation of Fayol's ideas into the work of a number of British management writers of the post-war era, undoubtedly had a major influence on British management thought (see next sub-section), it has been argued by some commentators that the impact of Fayol's ideas was limited by the problems associated with translating them into English.

Indeed, at the time of publication of Storrs' translation, Urwick, in a foreword to the book, expressed his doubts about the wisdom of translating Fayol's term "*administration*" with the term "management", noting that there was no precise equivalent in the French language for the English term "management" (Fayol, 1949, p. xii). Having spent a couple of pages discussing the matter, Urwick concluded as follows: "It is regrettable that a term which is thus used by a high authority in the French-speaking countries in a strictly defined and logical sense and which has an exact transliteration in English should be translated by another English word which lacks this precise connotation" (Fayol, 1949, p. xiv). A later commentator (Brodie, 1962) has gone somewhat further, suggesting that Storrs' choice of translation for several of Fayol's key phrases (including not only "*administration*" but also "*la doctrine*", "*le gouvernement des affaires*" and "*la prévoyance*" amongst others) has led to many English readers forming the view that his work was of limited application. Thus, Brodie (1962, pp. 316-17) has concluded as follows:

The breadth of his [Fayol's] conception of the administrative function is never in doubt in the original French. If, however, contact with his writings is limited to the Storrs translation, as must be the case for most English readers, the impression cannot be avoided that Fayol was a writer and thinker dominantly concerned with industrial management.

In Brodie's (1962, p. 316) view, such a view would be mistaken and, in his opinion, in order to indicate most clearly the breadth of Fayol's arguments, the most appropriate translation of Fayol's title would be "Business and General Administration". A third English translation, by I. Gray, was published in the USA in 1984. This was a complete re-translation of the original with extensive revisions. It was aimed at a general readership and attempted to minimise the use of archaic language and references to obsolete contemporary debates.

Despite the problems of translating Fayol's work into English, Urwick spent much of the interwar years attempting to formulate a set of rational management principles based largely, though not entirely, on Fayol's ideas.

Urwick's attempts to develop a rational set of management principles

Pre-1945. The first major step taken by Urwick in the process of constructing a priori "principles of management" came with the publication, in John Lee's *Dictionary of Industrial Administration* (published in 1928), of a paper entitled "Principles of direction and control". While Urwick acknowledged in this paper his debt to F.W. Taylor for the functional model and the idea that a search for principles followed naturally from the concept of scientific management, Child (1969, p. 86) points out that the actual framework for Urwick's principles was heavily influenced by Fayol.

Unlike Taylor, whose analysis was from a supervisory perspective, Fayol developed ideas for senior management. He also presented general principles of management which gave the first real definition to management as a distinct and important contribution to organisational effectiveness. Fayol developed 14 principles of management: the division of work; authority and responsibility; discipline; units of command; units of direction; subordination of individual interest to general interest; remuneration of personnel; centralisation; line of authority; order; equity; stability of tenure; initiative; and *esprit de corps* (Fayol, 1949).

Fayol, based on his own experience in industry, was careful to advise the reader to treat the principles as flexible and therefore adaptable, cautioning that they were not exhaustive. Indeed, Fayol did not claim that the principles should be taken as final. This groundbreaking (for its time) management theory linked principles to the component activities of the organisation – technical, commercial, financial, security, accounting and managerial. The managerial component (Fayol's elements of administration) comprises the activities of planning, organising, commanding, co-ordination and control, which are now understood so well and still accepted as a basic model for the management task. In the history of management ideas, Fayol's manifesto was a substantial influencing element (Dale, 1965).

As noted above, Urwick identified the problem of translating Fayol's (1949, p. xii) ideas of administration into the word "management". Fayol and Urwick similarly wanted to separate the two, if only to promote the professionalism of those involved in this "administration". Indeed, Urwick's reservations concerning "administration" being translated as "management" led him to conclude that Fayol's work would be undervalued in Britain where most employees were seen to do administrative work with a much smaller (and exclusive and, possibly, select) group carrying out management tasks.

During the 1930s and early 1940s, Urwick examined the writings of many authors in an attempt to synthesise their ideas into a rational set of principles. A key factor here appears to have been the receipt from J.D. Mooney of a copy of his book, co-authored by A.C. Reiley, entitled *Onward Industry* and published in 1931. In this work, Mooney and Reiley applied the logical scheme of the German, Louis F. Anderson, to test the validity of the scheme of principles that they had developed. Applying Anderson's logic to Fayol's elements of administration, and certain of his administrative duties, Urwick initially derived a logical scheme of nine items covering the total process of administration though, as he later admitted, he 'still had quite a bunch of Fayol's "Principles" and "Administrative Duties" lying about loose' (Urwick, 1968, f.6).

While most writers consider that Fayol had only five elements, Urwick considered that there were six, insisting that, by his use of the term *prévoyance*, Fayol had meant two separate elements: forecasting and planning. Urwick argued that the French term covers both concepts, whereas in English their meanings were quite separate and should be treated as two elements rather than one (Urwick, 1974, p. 16). Urwick's view, however, was criticised by his former research assistant and one-time collaborator, E.F.L. Brech, who preferred the counter argument that they were a single element since planning necessarily implies the gathering and scrutiny of essential data, i.e. forecasting (Brech, 1963, p. 20, fn. 2). In any event, by early 1942 he had succeeded in fusing together the ideas of Fayol and others, and in May and June of that year, the fruits of his ideas were presented in a series of lectures delivered to the London Branch

of the Institute of Industrial Administration (IIA) at the London Polytechnic. The lectures were published in book form in November 1943 under the title *Elements of Administration*.

In this work, Urwick set out what had by then developed into his ten principles of management: the objective; specialisation; co-ordination; authority; responsibility; definition; correspondence; span of control; balance; and continuity. This list of principles is a prime example of classical organisation theory, and differs somewhat from Fayol's list in that it concentrates on organisational mechanisms and structures, with issues such as pay, morale and harmony being less of a concern for Urwick than for Fayol. The similarities between Urwick's principles and those of Fayol, however, are marked; Urwick's specialisation equates to Fayol's division of work, and similar comparisons can be made with respect to the subjects of authority, responsibility, co-ordination, objective and definition.

Within the British context, Fayol's work is therefore significant in its own right and in terms of its influence on Urwick's ideas. By the end of the Second World War it can be concluded that Fayol's writings, and the dissemination and development of his ideas by Urwick, firmly place Fayol as a significant element in the development of post-war management theory in Britain.

Post-1945. While the pre-war years in Britain were marked by something of a vacuum, with no strong focus or consensus of management principles and theory, the post-war era was somewhat different. Indeed, through Urwick's work, among several others, there at last appeared in Britain a more coherent approach to management theory, at the time when there was a growing recognition at various levels of the need to improve the performance of British management. Wartime and post-war industrial problems had generated an increased awareness of weaknesses in, and criticism of, British management. Questions were raised about the infallibility of management (Puckey, 1944, p. 4) and the disappointing levels of industrial productivity (Benny, 1943). Looking back on the period, Child (1969, pp. 112-13) summarised the situation thus:

[...] criticism was now directed mainly at the performance managers were offering and the methods they were using ... the economic crises of the post-war years, the balance of payments gap ... focused attention on to managerial performance. This in fact continued to attract severe criticism.

This increased concern with management performance placed pressure on writers and proponents of management theory to develop relevant ideas and concepts, and provided them with a potentially more favourable environment in which to influence practice than had been the case before 1940. An important barrier remained, however, in the form of the unwillingness of British managers to apply concepts and methods in practice (Brech, 1953; Meigh, 1954, p. 132). Nonetheless, it was time for a new, or at least modified, approach which might enjoy more appeal to practising managers.

That approach materialised in the works of what has been termed the British neoclassical "school" (Child, 1969). This "school" represented a form of scientific management modified for British consumption by several practising managers, writers and consultants, among them Brown (1947), Gillespie (1948), Smith and Beeching (1949), Urwick (1950), Brech (1953) and Wallace (1959). Prominent among this material was the interpretation of Fayol's principles in the work of Urwick and, to a lesser extent, Brech. We can also note that the threads of scientific management ran

through these neoclassical ideas in the shape of a pre-occupation with a systematic and formal model for management (Child, 1969; Anthony, 1986).

The 20 years or so after 1950, therefore, represented a period in which the neoclassical theories surfaced and “held sway” in Britain, with Fayol’s influence being a significant component in the process of renaissance in British management ideas (Pugh, 1971; Thomas, 1993). The British organisational theorist, Pugh (1971, p. 133), claimed that:

Fayol was the first of the modern management writers to propound a theoretical analysis of what managers have to do and by what principles they have to do it: an analysis which has withstood critical analysis. His principles of authority and responsibility, unity of command, good orders, esprit-de-corps etc. are the common currency of management parlance.

Notably, Pugh’s comments were limited to Fayol’s influence on management theory and discourse, though the American academic, Dale (1978, p. 98) went somewhat further:

Fayol’s ideas have had considerable influence not only on the theories of management current today, but on the aims and actions of many managers in important positions. Many who have never read Fayol’s book have learned his principles at second or third hand and applied them to their own organisations.

As we will suggest below in the section on the impact of Fayol on management practice, Dale’s claims regarding practice would appear to be unfounded in the British context.

Since the end of the 1960s the impact of the neoclassical school, and hence of Fayol and Urwick, has diminished significantly within the world of management theory. The rise of the contingency models of organisation and management, starting with Woodward (1958, 1965) and Burns and Stalker (1961), challenged the universalism of Fayol’s approach and indeed the “one best way” so characteristic of much of the British neoclassical theories. The concepts of universalism and the “one best way” have not died, however, and even Fayol himself recognised that his ideas would need modification in different contexts. Thus, it is not surprising that Fayol’s principles continue to feature in the latest texts on management as they are perhaps inevitable and useful “stepping stones” to a fuller understanding of modern management theory and practice. Fayol’s ideas might be regarded as an example of “walking before running”.

British neoclassical ideas and the issue of control

The development of universal principles by the neoclassical school was partly aimed at the provision of a more positive image for British management, and partly at the provision of support to the process of improving the productivity of post-war British industry. The failure of universalism has already been noted, while the image of management fell foul of British management’s prioritising of pragmatism before professionalism (Fores and Glover, 1978; Macoby, 1978; Mant, 1979; Handy, 1987). The difficulties in the path of increasing productivity in post-war Britain have been well recorded elsewhere and need not detain us here (Shonfield, 1959; Caves, 1968). The major weakness of neoclassical ideas, however, was the assumed standardised organisational model (the closed system model), linked to tight control of work and the specialisation of tasks; these ideas were particularly challenged by social science

research carried out in Britain in the 1950s, which pointed to neoclassical “neglect of the great variety in the different industrial situations which exist in practice” (Child, 1969, p. 157).

Significant within neoclassical ideas lay the issue of “control”, and its role in the process of managing employee resistance to management initiatives. Therefore, much management theory has emphasised goal-setting in organisations and the sanctioning of management-determined goals. Coherence in this was achieved by writers such as Fayol (1949) and Urwick (1950) in the form of persuasive managerial leadership to win “hearts and minds”. But the reality of practice may have been a manipulative system of control, particularly through payment systems, to ensure employee sanctioning of organisational goals within a labour process subject to the ideas of scientific management (Smith and Boyns, 2005). Practice therefore differs from, and undervalues the content and contribution of, Fayol’s ideas because of the intervention of the control issue, and may explain why Fayol’s impact on theory was much greater than any impact on practice.

It is the issue of control, embracing sanctions and goals, which gives a very real British feel to neoclassical management theories, employing pay systems and work measurement to underpin goal acceptance by employees in the process of achieving management control (Davison, 1958; Smith, 1983). But, this should not perhaps be surprising since much neoclassical theory was targeted at poor levels of industrial productivity using the “lever” of rewards. Pay, in particular, has become a traditional management tool in British companies (Scott *et al.*, 1960; Schefflen *et al.*, 1972; Chatterton and Leonard, 1979; Bowey, 1980; Bowey *et al.*, 1982) relying on piecework systems which are far less sophisticated than the “engineering” methods associated with some of the more ambitious interpretations of scientific management and of a lower order than Fayol’s principles.

A preference for piecework was designed to develop control, not in a broad corporate sense but in the more focused form of control of workers on the shop-floor (Whitston, 1997). In connection with one form of piecework we might usefully note Kreis’ (1992, p. 168) comment that the Bedaux pay and performance arrangements, unlike those of “Taylor, Gilbreth and others did not demand new investment, radical changes in management systems or a long transitional period . . . Bedaux nevertheless promised increased output and lower unit costs largely at the expense of the workers mental and physical health”. Piecework might therefore be described as some kind of “abridged” version of scientific management which was somewhat removed from, and on a lesser plain than, Fayol’s model. Against this British backdrop of pay, performance and control, Fayol’s principles might be expected to miss the “target” of influencing management practice.

Fayol’s impact on British management practice

It is clear that, in Britain, several individuals with close business connections were aware of Fayol’s ideas during the interwar period, but it is difficult to determine not only the precise extent to which they had been disseminated, but also to what extent they had been diffused into practice. Urwick could comment in 1942 that Fayol’s *Administration Industrielle et Générale* “had probably had more influence on ideas of business management in Europe, and especially in the Latin countries, than any other work. [But] In this country it is less well known” (Urwick, 1974, p. 16).

Due to problems of distribution, Coubrough's translation of Fayol's main work had only a limited impact, though it is clear that it was read by certain individuals engaged in developing management practices in Britain between the wars. In 1935, for example, A.G.H. Dent cited Coubrough's translation in the bibliography of his book, *Management Planning and Control*. A year previously, T.G. Rose had made the following reference to Fayol in the introduction to his book, *Higher Control* (reprinted in Rose, 1947, pp. xii-xiii):

At the time that this higher control method was being worked out under Mr. Pollen's guidance [as chairman of Linotype and Machinery Ltd], the earlier work of Henri Fayol was unknown to us. It was only after the system had been built up and was in the course of receiving its final touches that the publication of Henri Fayol's incomplete book by the International Management Institute of Geneva brought to our notice the fact that what we considered we had created was, in effect, the logical completion to the administrative system in which Henri Fayol was working at the time of his death.

While the last part of the final sentence shows a lack of complete understanding of the process by which Fayol's work had been published in book form, Rose was clearly aware of it. In many respects the experience of Linotype & Machinery would appear to echo the nature of developments in management theory: separate individuals and groups in different countries working along similar lines (Nelson, 1992).

Other evidence of the impact of Fayol's work on management practices at British companies is difficult to come by. Indeed, the study of the history of British management practice during the twentieth century is very much in its infancy, and our knowledge of how firms were managed in Britain between the wars has not advanced much since the late 1940s when Urwick and Brech published their seminal three-volume study, *The Making of Scientific Management*. Studies of scientific management in Britain have revealed evidence of the impact of Taylor's work, as for example at Hans Renold Ltd (Boyns, 2001), and of the role of early management consultancies, most notably the British Bedaux consultancy but also Production Engineering, Urwick, Orr and Partners, and Personnel Administration, but much of this hints at the more limited application of scientific management as discussed above (Kipping, 1997; Ferguson, 1999).

There is no direct evidence of the application of Fayol's ideas, though clearly some British firms began to utilise organisation charts and develop organisational structures which could possibly be interpreted as following the lines set out by Fayol. However, the quantity of such evidence is relatively small at the present time, and does not provide any conclusive proof that Fayol had a direct impact. Rather, this evidence may merely reflect the simultaneous development of similar ideas (as at Linotype and Machinery), or the influence of British interpreters of Fayol, such as Urwick. Within the Urwick, Orr management consultancy, while Orr, a former Bedaux engineer, focused on shop-floor organisation, Urwick concentrated on general administrative structures and office organisation, and his recommendations would presumably have been influenced by Fayol's writings.

Some observations of management practice in British companies

The diluted application of scientific management and the possible frustration of any application of Fayol's principles (or parallels to such principles) is exemplified in the records or archives of some British engineering organisations from the middle years of

the twentieth century to which we now turn. Within this material we find a management pre-occupation with labour productivity and pay arrangements, rather than a broad corporate strategy for what was termed, by one of the organisations examined, as “higher control”.

Control at British Thomson Houston. The search for improved methods of control at the electrical engineering company, British Thomson Houston (BTH), started in the very first decade of the twentieth century. The company’s records for the period 1901 to 1945 present a picture of an organisation regularly developing planning and costing systems in pursuit of “higher control of the company” (Young, 1941). This higher control is described as involving improvements to production planning, re-organisation, teamwork and personnel management. Much of this, at least in terms of ambition and aspiration, is rather more consistent with the administrative principles of writers such as Fayol than the “scientific engineering” of Taylor; yet the pre-occupation actually demonstrated in the board minutes and other archive records is indeed with such “engineering” in the form of production planning, methods of control of labour performance, the use of standards for costing and time measurement. These had been established at the company’s Coventry works by 1922 and were then subsequently extended to BTH’s main works at Rugby in the first half of the 1930s (Young, 1937). However, even this “engineering” is patchily discussed and “higher control” is merely presented in terms of how senior management drive the various divisions of the company rather than in terms of strategic planning of the business as a whole (Young, 1941).

Costing and time measurement became the basis for a shop-floor wide piecework system established in the mid-1930s after a 12 year period of applying rigorous cost reduction methods and developments to improve productivity. Application of the techniques at Rugby resulted in a halving of manufacturing time between 1932 and 1934, reported as having been achieved because the “system of planning control has definitely generated a time and money sense throughout the whole manufacturing team” (Young, 1935, f.5). Despite the apparent concern with higher control, and the use of costing and planning methods to underpin it, performance increasingly became expressed as labour productivity determined by means of piecework arrangements, while the cost measures used were no more sophisticated than a simple “shop cost” figure for all products based on wage, material and wastage costs. The use of piecework at the Rugby works between 1938 and 1943 was claimed to have resulted in an average increase in productivity (output per man hour) between 1938 and 1943 of 35.8 per cent (Young, 1944, section 4).

While the BTH archives provide written evidence of a drive for a scientific methodology of control which relies heavily on production planning, the use of costing information and piecework, a picture nevertheless emerges of piecework being used to drive shop-floor performance rather than higher control driving productivity. Thus, in 1944, the management of BTH’s Rugby works was pointing to the impact of piecework on company performance, a state of affairs consistent with scientific engineering rather than a broader scientific management strategy. In its review, management also presented information for Metropolitan-Vickers (which, with BTH, formed the bulk of Associated Electrical Industries Ltd) and Westinghouse, who were both reported to be enjoying similar benefits from the use of piecework. This also shows a pre-occupation with scientific engineering despite claims of being concerned with a broader scientific

management strategy; thus, while the evidence paints a picture of a pre-occupation with formal management structures and systems, with control at the forefront, particularly during the 1930s and early 1940s, the tangible reality appears to reside with piecework methodologies. The records provide little evidence of man-management principles and practice, let alone a broad corporate strategic approach to management and performance that might align with the broader intent of Fayol's principles.

The Bedaux system at Henry Hope. Applying piecework to inject control within the culture of the shop-floor often faced worker hostility (Moulden, 1931; Nelson, 1992; Whitston, 1996). As at Rover, Wolsey Hosiery Ltd, Vanesta Ltd and Imperial Chemical Industries, among other companies, the metal window manufacturer, Henry Hope and Sons Ltd, was faced with a strike in 1933 as a direct consequence of introducing a Bedaux style piecework system. The company minutes, and records of management and board meetings to discuss the strike, reveal substantial problems in the areas of worker grievances and technical difficulties caused by the application of piecework in the company's tool room. A "pre-occupation" by management with the advantages and technicalities of the new costing methodology associated with the Bedaux arrangement was repeatedly attacked by employee representatives (Henry Hope & Sons Ltd, 1934).

For Henry Hope, as with many companies in the 1920s and 1930s, Taylorist principles were having their greatest influence on the methods to secure control of labour, and at the heart of this lay performance related pay in the form of the Bedaux system. No grand managerial strategy emerges at Henry Hope to revolutionise structure and performance, instead we have evidence of a system for measuring and improving the pay and effort of manual workers raising conflict on the shop-floor. This is some distance from the idea of improving the sophistication of senior and middle management strategies, methods and actions in the pursuit of overall corporate wellbeing. There is no evidence here of Taylor's grand strategy or "mental revolution" among management; what evidence there is smacks of scientific engineering.

F.H. Lloyd and Horseley Bridge/Piggott's. The archives of the steel products manufacturer, F.H. Lloyd, dating back to 1888 (held at the Sandwell Community History and Archive Service, Smethwick Library, Sandwell, Acc. 8707), provide evidence of a long, ongoing process of developing control techniques in the areas of production control, cost standards and shop-floor manning. Financial problems during the 1930s led the company to further investigate new initiatives in these areas, especially the control of works expenses, the company calling in the consultancy of Stevenson, Jordan and Harrison (SJH) in 1937 (F.H. Lloyd, n.d.). Under the guidance of SJH's managing director, James Currie, the company began to make changes to their organisation in order "to bring about more definite lines of control and tighten up our internal economy" (F.H. Lloyd, 1938).

Over the next two years, SJH's personnel conducted time study analyses and developed a system of time study linked to standard costing and budgetary control, producing a set of production control manuals in connection therewith. One such "Manual", dated September 1940, reveals a comprehensive and well-established application of piecework based on time study as an element of "standard cost and production control" arrangements (F.H. Lloyd, 1940a). The piecework plan is shown to apply to direct workers in production and also to indirect labour (for example, in the machine shop) doing less repetitive and predictable tasks. This is in contrast to the

experience at BTH examined above, where piecework was limited in application to more routine assembly line work typical of a mass-production manufacturing system. Nevertheless, in a report received by the F.H. Lloyd directors, informing their discussion on the future policy with respect to the management engineers, the focus was on the development of piecework systems (F.H. Lloyd, 1940b, f.5):

Some of the things they [the management engineers] have done may be rather academic, but we must remember that the main accomplishment which has been achieved during the period of their engagement has been the introduction of controlled Wage Payment Plans amongst the bulk of our employees, and if we had not carried this out on extremely scientific lines, I am quite sure we would have suffered from far more labour disturbance than we have experienced ...

During the rest of the war period we find evidence of attempts to refine the system further that had been put in place between 1938 and the end of 1940. In November 1941 the minutes recorded that the management engineers were working on proposals for a plan “offering an extra incentive to men who reach a high level of performance, and thus incite them to extra work” (F.H. Lloyd, 1941a). A month later it was reported that “further steps had been taken towards controlling production through all the processes of manufacture” (F.H. Lloyd, 1941b). In April 1942 the company embarked on “the engagement of a chief costs clerk ... [who] would relieve Mr Allison of routine work and enable him to take on the development of budgets and other work now being done by the management engineers, and would render the company less dependent on their services” (F.H. Lloyd, 1942). By 1944 the company had established its own budget committee, though it was noted that (F.H. Lloyd, 1944):

It was considered good practice for the budget committee to work in full collaboration with the departmental managers. This gives the departmental manager the idea that he is acting within his own budgetary estimates, thus making him keen not to over-reach that estimate.

In the steel products firm Horseley Bridge/Piggott’s, the archive records (held at the Staffordshire Record Office, Stafford Office (ex1288)) contain a full and detailed report from the engineering consultant, F.H. Holland, submitted in 1935 and aimed at a considerable cost reduction exercise involving the introduction of time based piecework, a new production planning and progress department and changes to the costing methods to embrace planning, scheduling and piecework. A major task for this exercise was the “tightening of production and costs” with an almost crucial emphasis on improved labour productivity to be enabled by the introduction of a piecework payments plan (Horseley Bridge/Piggott’s, 1935). The essence of the approach at Horseley Bridge/Piggott’s reflects a “plan-cost-measure-squeeze” model of control, which simultaneously reveals the role of consultants in introducing such scientific management strategies, coupled to a perhaps an over-developed focus on piecework.

The concept and reality of control

Control, as evidenced in the records of the companies examined above, primarily revolves around technical issues. The power function of control as the “legitimatory function”, primarily linked to the securing of social recognition and approval for managerial authority and the way it is used, hardly arises in any direct sense. Writers who place the emphasis on technical requirements of the organisation tend to support higher levels of control to underpin the necessary efficiency; therefore, for Fayol (1949,

p. 107), “control consists in verifying whether everything occurs in conformity with the plan adopted . . . it operates on everything, things, people, actions”. For Taylorism and scientific management, it has been argued that control involves a more focused form of management control over labour and the process of work (Braverman, 1974). It is this latter approach which has characterised British practice and which may have proved to be resistant to any acceptance and adoption of Fayol’s ideas.

Parallels with the Fayol definition of control and the scientific elements feature heavily in the words contained in the records of the companies discussed above. Plans linked to the “rationalisation” of the processes of work were extremely popular, almost revered by senior managers. In particular, the papers for BTH and the reports on that company’s activities and performance prepared by A.P. Young are redolent of the classic “scientific model”. However, in reality, these were words, whereas the actions taking place were in the form of piecework payment plans. This is clearly not “higher control”. Taylor’s mental revolution, the works of the “great engineer”, and Fayol’s principles hardly make an appearance during the period up to the 1950s in the records of events within the companies examined above. If control in its classical form involves planning with objectives and targets, then the measurement of performance standards in the companies referred to above, largely applied to labour activity, in terms of cost or physical effort, and related to piece payment rates, represents a much more limited form of control. Even if we consider this optimistically, it is not the higher order of administrative control, and would not have provided fertile ground for the application of Fayol’s principles. This may therefore explain why theory, and in particular the work of Fayol, has been somewhat distanced from British management practice, not only for the period 1945-1960, but also through to the current date.

Concluding thoughts on the relevance of Fayol’s writings for today

Fayol’s principles take their place among theories within the scientific management bundle which contained a high order of intellectual inputs coupled to a genuine belief in industrial efficiency and, indeed, harmony. As we have seen from our limited sample of historical case studies, in terms of British management practice, however, these broader, ambitious qualitative dimensions were largely missing, even during the period of the 1950s and 1960s when the potential for their impact was at its greatest. While further research into British management practice during this era, not to mention other eras, is clearly required, it would appear that Fayol’s influence proved problematic because of the emphasis of British management on pragmatism and a narrow focus on control which allowed little, if any, accommodation for Fayol’s model. In the twenty years or so after the Second World War, Fayol’s impact, particularly after Urwick’s intervention, was on management theory but not management practice. Indeed, British management, for many years, adopted a limited “engineering” form of scientific management, restricted largely to the application of labour productivity measures and piecework bonus systems, negotiated in at shop-floor level.

Today, things are little different. Fayol’s ideas continue to be more influential in the realm of theory than practice in Britain, but even with respect to theory their impact is much less than it was during the 1950s and 1960s. Current British introductory management texts, often of more than 600 or 700 pages in length, usually contain only passing references to Fayol. In some, a couple of pages may be devoted specifically to him, providing a brief history of his managerial career and a mention of either his

elements and/or his 14 principles, but usually with little further explanation. In some works the mention of Fayol is more limited, brief reference being made to him within a section on the “Classical School”, or “Classical Management Thought”, or “Classical Principles of Management”, although further footnotes or passing references may be made elsewhere in the text. While attention may therefore be drawn in modern management texts to Fayol’s pioneering work in helping to determine principles of administration, this is about the limit of the mention made to his work. This is not to argue that Fayol’s impact can not be found elsewhere in these texts, but simply to point out that authors rarely make specific reference to him outside of the chapter on the history of management which usually appears at the beginning of such texts. If Fayol might seem to be badly treated in this respect, we should perhaps spare a thought for Urwick, who often does not receive any mention at all, despite the recognition of his role by earlier historians of management thought (George, 1968; Child, 1969; Wren, 1972).

Since 1970, the focus of management thinking has turned away from the functions of management towards trying to understand management and managing through an examination of what managers do. While Collins (2000, pp. 56-8) has suggested that those who focus on what managers do, such as Mintzberg (1973) and Kotter (1982), have tended to reject Fayol’s supposedly “formulaic” approach, other authors have argued that the difference between the two approaches is more apparent than real. Fells (2000, p. 354) has argued that the models of Mintzberg, Kotter and Hales do not reject Fayol’s elements of management, rather they reinforce them. Indeed, “All of the models, including that of Fayol, were shown to be interrelated at an elemental level. Despite the differences in the models in terms of words used and perspectives taken . . . , each model can be considered essentially equivalent to, or a subset of, other models’ (Fells, 2000, p. 359). Lamond (2004, p. 351) reaches a similar conclusion in relation to the models of Mintzberg and Fayol, arguing that they are complementary, representing “different levels of the same ontological reality”.

The significance of Fayol’s ideas, even today, has led Hales (1993, p. 3) to suggest that, “If all philosophy is a set of footnotes to Plato, management theory is, in large measure, a reply to Fayol’s original memo”. While the essence of Fayol’s work may therefore have stood the test of time (Brech, 1963, p. 86; Fells, 2000, p. 359), not least because it was based on Fayol’s personal managerial experiences, it has not always been represented accurately, or interpreted correctly. As Lamond (2003) has pointed out, while Fayol is clearly a precursor of many modern management ideas, he would probably see the “principles of management” school as a “bastard child”, rather than a true offspring. The British neoclassical school of the post-Second World War era clearly represented one such “bastard child”.

References

- Anthony, P.D. (1986), *The Foundation of Management*, Tavistock, London.
- Benny, M. (1943), *Over to Bombers*, Allen & Unwin, London.
- Bowey, A.M. (1980), “The effects of recently introduced incentive payment in Britain”, *Management Decision*, Vol. 18, pp. 295-302.
- Bowey, A.M., Thorpe, R., Mitchell, F., Nicholls, G., Gosnold, D., Savery, L. and Hellier, P. (1982), *Effects of Incentive Payment Systems United Kingdom 1977-80*, HMSO, London.
- Bowie, J.A. (1930), *Education for Business Management*, University Press, Oxford.

- Boyns, T. (2001), "Hans and Charles Renold: entrepreneurs in the introduction of scientific management techniques in Britain", *Management Decision*, Vol. 13 No. 9, pp. 719-28.
- Braverman, H. (1974), *Labour and Monopoly Capital; The Degradation of Work in the Twentieth Century*, Monthly Review Press, New York, NY and London.
- Brech, E.F.L. (1953), *The Principles and Practice of Management*, Longman's, London.
- Brech, E.F.L. (1963), *The Principles and Practice of Management*, 2nd ed., Longman's, London.
- Brodie, M.B. (1962), "Henri Fayol: *Administration Industrielle et Générale* – a re-interpretation", *Public Administration*, Vol. 40, Autumn, pp. 311-17.
- Brown, W.B.P. (1947), "Some basic problems of industrial relationships", *British Management Review*, Vol. VI No. 2, pp. 52-64.
- Burns, T. and Stalker, G.M. (1961), *The Management of Innovation*, Tavistock Publications, London.
- Cadbury, E. (1928), "Address of welcome", *Quakerism and Industry Report of the Conference*, Society of Friends, London.
- Casson, H.N. (1928), *Handbook for Foremen*, Efficiency Magazine, London.
- Caves, R.E. (Ed.) (1968), *Britain's Economic Prospects*, Allen & Unwin, London.
- Chatterton, A. and Leonard, R. (1979), *How to Avoid the British Disease: Industry in the Eighties*, Northgate Publishing, London.
- Child, J. (1969), *British Management Thought: A Critical Analysis*, Allen & Unwin, London.
- Collins, D. (2000), *Management Fads and Buzzwords: Critical-Practical Perspectives*, Routledge, London.
- Dale, E. (1965), *Management: Theory and Practice*, McGraw-Hill, London.
- Dale, E. (1978), *Management: Theory and Practice*, 4th ed., McGraw-Hill, Singapore.
- Davison, J.P. (1958), *Productivity and Economic Incentives*, Allen and Unwin, London.
- Fayol, H. (1949), *General and Industrial Management* (trans. by C. Storrs), Pitman, London.
- Fells, M.J. (2000), "Fayol stands the test of time", *Journal of Management History*, Vol. 6 No. 8, pp. 345-60.
- Ferguson, M. (1999), "The origin, gestation and evolution of management consultancy within Britain (1869-1965)", unpublished PhD, Open University, Milton Keynes.
- F.H. Lloyd (1938), "Managing directors report", February/March Sandwell, Acc. 8707 ref. 154, Sandwell Community History and Archive Service, Smethwick Library, Sandwell.
- F.H. Lloyd (1940a), "Manual on standard cost system and production control – indirect labour and dressing department", September, Sandwell, Acc. 8707 ref. 112, Sandwell Community History and Archive Service, Smethwick Library, Sandwell.
- F.H. Lloyd (1940b), "Minutes of directors' meeting", 20 November, Sandwell, Acc. 8707 ref. 154, Sandwell, Acc. 8707 ref. 112, Sandwell Community History and Archive Service, Smethwick Library, Sandwell.
- F.H. Lloyd (1941a), "Directors' minute book", min. 2871, 1 November, Sandwell, Acc. 8707 ref. 19, Sandwell Community History and Archive Service, Smethwick Library, Sandwell.
- F.H. Lloyd (1941b), "Directors' minute book", min. 2899, 27 December, Sandwell, Acc. 8707 ref. 19, Sandwell Community History and Archive Service, Smethwick Library, Sandwell.
- F.H. Lloyd (1942), "Directors' minute book", min. 2994, 28 April, Sandwell, Acc. 8707 ref. 19, Sandwell Community History and Archive Service, Smethwick Library, Sandwell.
- F.H. Lloyd (1944), "Directors' minute book", min. 3209, 26 February, Sandwell, Acc. 8707 ref. 19, Sandwell Community History and Archive Service, Smethwick Library, Sandwell.

-
- F.H. Lloyd (n.d.), "Notes on 'Financial history 1918-1940'", Sandwell, Acc. 8707 ref. 7, Sandwell Community History and Archive Service, Smethwick Library, Sandwell.
- Fores, M. and Glover, I. (1978), "The British disease: professionalism", *Times Higher Education Supplement*, 24 February.
- George, C.S. Jr (1968), *History of Management Thought*, Prentice-Hall, Englewood Cliffs, NJ.
- Gillespie, J.J. (1948), *Free Expression in Industry*, Pilot Press, London.
- Hales, C. (1993), *Management through Organisation: The Management Process, Forms of Organisation and the Work of Managers*, Routledge, London.
- Handy, C. (1987), *Gods of Management*, Pan, London.
- Henry Hope & Sons Ltd (1934), "Report on the strike", 16 June, Henry Hope & Sons Ltd papers, MS1056 ref. 142, Birmingham Central Library, Birmingham.
- Horseley Bridge/Piggott's (1935), "Report upon works and production methods office and general efficiency with recommendations thereon, by F.H. Holland, Consulting Industrial Engineer", 29 March, Staffordshire RO, ex1288 ref. C/4/3, Stafford Record Office, Stafford.
- Kipping, M. (1997), "Consultancies, institutions and the diffusion of Taylorism in Britain, Germany and France, 1920s to 1950s", *Business History*, Vol. 39 No. 4, pp. 67-83.
- Kotter, J.P. (1982), *The General Managers*, Free Press, New York, NY.
- Kreis, S. (1992), "The diffusion of scientific management: the Bedaux company in America and Britain, 1926-1945", in Nelson, D. (Ed.), *A Mental Revolution: Scientific Management and Taylor*, Ohio State University Press, Columbus, OH, pp. 156-74.
- Lamond, D. (2003), "Henry Mintzberg vs Henri Fayol: of lighthouses, cubists and the Emperor's new clothes", *Journal of Applied Management and Entrepreneurship*, Vol. 8 No. 4, pp. 5-23.
- Lamond, D. (2004), "A matter of style: reconciling Henri and Henry", *Management Decision*, Vol. 42 No. 2, pp. 330-56.
- Lee, J. (1925), *An Introduction to Industrial Administration*, Pitman, London.
- Macoby, M. (1978), *The Gamesman*, Secker & Warburg, London.
- Mant, A. (1979), *The Rise and Fall of the British Manager*, Pan, London.
- Meigh, A. (1954), "The implications of membership of a professional body", *British Management Review*, Vol. XII No. 3, p. 132.
- Mintzberg, H. (1973), *The Nature of Managerial Work*, Harper & Row, New York, NY.
- Moulden, H. (1931), *Interim Report on the Bedaux System of Labour Measurement*, Public Record Office, London.
- Nelson, D. (1992), "Scientific management in retrospect", in Nelson, D. (Ed.), *A Mental Revolution: Scientific Management and Taylor*, Ohio State University Press, Columbus, OH, pp. 5-39.
- Northcott, C.H. (1928), "Coral duty of management", in Lee, J. (Ed.), *Dictionary of Industrial Administration*, Pitman, London, pp. 502-5.
- Peaucelle, J.-L. (2003), *Henri Fayol – Inventeur des Outils de Gestion*, Economica, Paris.
- Puckey, W. (1944), *What Is This Management?*, Chapman & Hall, London.
- Pugh, D.S. (1971), *Organisation Theory*, Penguin Books, Harmondsworth.
- Rose, T.G. (1934), *Higher Control: A Manual for Company Directors, Secretaries and Accountants, etc.*, Sir Isaac Pitman & Sons, London.
- Rose, T.G. (1947), *Higher Control in Management*, 4th ed., Sir Isaac Pitman & Sons, London.
- Rowntree, B.S. (1927), "A constructive policy for capitalism", *Manchester Guardian*, Supplement on Industrial Relations, 30 November, p. 10.

- Schefflen, K., Lawler, E. and Huckman, J. (1972), "Long term impacts of employee participation in the development of pay incentive plans: a field experiment revisited", *Journal of Applied Psychology*, Vol. 55, pp. 182-6.
- Scott, W.B., Clothier, R.C. and Spriege, W.R. (1960), *Personnel Management*, McGraw-Hill, London.
- Shonfield, A. (1959), *British Economic Policy since the War*, Penguin, London.
- Smith, F.E. and Beeching, D. (1949), *Measurement of the Effectiveness of the Productive Unit*, British Institute of Management, London.
- Smith, I.G. (1983), *The Management of Remuneration*, Institute of Personnel Management, London.
- Smith, I.G. and Boyns, T. (2005), "Scientific management and the pursuit of control in Britain, to c. 1960", *Accounting, Business & Financial History*, Vol. 15 No. 2, pp. 187-216.
- Taylor, F.W. (1903), *Shop Management*, Harper & Row, New York, NY.
- Thomas, A.B. (1993), *Controversies in Management: Issues, Debates, Answers*, Routledge, London.
- Urwick, L.F. (1929), *Rational Organisation*, IIRA, The Hague.
- Urwick, L.F. (1937), "The function of administration, with special reference to the work of Henri Fayol", in Gulick, L. and Urwick, L.F. (Eds), *Papers on the Science of Administration*, Columbia University Press, New York, NY, pp. 173-9.
- Urwick, L.F. (1950), *A Short Survey of Industrial Management*, British Institute of Management, London.
- Urwick, L.F. (1968), "Great Names in Management: Henri Fayol, 1841-1925", lecture presented at the University of New South Wales, 19 June, Urwick papers, Henley Management College, ref. 3/5, unpublished.
- Urwick, L.F. (1974), *The Elements of Administration*, 2nd ed., Pitman, London.
- Wallace, W. (1959), *Prescription for Partnership. A Study of Industrial Relations*, Pitman, London.
- Whitston, K. (1996), "Scientific management and production management practice in Britain between the wars", *Historical Studies in Industrial Relations*, Vol. 1 No. 1, pp. 47-75.
- Whitston, K. (1997), "Worker resistance and Taylorism in Britain", *International Review of Social History*, Vol. 42, pp. 1-24.
- Woodward, J. (1958), *Management and Technology*, HMSO, London.
- Woodward, J. (1965), *Industrial Organisation: Theory and Practice*, University Press, Oxford.
- Wren, D.A. (1972), *The Evolution of Management Thought*, Ronald Press, New York, NY.
- Young, A.P. (1935), "Rugby works – a review of the past 12 years", MSS. 242 ref. BT/13/2, Modern Records Centre, University of Warwick, Coventry.
- Young, A.P. (1937), "Report on the Rugby works, 1937", MSS. 242 ref. BT/17, Modern Records Centre, University of Warwick, Coventry.
- Young, A.P. (1941), Memorandum relating to "Higher Control of Company", "Management of BTH factories and the control of magneto production, etc.", 9 January, A.P. Young papers, MSS. 242, ref. BT/10/5/1, Modern Records Centre, University of Warwick, Coventry.
- Young, A.P. (1944), untitled file on productivity at Rugby works, MSS. 242 ref. BT/18, Modern Records Centre, University of Warwick, Coventry.

Further reading

- Urwick, L.F. (1947), *The Elements of Administration*, Pitman, London.
- Urwick, L.F. (1956), *The Golden Book of Management*, Newman Neame, London.



Fads, stereotypes and management gurus: Fayol and Follett today

Fayol and Follett
today

1335

Lee D. Parker and Philip Ritson

School of Commerce, The University of Adelaide, Adelaide, Australia

Abstract

Purpose – The management profession has a long and well-documented history adopting and abandoning “fads” promulgated by a series of thinkers, practitioners, and opinion leaders who enjoy a “guru” like status. The purpose of this paper shows that stereotyping contributes to the existence of this guru-fad phenomenon.

Design/methodology/approach – The paper examines the characteristics of both management fads and the phenomenon of stereotyping with reference to two leading historical management practitioners and thinkers, Henri Fayol and Mary Parker Follett.

Findings – Drawing on the examples of Mary Parker Follett and Henri Fayol, it argues that the influence exerted by other management gurus and fads, such as Frederick Winslow Taylor’s *Scientific Management* and Elton Mayo’s *Human Relations Movement*, gave rise to a stereotyped view of both Follett and Fayol’s work that prevented an accurate appraisal of their ideas.

Research limitations/implications – In addition, this paper notes that, while Follett and Fayol exhibited an extraordinary capacity to identify the very issues that have spawned many subsequent management fads, the contemporary management discipline’s approach to both thinkers is quite different. While Follett has escaped her earlier stereotypes, allowing management thinkers a new opportunity to re-assess her work and value its contemporary relevance, Fayol remains misclassified as a European Taylorist who has little to offer the contemporary management practitioner.

Originality/value – This paper provides an interesting insight into the characteristics of both management fads and the phenomenon of stereotyping.

Keywords Management gurus, Management history, Management techniques

Paper type Research paper

The management profession internationally has had a long tradition of elevating particular management practitioners, thinkers and opinion leaders to almost “guru” status. Contemporary examples include Drucker, Peters and Waterman, De Bono, Porter and Covey. Such figures bring ideas to the management discipline that for various reasons resonate with their contemporary audiences. Their ensuing publications are often accompanied by personal appearances attracting large numbers of practicing managers paying commensurately high fees at conferences and seminars around the globe. They and their gospels invariably assume almost cult status in the management discipline. Some have lasting tenure stretching across decades of influence over management thinking and practice, while others’ influence and popularity is of shorter duration. For whatever period, their ideas can develop into what might be termed management fads. These gurus’ followers and subsequent writers in the management field often develop stereotyped of them and their ideas.

This paper examines the characteristics of both management fads and the phenomenon of stereotyping with reference to two leading historical management



practitioners and thinkers, Henri Fayol and Mary Parker Follett. Each in their own day, and subsequently, achieved high profile, first in their own country and then on both sides of the Atlantic. With the elapse of time their currency waned, although Follett experienced rediscovery in the 1980s and 1990s, while Fayol's ideas continued to receive lip service in management textbooks throughout the twentieth century.

Accordingly, we revisit Follett and Fayol to evaluate their ideas that both became "fads" and endured, as well as the extent to which their ideas anticipated later emerging schools of management thought and practice. In addition, we critique the extent to which their work has been stereotyped by later writers and commentators, with a view to revealing the deeper and more complex characteristics of their thinking and its prescience for today's management theory and practice.

The paper proceeds to consider managers' susceptibility to fads in management ideas, and discusses the costs and benefits of this tendency. This paper also examines the concept of stereotyping as both a causal driver and product of the uptake of fads in management. In this context then, Follett's ideas are revisited and the degree to which her theories were stereotyped but subsequently rediscovered outside of their former stereotype, are outlined. Similarly, Fayol's ideas are re-examined to reveal their contemporary relevance that belies the traditional framework in which contemporary management writers have stereotypically presented them. Finally, the paper considers the relationship between "faddism" and stereotyping in the management discipline and reflects on its implications for management theorising and management practice.

Gurus, fads, and management

Many criticize the management discipline for its susceptibility to fads and its willingness to accept contradictions that other "scientific" disciplines would deem intolerable (Carson *et al.*, 1999). For example, Huczynski (1993) argues that the developed world has witnessed the recent emergence of a management guru industry characterized by a "hotchpotch" of actors and fads. We might define a management fad as "a managerial intervention, aimed at improving organisational performance, which appears innovative, rational, and functional" (Carson *et al.*, 1999, p. 321). Underpinning such a definition is the belief that those who advocate these fads have a genuine interest in providing practicing managers with valuable and meaningful advice (Micklethwait and Woolbridge, 1997; Burnes, 1998; Collins, 2000, 2001). However, others have expressed concerns about value of these management gurus' contribution to management practice (see for example: Hilmer and Donaldson, 1996; Fulop and Linstead, 1999). Indeed, Crainer (1998) suggests that the success of many management gurus, and the fads they advocate, stems as much from values drawn from the entertainment industry as it does from these gurus' capacity to supply meaningful advice and guidance to the practicing manager.

Characterizing new management theories and practices as merely "fads" promulgated by management "gurus" is common tactic employed by those who wish to undermine the legitimacy and credibility of new developments in management practice (see for examples: Abrahamson, 1991; Wilkinson *et al.*, 1991; Hilmer and Donaldson, 1996). To illustrate, Willmot and Wray-Bliss (1996, p. 62, emphasis added) noted that business process reengineering (or BPR) was "... set to become the most influential management idea *or fad* in the 1990s". Similarly, Coulson-Thomas (1996, p. 18), again writing about BPR, posed the following questions:

Is BPR a temporary gravy train for consultants? Or is it a management fad equivalent to a flu epidemic, quickly spreading and leaving people and organizations worse for wear when it passes?

Fayol and Follett
today

It is important to realize that until they have proven their effectiveness in a range of situations and circumstances, even long-lived and sustainable developments in management theory and practice must endure a period were skeptics might dismiss the development as yet one more management fad. Indeed, as Carson *et al.* (1999) point out, many contributions to management thinking appear to exhibit an inherent life cycle beginning with their adoption, followed by their adaptation and modification to fit organizational realities and circumstances, and finally, in the case of contributions that ultimately fall by the wayside, their abandonment.

1337

An interesting feature of Carson *et al.*'s (1999) account of the management fad life cycle is its willingness to concede a role for socio-psychological processes in their analysis. For example, in the absence of clear and reliable information about a fad's utility, organizations might "... engage in social comparison and imitate the behaviors of others, spurring a domino-like effect" (Carson *et al.*, 1999, p. 321). In other words, organizations might simply mimic the behavior of others and adopt a fad as that fad's popularity grows, only to abandon the fad once its popularity begins to wane. Similarly, Carson *et al.* (1999) point to the existence of a "bandwagon effect" whereby organizations are driven to adopt fads by the fear of being "left out". Somewhat conversely, Carson *et al.* (1999) also draw on Abrahamson's (1996) observation that many early adopters of a fad often prove to be more likely to abandon that fad once its practice becomes widespread, which suggests that fads may also prove vulnerable when they no longer mark an organization out as "cutting edge" or "innovative".

This paper argues that stereotyping also represents an important socio-psychological process that contributes to the fad phenomenon in management. A complete account of management fads must take account of the way in which past practices, convention wisdom, and preceding fads become the subject of stereotypes that blind managers to their true worth and value. What is more, this paper also suggests that newly established fads become the subject of newly emerging stereotypes. It is to the nature of stereotypes, and the processes underpinning stereotyping behavior, that this paper will now turn.

Assessing the stereotyping phenomenon

Stereotyping involves the predisposition we have to grouping and classifying people we perceive as sharing some common characteristics. In doing so, we develop mental images or snapshots of them, as well as their behavior and communications, according to the category in which we choose to place them. In doing so, we might ground our image of such a person in certain characteristics we expect them to have because of the group to which we have assigned them (Buchanan and Huczynski, 2004; Mullins, 2002). We commonly and frequently develop stereotypes about individuals and their characteristics, beliefs, behaviors and communications. Indeed, stereotypes can become a form of shared knowledge across groups such as practicing managers and management writers, and so, they can exert considerable influence (Castelli *et al.*, 2001).

Associated with stereotyping is the halo effect. This describes our tendency towards selective attention in our perception of people on first meeting them. Since at a first encounter we often receive an overload of new information and impressions and we

react by becoming selective about which information we process. As a result, we tend to formulate our initial perception based on one particular characteristic or impression (which may be favorable or unfavorable). In addition, we might exclude other characteristics or information, which may in fact be relevant and useful, from our initial perception. Thus, the halo effect often represents an error in our initial perceptions of an individual. If that first impression is favorable for example, we may ascribe to the person a positive halo, which if assessed in the light of the full set of available information and characteristics might prove to be quite inaccurate. Alternatively, we may ascribe a negative halo, which further information assimilation might well reverse. The halo serves as an early screening device which can simplify first stage information processing and evaluation, but which can also result in subsequent available information being ignored or rejected if it is inconsistent with our initial assessment and categorization (Friedman and Lyne, 2001; Mullins, 2002; McShane and Travaglione, 2003; Buchanan and Huczynski, 2004).

Of course stereotyping can have positive aspects and functions. It can serve as a productive approach to processing and categorizing large volumes of information, especially on first encounter. It simplifies individuals' perceptions and judgments of others and avoids the necessity of navigating multiple and complex stimuli. It presents itself as a potentially efficient way of coping with information overload and may save evaluation time and effort for an individual. As such, stereotyping offers a convenient response mechanism for busy managers. It short cuts their initial information processing, and appears to present them with a potential basis for making quick predictions and assessments in the future (Ivancevich and Matteson, 1993; Wood *et al.*, 2001; Mullins, 2002; McShane and Travaglione, 2003; Buchanan and Huczynski, 2004).

Stereotyping and its associated halo effect can, however, involve risks of significant dysfunctional consequences. Managers may misinterpret the information they perceive, such as management writers' concepts and arguments, and maintain that misinterpretation as a permanent block to a more accurate interpretation. Thus, they may rigidly adhere to inaccurate and simplistic understandings of a management writer or lecturer or of a management school of thought (Friedman and Lyne, 2001; George and Jones, 2002; Mullins, 2002). The effect this can have is that they reify inaccurate, distorted and dysfunctional versions of a management writer's profile, espoused beliefs and principles, and theories or recommendations. Alternatively, on occasions, the stereotyping tendency can result in the audience making partly accurate and partly inaccurate interpretations of a management writer or speaker. This combination of interpretations solidifies over time so that it becomes almost impossible to identify and separate the accurate from the inaccurate information and interpretations (Ivancevich and Matteson, 1993; Carson *et al.*, 1999; George and Jones, 2002; McShane and Travaglione, 2003). Thus, managers' reconstructed versions of these management writers' theories and arguments become quite divorced from the intentions and messages contained in the original writings and speeches (George and Jones, 2002; Biernat, 2003).

Stereotyped reinterpretations and representations of the writings and speeches of such management gurus as Fayol and Follett not only carry a heavy load of misclassification and misinterpretation, but also the resulting inaccuracies and distortions can survive for very long periods of time. Carson *et al.* (1999) and

Collins (2001) have argued that the longevity of such stereotyped fads and rhetoric can be attributable to a number of factors: Fayol and Follett
today

- The extent to which managers identify the expounded theories and practices as consistent with their personal experience.
- The manner in which those theories and recommended practices reconstruct managers' worldviews and existing understandings.
- The way in which they interpret and re-present managers' own social constructions of their "realities".
- Managers' views on the ease of expounded theories' and recommendations' implementation.
- The extent to which management gurus originally promoted their own theories and recommendations.
- The extent to which such theories and recommended practices have been amenable to amendment and change over time.

1339

A number of disciplinary features encourage the persistence of at least some gurus' theories and recommendations and their associated stereotyping in the management discipline. First, the textbook through which contemporary authors present students with omnibus versions of management theory and practice, aggregated and simplified for ease of digestion today dominates management education. In a management textbook, the writer summarizes, classifies and reinterprets the works management gurus such as Fayol and Follett within a limited available space. Overtime, cumulative revisions and editions of many management textbooks reify these reinterpretations. These texts have a direct input to the contemporary education and training of both aspiring and practicing managers. In addition, professional management association journals, conferences and seminars may reinterpret and represent such gurus' ideas. Again, necessity may ensure that contemporary writers, frequently relying on secondary rather than primary sources, produce their representations in a brief summary form, thereby aggravating the risk of stereotyping and misinterpretation. Both ends of the contemporary communication process promote the summarization and simplification of such gurus' ideas. At the input/encoding stage, the writer must condense such information to fit alongside a wealth of other information and package all that information with within the limited length of a text, a paper, or a speech. At the output/decoding stage, both students and practicing managers look for neat, easily digested and actionable solutions to contemporary problems. Both realities serve as powerful forces for reductionism in contemporary managers' interpretations of historical management figures such as Fayol and Follett (Parker and Ritson, 2005).

We shall consider the writings of Fayol and Follett as historical management gurus whose ideas have survived generations of managers to this day, but have both suffered stereotyping in the process of transmission and survival. In Fayol's case, a stereotyped misrepresentation, one that paints him as a fellow traveler of Taylorist *Scientific Management*, appears to continue to obscure the underlying meaning and value of his work (Parker and Ritson, 2005). In Follett's case, two stereotypes seem to have impeded up her ability to communicate to successive generations of management practitioners and theorists (Parker, 1984). The first misrepresented her as a contributor to Taylor's *Scientific Management* (see: Urwick, 1956a, b; Urwick and Brech, 1945). The second

portrayed her as an early participant in, or at least a precursor to, the *Human Relations Movement* (Child, 1969, 1995). The following analysis also presents the pattern of Fayol and Follett's durability over time, the contemporary relevance of some of their early ideas, as well as the contrast between their essential original messages and contemporary authors' and presenters' representations today. However, before exploring the works of both Fayol and Follett, this paper must examine Frederick Winslow Taylor's legacy with view to explaining why an association with and classification alongside such a powerful figure as Taylor can have a profound effect upon Fayol and Follett's legacy.

Frederick Winslow Taylor

Often referred to as "the father of scientific management", Frederick Winslow Taylor was born into a relatively wealthy Quaker and Puritan family from Philadelphia in 1856. Initially, Taylor pursued a career in engineering, beginning his working life as an apprentice pattern maker and machinist, before moving to Midvale Steel where he rose, in six years, from the position of machinist to that of chief engineer. At Midvale Steel, Taylor focused his energies on eliminating what he saw as excessive levels of inefficiency amongst the workforce. Taylor ascribed these inefficiencies to a number of causes including: outdated "rule-of-thumb" approaches used by workers to perform their jobs; the workers' natural inclination to "take it easy" in the workplace; an unfounded fear that increased productivity would lead to job losses; and, poorly designed wage systems that encouraged inefficiency. When he left Midvale Steel, Taylor devoted his entire career to refining and promulgating Scientific Management, an approach to management grounded in the principles he had used at Midvale Steel to improve employee productivity (Urwick and Brech, 1945; Duncan, 1989; Robbins *et al.*, 2000; Bartol *et al.*, 2001).

At its heart, Scientific Management is a rational scientific-engineering-based approach designed to maximize worker's productivity through the systematic analyses of work in minute detail (Robbins *et al.*, 2000; Bartol *et al.*, 2001). For example, at Midvale Steel even seemingly menial and inconsequential tasks such as the handling and shoveling of pig iron became the focus of "scientific" study (Morgan, 1986; Robbins *et al.*, 2000). Morgan (1986, p. 30) explains that the practice of Scientific Management rests on the application of five relatively simple principles:

- (1) Shift all responsibility for the organization of work from the worker to the manager – managers should do all the thinking relating to the planning and design of work, leaving workers with the task of implementation.
- (2) Use scientific methods (including time-and-motion study (Bartol *et al.*, 2001)) to determine the most efficient way of doing work; design the worker's task accordingly, specifying the precise way in which work is to be done.
- (3) Select the best person to perform the job thus designed.
- (4) Train the worker to do the work efficiently.
- (5) Monitor worker performance to ensure that appropriate work procedures are followed and that appropriate results are achieved.

Scientific Management's popularity in the early years of the twentieth century rested upon impressive increases of workplace productivity engendered by it and by its

logical offshoot Fordist mass-production (Morgan, 1986; Bartol *et al.*, 2001). However, Scientific Management is an inherently authoritarian approach that charges the manager with all responsibility for the “thinking”, whilst employees do all the “doing”, (Morgan, 1986, p. 30). Many have pointed to this authoritarianism to accuse Taylor of also having provoked industrial unrest and conflict, higher employee turnover and absenteeism, industrial sabotage, low employee morale, and a host of other managerial problems (Sewell and Wilkinson, 1992). Indeed, as early as 1911, the social and psychological problems often ascribed to Scientific Management caused so much concern that a House of Representatives committee called Taylor to defend his methods (Morgan, 1986).

Fayol and Follett
today

1341

Taylor’s legacy has always been, and will no doubt remain, a mixed one. On the one hand, his advocacy of rationality in the pursuit of organizational goals has guaranteed his place as one of the most influential management thinkers of the twentieth century (Bedian and Wren, 2001). On the other hand, Taylor is often condemned for pursuing an inflexible and universalistic approach in the sense that he advocated the application of the same principles in all organizations under all circumstances (Davidson and Griffin, 2000; Robbins *et al.*, 2000; Bartol *et al.*, 2001). More significantly, Taylor’s authoritarianism, coupled with his apparent disregard for the social and psychological realities of the workplace, have earned him a reputation as an “enemy of the working man” (Morgan, 1986). Today, one might say that Taylor is as one of the management discipline’s favorite “bogeymen” (Bedian and Wren, 2001).

Mary Parker Follett rediscovered

Born near Boston, Massachusetts in 1868, Follett became an exceptional woman of her time. A secondary student at an important and well-established Thayer Academy, she went on to study at Radcliffe College for women (an annex to Harvard University – women then being barred from study at Harvard University). During her six years at Radcliffe, she also undertook a year’s study at Cambridge University in law, history and political science. This was followed by postgraduate study in Paris. On her return to Boston she commenced social work, achieving prominence for her innovative provision of community social, recreational and educational services through to the early 1920s: her Boston community centers becoming regarded as benchmark models for other cities. At the same time, she also became prominent through service on the first Placement Bureau Committee for Vocational Guidance, the Massachusetts Minimum Wage Board, and as Vice-President of the National Community Centre Association. Her social work career ultimately spanned 25 years and she became an authority to whom local and national organizations referred for advice (Graham, 1987, 1995; Parker, 1986, 1999).

Based on her prior studies and her field observations from her professional life, Follett became a successful writer and speaker. Her first book *The Speaker of the House of Representatives* (Follett, 1896) examined speakers’ use of power and influence in the political and legislative process. It was reviewed favorably by Theodore Roosevelt, and its favorable reception by commentators and readers established her as a significant political analyst and writer. She followed this with a second book *The New State* (Follett, 1918) advocating the substitution of networks of groups for bureaucratic institutions so that groups at the local level would be empowered to analyze issues and arrive at solutions. Through her increased work on public

committees and tribunals, her work metamorphosed into industrial relations matters, which she reflected on in her third book *The Creative Experience* (Follett, 1924). This focused on exploration of issues and ideas, learning and teamwork, advocating the creative use of experience, by reflecting upon and critiquing the meanings of our experiences and thereby learning from them. This became the foundation of her reputation among the North American business community, further enhanced by her lectures at Metcalfe's Bureau of Personnel Administration in New York (1925-1932) and speeches at Oxford University's Rowntree lecture conferences, the British national Institute of Industrial Psychology, and the London School of Economics (1933).

It was at Oxford that Lyndall Urwick befriended her and became a follower. As executor to her estate following her death in 1933, Urwick compiled her lectures and published them in 1941 as the book entitled *Dynamic Administration: The Collected Papers of Mary Parker Follett* (Fox and Urwick, 1973). It is for this book of her collected papers that Follett is best known in the management literature. Her contributions ranged across management issues and practices, including individualism in a planned society, business as an integrative unity, responsible business management, business management as a profession, power, leadership, control, employee representation and the psychology of participation, conciliation and arbitration. For example, she saw conflict as being potentially constructive rather than automatically dysfunctional. Rather than parties aiming for domination or compromise, she advocated a third outcome of integration: one that delivered the basic objectives of all parties:

As conflict-difference is here in the world, as we cannot avoid it, we should, I think, use it. Instead of condemning it, we should set it to work for us (Follett in Fox and Urwick, 1973, p. 1)

She rejected notions of exercising power "over" people, arguing that a more productive solution can be the exercise of power "with" others:

[...] it seems to me that whereas power usually means power-over, the power of some person or group over some other person or group, it is possible to develop the conception of power-with, a jointly developed power, a co-active, not a coercive power (Follett in Fox and Urwick, 1973, p. 72).

Control for Follett, was best approached via collective self-control including lateral and vertical co-ordination of controls. Her position was that rather than manifest formal top-down authority and control, real authority and control reside in actual tasks and functional activities:

[...] Control is part of a process, a process which we see on biological, personal and social levels. Conscious control is the self-regulation of the biologist rising to consciousness. (Follett in Fox and Urwick, 1973, p. 171).

Consistent with this, she advocated replacement of leadership by command with a facilitating leadership that influenced and organized people at the group level. For Follett, management was an expandable notion that should incorporate not simply management's right to manage, but could productively incorporate the involvement, initiative and creativity of management and employees:[...] we are beginning to think of the leader not as the man who is able to assert his individual will and get others to follow him, but as the one who knows how to relate the different wills in a group so that they will have driving force (Follett in Fox and Urwick, 1973, p. 247). Thus, Follett offered an impressive spectrum of contributions to management thought that were well

ahead of the practices and theories of her day and which anticipated many subsequently emerging management theories and practices. Fayol and Follett today

It was around the age of 60 years when Follett really emerged as a management thinker, writer and speaker attracting business attention on both sides of the Atlantic. Her profile in the business community was notable given that she had not worked directly as a business organization executive or leader. Certainly it is said that her lifelong friend and companion Isobel Briggs who moved in wealthy and powerful circles in Boston, facilitated Follett's entrée to and acceptance in circles of politicians, writers, attorneys, philosophers, businessmen and the Boston 'aristocracy'. Such sponsorship clearly facilitated her access to information, audiences and business and government in general. Her book *The Creative Experience*, extended her audience beyond the realm of government, politics and social welfare, and brought her to the attention of businessmen who informally found her to be a ready advisor, thereby further enhancing her reputation in the business milieu. This new found stage provided the launch pad for her subsequent lectures, speeches and writings in both the USA and Britain as already outlined above. Her management ideas covered a considerable scope that traversed constructive conflict, power and authority, leadership, co-ordination and control, creative group processes, individuals, groups, business and society (Graham, 1987, 1995; Parker, 1984, 1999):

The businessman has probably the opportunity today of making one of the largest contributions to society that has ever been made, a demonstration of the possibility of collective creativeness (Follett in Fox and Urwick, 1973, p. 64).

She qualifies as one of the early management "gurus" of the twentieth century, promulgating management ideas that still draw comment today. How she and her ideas have been received, classified and represented over time will now be considered.

Clearly in her time, Follett achieved a considerable profile in government, social welfare and business circles on both sides of the Atlantic. Her ideas attracted attention through her own professional achievements, her board and committee memberships, her networks of connections, her writings and publications and her lectures and speeches (Parker, 1986, 1999; Drucker, 1995). Ryan and Rutherford (2000) suggest that one source of her appeal to a business audience may have been their mutual recognition that managers had to cope with complex questions that did not easily yield to simple answers. On the other hand, it is also arguable that the search for simplistic solutions to management problems of the day amongst practicing managers may also have induced managers' subsequent neglect of her ideas. For example, Drucker (1995) contends that in the USA in the 1930s, Follett became a virtual non-person in the world of management. Metcalf and Urwick (1941) and Child (1969) also argue that despite her British appearances and lectures, and Lyndall Urwick's support for her ideas, there was little uptake of the notions of behavior in organizations in British management during the 1930s. Hence in her final years and immediately after her death, her light had dimmed and her ideas begun to pass from fashion, and lay relatively dormant through the 1930s and 1940s. Why was this the case? Her ideas and recommendations represented a major break from the so-called scientific, authority-based, prescriptive principles conventionally promulgated by writers and conventionally sought by managers of her day. Instead, she offered a humanistic, dialogical, and negotiable approach to organizational management that recognized and embraced complexity,

flexibility, industrial democracy and change (Child, 1969; Drucker, 1995; Graham, 2002):

I think myself that collective responsibility should begin with group responsibility, that a form of departmental organization which includes the workers is the most effective method for unifying a business (Follett in Fox and Urwick, 1973, p. 52).

Managers of her day still preferred to search for simplistic, easily implemented solutions to management problems. This tendency was aggravated by businesses' battle to survive the Great Depression, as well as by a lesser degree of intellectual management discourse in higher education in the 1930s (Fox and Urwick, 1973; Drucker, 1995; Fry and Thomas, 1996; Ryan and Rutherford, 2000). Of course, her impact may also have been restricted in the 1930s simply due to her being a woman (one of the very few) operating in a male-dominated world of government and business (Wren, 1979; Kanter, 1995). Added to this, her social welfare background and lack of direct business involvement may have also impeded acceptance of her ideas among many practicing business managers (Parker, 1999).

One further contributor to Follett's neglect in the 1930s was the rise to prominence of Elton Mayo whose approach to management rapidly eclipsed Follett's. Why was this? Child (1995) argues that Mayo's approach to human relations resonated with the managerial culture of the period, advocating a relatively simple, paternalistic, rational, authority-based approach to human relations (quite the opposite to Follett's more complex, interdisciplinary approach). In addition, Mayo achieved greater publicity through his famous Hawthorne experiments at the Western Electric Company and his position at the famous Harvard Business School. Nevertheless, arguably Mayo's success and recognition in leading the human relations school of thought may have paved the way for Follett's gradual resurrection so that her ideas began to resurface in the management literature in the UK in the late 1940s and 1950s (Child, 1969; Parker, 1984). In the 1960s, Parker (1984) reports the uptake of her ideas by writers such as Krupp (1961), Savitt (1962), Livingstone (1965) and Massie (1965).

Before examining Follett's recent resurrection as a management guru, we must examine one further important factor contributed to her temporary demise: namely, stereotyping. It is arguable that subsequent writers, including erstwhile supporters such as Lyndall Urwick (Urwick, 1956a, b; Urwick and Brech, 1945), incorrectly classified Follett as belonging to the scientific management school of thought. Subsequent management textbook writers reified this misclassification by referring to Follett via Urwick's numerous publications about her. Then during the human relations era of the 1930s, Follett's work was miss-interpreted in the shadow of Elton Mayo as her philosophy of industrial democracy became a license for managers to lead others to their own predetermined point of view, while her approach to control was represented as and reduced to a mere management technique (Child, 1969, 1995). Such stereotypes were completely at odds with Follett's fundamental philosophy and messages. It has been left to later management theorists to rehabilitate her and to repaint the portrait dulled by her longstanding stereotype.

After laying dormant for a considerable period, Follett and her ideas appear to have begun to resurface more consistently in the management literature from the 1980s onwards. Fry and Thomas (1996) conducted a citation search of social science, public administration and management literature covering the period 1969-1990. They found

that Follett was cited in nearly 150 articles in 96 different journals, and in almost every text reviewed. However most references to her work and ideas were superficial and compared to Mayo, Barnard, Simon and Waldo she was the least cited. Nevertheless, they noted that her rate of citation did climb significantly, the annual rate doubling between 1980 and 1990. At the same time we find that some management writers in the 1980s and 1990s began to pay Follett much greater attention, pointing to the depth and prescience of her work and advocating her rediscovery by the contemporary management discipline (Parker, 1984, 1986, 1999; Graham, 1987, 1995, 2002; Eylon, 1998; McLarney and Rhyno, 1999).

So as an early management guru, Follett had mixed fortunes. Particularly as a woman not directly involved in managing a business enterprise, she achieved a remarkable penetration of the business world of her day on both sides of the Atlantic. Her government- and business-related board memberships, publications, speeches and lectures clearly marked her out as a significant and challenging management guru of her day. Overtaken by her environment and competing management agendas, her ideas lapsed into the dark world of management fads that have had their day, only to resurface into the management literature decades later.

As writers gradually rediscovered Follett (especially from the 1980s onwards), her stereotype came under scrutiny and was found to be wanting. Wren (1979, p. 325) observed that while she lived during the scientific management era, philosophically she belonged to the “social man” era. Child (1969) too, noted that subsequent writers had reclassified her as part of the human relations school. However Child (1995) argues that Mayo’s brand of human relations was far more authoritarian than Follett’s. Parker (1984, 1999) sees her anticipating many aspects of the subsequently emerging behavioural and systems schools of thought. When Follett’s earlier stereotypical classification is dismantled in this way, the underlying cause of her neglect over the decades becomes more evident. As Bennis (1995, p. 181) puts it, her ideas and writing were seminal and a precursor of many management ideas and practices today. Not only were they “ahead of her time, but . . . at an angle to the time she was writing about”. Resonating with contemporary management theory are dimensions of her thinking on leadership, workplace autonomy and empowerment, organizational conflict and pluralism, control, group participation and co-operation (Parker, 1984, 1986, 1999; Graham, 1987, 2002; Fry and Thomas, 1996; Eylon, 1998; McLarney and Rhyno, 1999). The list does not end there. It includes elements of recent thinking in relation to:

- Strategic alliances:

Long before those of us studying strategic alliances and joint ventures. . . discovered the virtues of cooperation with competitors, Follett had analyzed when competition can turn into a kind of cooperation (Kanter, 1995, p. xv).

The formation of alliances is not a new idea derived from heightened global competition; it is a Folletian idea in a new form (Kanter, 1995, p. xv).

- Network organization structures:

We were convinced that because of the waning of the archetype of industrial bureaucracy a new model would be required for organizations of the next century . . . We placed our bets on what we called the “network” organization . . . Our unease about whether we were saying anything new led us to carefully reexamine the early literature

on organizations . . . we found that every one of the features of the new organization that we (and so many others) were so giddily proclaiming as cutting-edge and revolutionary had been anticipated by Mary Parker Follett . . . (Nohria, 1995, pp. 155-6).

- Stakeholder theory:

The similarities between Follett's ideas and many of the ideas being put forth in stakeholder theory (a contemporary management theory) are startling (Schilling, 2000, p. 224).

- Likert and McGregor's work on participative leadership (Child, 1995).
- Tom Peters' principles of effective teamwork (Child, 1995).
- Lawrence and Lorsch's organizational integration and differentiation (Child, 1995, p. 89):

. . . it is Follett who has stood the test of time . . . her approach to participative problem solving, based on the concepts of constructive conflict and power-with, anticipated both the work of Likert and McGregor on participative leadership, and the principles of effective teamwork expounded more recently by Tom Peters and others. The lectures she gave at the London School of Economics in 1933 on coordination and the process of control in many respects foreshadow the analysis of integration and differentiation advanced by Lawrence and Lorsch.

- Contingency-based management:

Perhaps most fundamental of all, the "law of the situation" . . . directly anticipates modern contingency analysis – still the most useful perspective on offer to practicing managers (Child, 1995, pp. 89-90).

In addition, holistic interdisciplinary critiques of rationalist quantitative management models, as well as the broader corporate governance responsibilities for social and environmental impact (Parker, 1995) have all been identified by contemporary theorists as anticipated by Follett's ideas. Her historical role and her later rehabilitation has been best summarized by George (1972, p. 139) when he wrote that she "was, in effect, a prophet in the management wilderness".

In Follett's case then, her rediscovery by contemporary management theorists has elevated her status and recognition and facilitated the rejuvenated currency of her ideas. These include Parker (1984), Graham (1995), Fry and Thomas (1996), Eylon (1998), McLarney and Rhyno (1999), Ryan and Rutherford (2000), and Schilling (2000). These authors have begun to dismantle her stereotype, liberating her material to be explored anew by and better understood by a wider audience. It is through their reinterpretations and writings that her messages have been reconstituted and replayed in the language of contemporary theory, management and business. Whether they maintain the growing momentum of her work's citation in contemporary literature remains to be seen. Nevertheless, they offer the prospect of reinvigorating attention to her theories and reasserting her recognition and referencing as a founder of today's management discipline.

The enduring Henri Fayol

Henri Fayol was born in France in 1841, educated at the Lycée at Lyons and subsequently he trained to be a mining engineer at the national School of Mines at

St Etienne. He then joined the Commentry-Fourchambault Company, a coal mining and iron foundry combine where he quickly ascended through the managerial ranks – from engineer aged 19, to manager of the Commentry pits at the age of 25, to manager of a group of coalmines at 31. At the age of 47 years, he finally became managing director of Commentry-Fourchambault and remained as Commentry-Fourchambault's chief executive until he retired in 1918 (Urwick, 1956b; Brodie, 1967; Pollard, 1974; Wren, 1979; Sasaki, 1995).

Following his retirement, Fayol undertook two further major ventures. In the 1916 to 1923 period, he published *General and Industrial Management* and he set up a Centre for Administrative Studies (CAS) to develop and popularize his management ideas. The centre became a forum for meetings attended by leaders in literature, philosophy, engineering, public sector, industry, commerce and the military. He and his followers also used the center as a base from which they could lecture, and publish pamphlets and articles. During the 1921-1926 period, Fayol also accepted consulting appointments and undertook investigations into the French public sector on behalf of government. This included work with the Post Office and the Telecommunications Department and a study of the French government's tobacco and match monopoly (Breeze, 1995; Cuthbert, 1970; Urwick, 1949).

Throughout his life, Fayol was an avid, detailed and meticulous researcher who published in many topic areas (see: Brodie, 1967; Breeze, 1995; Wren, 1995). Between 1874 and 1885, he published a number of papers on mineshaft design and safety. These covered diverse issues relating to alternative materials for pit props, mine after-filling, spontaneous combustion, firefighting, and mine hazards. He also conducted experiments on the problems of mine subsidence which engineering students studied in mining textbooks for a number of subsequent decades. When Commentry's collieries coal deposits appeared close to exhaustion, Fayol undertook detailed studies of the formation and extent of those deposits and then published a monograph on the Commentry coal basin published by the Society of Mineral Studies. Overall, Fayol's research approach could be characterized as often experimentally and field research based, employing detailed and disciplined observation, meticulously recorded and analyzed. This same approach, he applied to the development of his management ideas contained in *General and Industrial Management* and to his leadership of the Centre for Administrative Studies (Brodie, 1967; Breeze, 1995; Wren, 1995; Parker and Lewis, 1995).

During his life, Fayol earned many honors and distinctions in recognition of his contributions to the fields of geology, metallurgy, and management (Wren, 1972). These included The Delesse Prize of the Academy of Sciences, the gold medal of the Société d'Encouragement pour l'Industrie Nationale, the gold medal and medal of honor of the Société de l'Industrie Minérale, Chevalier of the Legion of Honour (1888), Officer of the Legion of Honour (1913), and Commander of the Order of the Crown of Romania (1925) (Urwick, 1956b).

Fayol's ideas were largely unread and unfamiliar to the English-speaking world until the translation of *General and Industrial Management* into English in 1949 (Fulop and Linstead, 1999). Nevertheless, he clearly achieved a considerable degree of success as both a management practitioner and theorist in the early twentieth century. In addition, Fayol's work exercised a profound influence over several subsequent management thinkers in the both the USA and the UK, including Lyndall Urwick and

Fayol and Follett
today

1347

Chester Barnard (Lock and Farrow, 1982; Cole, 1984; Thomas, 1993). In *General and Industrial Management*, one finds a detailed and systematic analysis of management practice that has formed an important part of our contemporary understanding of the discipline (Bedian and Wren, 2001). Fayol's most well-known contributions to management theory include:

- His categorisation of all organisational activities as technical, commercial, financial, security, accounting, or management (George, 1972; Wren, 1972; Pugh *et al.*, 1981; Robbins *et al.*, 2000).
- His identification of five key managerial functions: *prevoyance* (forecasting and planning), organizing, co-ordination, command, and control (George, 1972; Cole, 1984; Robbins *et al.*, 2000).
- His advocacy of 14 principles of management: division of labor; authority; discipline; unity of command; unity of direction; subordination of the individual to the common good; remuneration; centralization; the scalar chain; order; equity; stability; initiative; and esprit de corps (Rue and Byars, 1983; Clutterbuck and Crainer, 1990; Robbins *et al.*, 2000).

Notwithstanding Fayol's apparent success and influence as both a management practitioner at Commentry-Fourchambault and thinker (Urwick and Brech, 1945; Robbins *et al.*, 2000; Davidson and Griffin, 2000), today he exists primarily as a somewhat shadowy figure in the "management history" section of contemporary management texts. In these texts, his ongoing relevance to the practice of contemporary management receives little acknowledgment (Parker and Ritson, 2005). The standard textbook treatment of Fayol portrays him as a fellow traveler of his contemporary Frederick Taylor (Bedian and Wren, 2001). Most commonly, Fayol, along with Taylor, receives credit for creating the "classical" school of management theory (Dessler, 1977; Robbins *et al.*, 2000; Davidson and Griffin, 2000). Indeed, most textbook treatments of Fayol do little more than evoke the spirit of Sheldrake's (1996) assertion that Fayolism both complemented and competed with Taylorism in the early half of the twentieth century. If any distinction is drawn between Taylor and Fayol's approach to management, then that distinction is often limited to nothing more than the observation that while Taylor sought to perfect the organization "... from the shop [floor] up", Fayol sought to perfect it "... from the board of directors down" (George, 1972, p. 111). In so classifying Fayol as a European Taylorist, contemporary textbooks blind the student and practitioner of management to Fayol's ongoing relevance in a number of ways.

1. Fayol and employee motivation

The standard textbook treatment portrays both Taylor and Fayol as "romantic rationalists" (Merkle, 1980) and "functionalists" (Norton and Smith, 1998) who viewed workers as nothing more than productive units who exchange their labor for monetary remuneration alone (Bartol *et al.*, 2001; Robbins *et al.*, 2000; Schermerhorn *et al.*, 2004). In other words, that Fayol shared Taylor's focus on monetary remuneration, at the expense of adopting a more holistic view of the employee, one that encompassed his or her higher needs (Robbins *et al.*, 2000). In so doing, these textbooks imply that as early as the late 1920s and early 1930s, when Elton Mayo conducted the Hawthorne studies, management theory had already begun to reject Fayol's understanding of employee

motivation. However, Fayol did recognize that the employee's motivation to participate in the workplace stemmed from more than the mere need to earn financial remuneration. Many students and practitioners might feel surprised to learn that in *General and Industrial Management*, Fayol used language that evokes the subsequent emergence of Maslow's hierarchy of needs and Herzberg's two-factor theory (Bartol *et al.*, 2001), when he wrote:

Whether wages are made up of money only or whether they include various additions such as heating, light, housing, [or] food, is of little consequence provided the employee be satisfied ... [T]here is no doubt that a business will be better served if its employees are more energetic, better educated, more conscientious and more permanent. The employer should have regard ... for the health, strength, education, morale and stability of his [*sic*] personnel (Fayol, 1949, p. 32).

2. Fayol and universalism

Classifying Fayol alongside Taylor creates an impression that, like Taylor, Fayol advocated a universalistic approach to management. That is, that Fayol prescribed a rigid and inflexible set of principles designed to suit all organizations, in all circumstances, at all times (Robbins *et al.*, 2000; Bartol *et al.*, 2001; Schermerhorn *et al.*, 2004). In so doing, the student and practitioner is encouraged to believe that Fayol has little or nothing to offer a world that values integrative approaches such as systems-based thinking and understands the importance of contingency in organizational life (Luthans, 1973; Robbins *et al.*, 2000). However, a reading of *General and Industrial Management* reveals a Fayol who is very different to this pseudo-Taylorist universalistic stereotype. The following excerpts, serve to illustrate Fayol's respect for the importance of contingency in the context of planning:

If decisions are made in the light of certain facts, and some of these turn out to be ill-founded, it is possible to modify the plan accordingly ... The act of forecasting is of great benefit to all who take part in the process, and is the best means of ensuring adaptability to changing circumstances (Fayol, 1949, p. xi).

The plan ... rests ... on future trends which depend partly on technical, commercial, financial and other conditions, all subject to change, whose importance and occurrence cannot be predetermined (Fayol, 1949, p. 43).

The plan should be flexible enough to bend before such adjustments, as it is considered well to introduce, whether from the pressure of circumstances or from any other reason (Fayol, 1949, p. 45).

The best plans cannot anticipate all unexpected occurrences which may arise, but does include a place for these events and prepare the weapons which may be needed at the moment of being surprised (Fayol, 1949, p. 49).

Fayol's respect for the importance of contingency extended beyond the planning or *prevoyance* function to encompass the entirety of management practice, as the following excerpt from *General and Industrial Management* illustrates:

[...] there is nothing rigid or absolute in management affairs, it is all a question of proportion. Seldom do we have to apply the same principle twice in identical conditions; allowance must be made for different changing circumstances ... Therefore principles ... [must be] ... flexible and capable of adaptation to every need; it is a matter of knowing how to make use of

them which is a difficult art requiring intelligence, experience, decision, and proportion (Fayol, 1949, p. 19).

3. *Fayol, authoritarianism, and centralization*

Classifying Fayol alongside Taylor also creates the impression that, like Taylor, Fayol advocated an “authoritarian” model of management that centralized all decision-making power in the hands of management (Huczynski, 1993). In a world where organizations now encourage participative decision-making under the auspices of techniques such as management by objectives and total quality management (Davidson and Griffin, 2000, pp. 738-75), Fayol’s perceived commitment to authoritarian and centralized management can seem hopelessly antiquated and dated. No doubt, Fayol’s inclusion of principles such as authority, unity of command, and centralization among his 14 principles does much to reinforce this authoritarian stereotype. However, students rarely see Fayol’s ideas regarding the importance of authority, centralization, and unity of command, in their proper context, presented alongside his clear regard for the value of initiative. For Fayol, the ideal manager appears to be one who guaranteed the organization’s operational integrity by asserting his or her authority whenever needed, whilst retaining the capacity to motivate his or her subordinates by trusting their capacity for initiative. The following passage serves to illustrate this point:

Thinking out a plan and ensuring its success is one of the keenest satisfactions for an intelligent man [*sic*] to experience. It is also one of the most powerful stimulants of human endeavour . . . At all levels of the organizational ladder, zeal and energy on the part of employees are augmented by initiative. The initiative of all . . . represents a great source of strength for business . . . Much tact and some integrity are required to inspire and maintain everyone’s initiative, within the limits, imposed by respect for authority and discipline . . . [*Nevertheless*] a manager who is able to permit the exercise of initiative on the part of subordinates is infinitely superior to one who cannot do so (Fayol, 1949, pp. 39-40, emphasis added).

In essence, Fayol (1949, p. 6) never believed that that the practice of management was the exclusive prerogative of senior executives, arguing instead that management “. . . is an activity spread, like all other activities, between head and members of the body corporate”. Indeed, Fayol was so committed to the idea that all members of an organization should participate in its management, that *General and Industrial Management* even outlines an ambitious agenda of educational reform. Fayol argued for the inclusion of management education in school curricular to afford every citizen the opportunity to develop and exercise their management capabilities “. . . first at school, [and] later in the workshop” (Fayol, 1949, p. 14). Fayol (1949, p. 14) continues:

Everyone needs some concepts of management; in the home, in affairs of state, the need for managerial ability is in keeping with the importance of the undertaking . . . Hence there should be some generalized teaching of management; elementary in primary schools, somewhat wider in post primary schools, and quite advanced in higher education establishments.

As one reads *General and Industrial Management*, one encounters words written by a subtle and sophisticated management thinker who fully understood the need to integrate the demands of authority, order, and control with considerations for the

employees' welfare and morale, equity, and the value of employee participation in decision-making. What is more and most unlike Taylor's *Principles of Scientific Management, General and Industrial Management* does not present a "one solution fits all" or "magic bullet" prescription designed to solve all organizational problems under all circumstances. Indeed, Fayol repeatedly warns the reader of the need to constantly adjust management practice to meet the demands of changing circumstances and to learn from past failures and mistakes.

Fayol and Follett
today

1351

Establishing exactly why Fayol came to be stereotyped as Europe's leading Taylorist is somewhat difficult. Certainly, if one were to read *General and Industrial Management* through a Scientific Management practitioner's eyes, as Lyndall Urwick did (see Urwick and Brech, 1945), one might find evidence of Taylorist thinking. Principles such as authority, unity of command, and centralization certainly have a Taylorist ring to them. However, to sustain such a classification one would also have to turn a blind eye to and marginalize Fayol's thoughts on the importance of initiative, the significance of contingency, and the need to consider the employee's sense of well-being and morale. Indeed, notwithstanding common misconception that Fayol shared much in common with Taylor, *General and Industrial Management* only contains one direct reference to Frederick Taylor and his work. In this one passage, Fayol (1949, p. 70) expresses his admiration for "... the great American engineer", but goes on to criticize the "Taylor System" for its tendency to promote functional organizational designs. In other words, *General and Industrial Management's* only reference to Scientific Management actually questions its value, arguing that it promulgates the belief that "... unity of command is unimportant and can be violated with impunity" (see: Fayol, 1949, pp. 66-70). Indeed, beyond the fact that Fayol and Taylor were contemporaries, there appears to be very little reason why their respective contributions to management thought should be so closely linked to in present day management texts.

It is interesting to note that unlike Follet, Fayol has, to date, failed to escape his Taylorist stereotype. Although once can find evidence that Fayol anticipated the emergence of a wide range of subsequent approaches to management, beginning with the emergence of the Human Relations Movement (Parker and Ritson, 2005), he has never been reclassified. Today management thinkers, students and practitioners continue to regard Fayol as an antiquated and out-dated figure who has little of relevance to say about contemporary organizational life. For example, in *The Nature of Management Work*, Henry Mintzberg dismissed Fayol's general approach to the nature of managerial work as "folklore", characterising his, Mintzberg's, own work as being "... as different form the Fayol's classical view as a cubist abstract is from a renaissance painting" (Mintzberg, 1989, cited in Lamond, 2004, p. 330).

By consigning Fayol to the "rubbish bin" of management history, the management disciple has left itself vulnerable to successive generations of management gurus, some of whom seem to merely repackage principles first advocated by Fayol into a bewildering array of fads. Not surprisingly, since many, though not all, subsequent management fads lack the subtlety and respect for contingency found in the work of an experienced, thoughtful, diligent, and meticulous thinker such as Fayol, many of these fads turn out, in practice, to represent nothing more than what Hilmer and Donaldson (1996) call "false trails". In addition, many contemporary management thinkers now see irreconcilable conflicts and contradictions between their work and Fayol's. By

viewing Fayol's work in these terms, these contemporary thinkers miss an opportunity to further enrich their analysis of contemporary organizations because often these conflicts and contradictions prove upon closer and more detailed examination to be illusionary (see, for example, Lamond, 2003, 2004).

Conclusion

Management fads and the gurus who promulgate them are a characteristic of the management discipline. The popularity and fame of these fads and gurus often gains momentum through some intrinsic appeal to practicing managers' contemporary experience, their apparent ease of implementation, and through the active public profile and promulgation of their originators. The durability of a fad is also a function of the sophistication of their original formulation and specification, as well as of the adaptability of those ideas to later business and management environments. However, stereotyping which almost inevitably seems to accompany both the guru and their fad may also help to raise the founders' profile and assist the uptake of their fad. Frequently, this stereotyping produces a misinterpretation of these founders' core concepts and arguments, as well as an ignorance of the subtleties of intent and meaning contained in their messages and proposals.

All of these features are evident in both Henri Fayol and Mary Parker Follett. Both achieved early profiles for their ideas among their particular audiences, each promulgating these through writing, lectures, speeches and public appearances. However, competing gurus overshadowed both. Taylor, the management discipline's first and undoubtedly most tarnished guru, has always overshadowed Fayol's work. Both Taylor and a subsequent guru, Elton Mayo, have overshadowed Follett's. While these associations with other gurus may have initially attracted a wider audience for Fayol and Follett's work, both suffered stereotyping by followers, critics and commentators alike, being both classified as apostles of scientific/classical management, with their ideas reinterpreted, and recast into rigid, simplified moulds. Here, however, they part company. Fayol's name remains familiar to us thanks to the multitude of management texts published across the decades since his death. However, Fayol has never escaped his early stereotype and contemporary management writers still referred to him as if he was a rigid classical management thinker in the Taylorist mould. Follett, on the other hand became little referred to or remembered until several decades after her death. She was then rediscovered by a small cadre of management writers, somewhat in the 1960s, and particularly in the 1980s. That rediscovery also marked the breaking of her stereotype and the recognition of her as a far more multidisciplinary management thinker of long-term relevance than previously understood.

Our analysis of faddism and stereotyping in relation to these two significant historical management figures, offers a number of important implications. As is evident for the foregoing study, fads and stereotyping in relation to management ideas and concepts carry a severe risk of their true dimensions, depth, complexity and value being misunderstood and subsequently bypassed. This study also demonstrates that where this may have occurred, management historians and other researchers may be able to revisit and "mine" earlier misinterpreted or discarded ideas and concepts to reveal new understandings and uses of contemporary relevance and value. Such revisiting of historical gurus and their theories thereby offers the prospect of rewriting,

at least to some degree, the history of the development of thought in the management discipline. Fayol and Follett today

The rediscovery of the dimensions and contemporary value of Henri Fayol's and Mary Parker Follett's theories therefore demonstrate that at least some of the early gurus of management have indeed been undeservedly misclassified and subjected to damaging stereotypes, treated simplistically as fads that have had their day, and either become overshadowed or forgotten. We think it reasonable to suspect that many of yesterday's gurus would reward an exercise in revisiting and restoration, with many consequent benefits to our contemporary management discipline.

1353

References

- Abrahamson, E. (1991), "Managerial fads and fashion: the diffusion and rejection of innovations", *Academy of Management Review*, Vol. 16 No. 3, pp. 586-612.
- Abrahamson, E. (1996), "Management fashion", *Academy of Management Review*, Vol. 21 No. 1, pp. 245-85.
- Bartol, K., Martin, D., Tein, M. and Matthews, G. (2001), *Management: A Pacific Rim Focus*, 3rd ed., McGraw-Hill, Roseville, CA.
- Bedian, A.G. and Wren, D.A. (2001), "Most influential books of the 20th century", *Organizational Dynamics*, Vol. 29 No. 3, pp. 221-5.
- Bennis, W. (1995), "Thoughts on *The Essentials of Leadership*", in Graham, P. (Ed.), *Mary Parker Follett – Prophet of Management*, Harvard Business School Press, Boston, MA, pp. 177-81.
- Biernat, M. (2003), "Toward a broader view of social stereotyping", *American Psychologist*, Vol. 58 No. 12, pp. 1019-27.
- Breeze, J.D. (1995), "Henri Fayol's Centre for Administrative Studies", *Journal of Management History*, Vol. 1 No. 3, pp. 37-62.
- Brodie, M.B. (1967), *Fayol on Administration*, Grant and Green, London.
- Buchanan, D. and Huczynski, A. (2004), *Organizational Behaviour: An Introductory Text*, 5th ed., FT Prentice-Hall, Harlow.
- Burnes, B. (1998), "Recipes for organizational effectiveness: mad, bad, or just dangerous to know?", *Career Development International*, Vol. 3 No. 3, pp. 100-6.
- Carson, P.P., Lanier, P.A., Carson, K.D. and Birkenmeier, B.J. (1999), "A historical perspective on fad adoption and abandonment", *Journal of Management History*, Vol. 5 No. 6, pp. 320-33.
- Castelli, L., Vanzetto, K., Sherman, S. and Arcuri, L. (2001), "The explicit and implicit perception of in-group members who use stereotypes: blatant rejection but subtle conformity", *Journal of Experimental Social Psychology*, Vol. 37, pp. 419-26.
- Child, J. (1969), *British Management Thought: A Critical Analysis*, George Allen & Unwin, London.
- Child, J. (1995), "Follett: constructive conflict", in Graham, P. (Ed.), *Mary Parker Follett – Prophet of Management*, Harvard Business School Press, Boston, MA, pp. 87-95.
- Clutterbuck, D. and Cramer, S. (1990), *Makers of Management: Men and Women Who Changed The Business World*, Macmillan, London.
- Cole, G.A. (1984), *Management: Theory and Practice*, Guernsey Press, Saints Bay.
- Collins, D. (2000), *Management Fads and Buzzwords: Critical-Practical Perspectives*, Routledge, London.

- Collins, D. (2001), "The fad motif in management scholarship", *Employee Relations*, Vol. 23 No. 1, pp. 26-37.
- Coulson-Thomas, C. (Ed.) (1996), *Business Process Reengineering: Myth and Reality*, Kogan Page, London.
- Crainer, S. (1998), *The Ultimate Guide to Business Gurus: 50 Thinkers Who Made Management*, Capstone, Oxford.
- Cuthbert, N. (1970), "Fayol and the principles of organization", in Tillett, A., Kempner, T. and Wills, G. (Eds), *Management Thinkers*, Penguin, Harmondsworth.
- Davidson, P. and Griffin, R.W. (2000), *Management: Australia in a Global Context*, John Wiley & Sons, Milton.
- Dessler, G. (1977), *Management Fundamentals: A Framework*, Reston Publishing, Reston, VA.
- Drucker, P.F. (1995), "Introduction – Mary Parker Follett: prophet of management", in Graham, P. (Ed.), *Mary Parker Follett – Prophet of Management*, Harvard Business School Press, Boston, MA, pp. 1-9.
- Duncan, W.J. (1989), *Great Ideas in Management*, Jossey-Bass, San Francisco, CA.
- Eylon, D. (1998), "Understanding empowerment and resolving its paradox: lessons from Mary Parker Follett", *Journal of Management History*, Vol. 4 No. 1, pp. 16-28.
- Fayol, H. (1949), *General and Industrial Management*, Pitman, London (trans. by C. Storrs).
- Follett, M.P. (1896), *The Speaker of the House of Representatives*, Longmans Green, New York, NY.
- Follett, M.P. (1918), *The New State: Group Organisation: The Solution for Popular Government*, Longmans Green, New York, NY.
- Follett, M.P. (1924), *Creative Experience*, Longmans Green, New York, NY.
- Fox, E.M. and Urwick, L. (Eds) (1973), *Dynamic Administration: The Collected Papers of Mary Parker Follett*, 2nd ed., Pitman, London.
- Friedman, A.L. and Lyne, S.R. (2001), "The Beancounter stereotype: towards a general model of stereotype generation", *Critical Perspectives on Accounting*, Vol. 12, pp. 423-51.
- Fry, B.R. and Thomas, L.L. (1996), "Mary Parker Follett: assessing the contribution and impact of her writings", *Journal of Management History*, Vol. 2 No. 2, pp. 11-19.
- Fulop, L. and Linstead, S. (1999), *Management: A Critical Text*, Macmillan, Melbourne.
- George, C.S. Jr (1972), *The History of Management Thought*, 2nd ed., Prentice-Hall, Englewood Cliffs, NJ.
- George, J.M. and Jones, G.R. (2002), *Understanding and Managing Organizational Behavior*, 3rd ed., Prentice-Hall, Upper Saddle River, NJ.
- Graham, P. (1987), *Dynamic Managing – The Follett Way*, Professional Publishing, London.
- Graham, P. (Ed.) (1995), *Mary Parker Follett – Prophet of Management*, Harvard Business School Press, Boston, MA.
- Graham, P. (2002), "Mary Parker Follett: a prophet gaining honour", *Business Strategy Review*, Vol. 13 No. 4, pp. 75-6.
- Hilmer, F. and Donaldson, L. (1996), *Management Redeemed: Debunking the Fads that Undermine Our Companies*, Free Press, New York, NY.
- Huczynski, A.A. (1993), *Management Gurus: What Makes Them and How to Become One*, Routledge, London.
- Ivancevich, J.M. and Matteson, M.T. (1993), *Organizational Behavior and Management*, 3rd ed., Irwin, Homewood, IL.

-
- Kanter, R.M. (1995), "Preface", in Graham, P. (Ed.), *Mary Parker Follett – Prophet of Management*, Harvard Business School Press, Boston, MA, pp. xii-xix.
- Krupp, S. (1961), *Pattern in Organization Analysis: A Critical Examination*, Holt, Rhinehart & Winston, New York, NY.
- Lamond, D.A. (2003), "Henry Mintzberg vs Henri Fayol: of lighthouses, cubists and the Emperor's new clothes", *Journal of Applied Management and Entrepreneurship*, Vol. 8 No. 4, pp. 5-23.
- Lamond, D.A. (2004), "A matter of style: reconciling Henri and Henry", *Management Decision*, Vol. 42 No. 2, pp. 330-56.
- Livingstone, J.L. (1965), "Management controls and organizational performance", *Personnel Administration*, Vol. 28 No. 1, pp. 37-43.
- Lock, D. and Farrow, N. (1982), *The Gower Handbook of Management*, Pitman, London.
- Luthans, F. (1973), "The contingency theory of management: a path out of the jungle", *Business Horizons*, Vol. 16 No. 3, pp. 67-72.
- McLarney, C. and Rhyno, S. (1999), "Mary Parker Follett: visionary leadership and strategic management", *Women in Management Review*, Vol. 14 No. 7, pp. 292-302.
- McShane, S. and Travaglione, T. (2003), *Organisational Behavior on the Pacific Rim*, McGraw-Hill, Boston, MA.
- Massie, J.L. (1965), "Management theory", in March, J.G. (Ed.), *Handbook of Organizations*, Rand McNally, Chicago, IL, pp. 387-421.
- Merkle, J.A. (1980), *Management and Ideology: The Legacy of the International Scientific Management Movement*, University of California Press, Berkeley, CA.
- Metcalf, H.C. and Urwick, L. (Eds) (1941), *Dynamic Administration: The Collected Papers of Mary Parker Follett*, Sir Isaac Pitman & Sons, London.
- Micklethwait, J. and Woolbridge, A. (1997), *The Witch Doctors*, Mandarin, London.
- Morgan, G. (1986), *Images of Organization*, Sage, Newbury Park, CA.
- Mullins, L.J. (2002), *Management and Organisational Behaviour*, 6th ed., FT Prentice-Hall, Harlow.
- Nohria, N. (1995), "Mary Parker Follett's view on power, the giving of orders, and authority: an alternative to hierarchy or a Utopian ideology?", in Graham, P. (Ed.), *Mary Parker Follett – Prophet of Management*, Harvard Business School Press, Boston, MA, pp. 154-62.
- Norton, B. and Smith, C. (1998), *Understanding Management Gurus in a Week*, Hodder & Stoughton, London.
- Parker, L.D. (1984), "Control in organisational life: the contribution of Mary Parker Follett", *The Academy of Management Review*, Vol. 9 No. 4, pp. 736-45.
- Parker, L.D. (1986), *Developing Control Concepts in the 20th Century*, Garland Publications, New York, NY.
- Parker, L.D. (1999), "Fayol and Follett: messages for contemporary management and accounting", *Accounting, Accountability & Performance*, Vol. 5 No. 2, pp. 41-67.
- Parker, L.D. and Lewis, N.R. (1995), "Classical management control in contemporary management and accounting: the persistence of Taylor and Fayol's world", *Accounting, Business and Financial History*, Vol. 5 No. 2, pp. 211-35.
- Parker, L.D. and Ritson, P. (2005), "Revisiting Fayol: anticipating contemporary management", *British Journal of Management*, Vol. 16 No. 3, pp. 175-94.

- Parker, P. Sir (1995), "Most quoted – least heeded: the five senses of Follett", in Graham, P. (Ed.), *Mary Parker Follett – Prophet of Management*, Harvard Business School Press, Boston, MA, pp. 282-90.
- Pollard, H. (1974), *Developments in Management Thought*, Heinemann, London.
- Pugh, D.S., Hickson, D.J. and Hinings, C.R. (1981), *Writers on Organizations*, Penguin, London.
- Robbins, S.P., Bergman, R., Stagg, I. and Coulter, M. (2000), *Management*, 2nd ed., Prentice-Hall, Sydney.
- Rue, L.W. and Byars, L.L. (1983), *Management: Theory and Application*, 3rd ed., Irwin, Homewood, IL.
- Ryan, L.V. and Rutherford, M.A. (2000), "Mary Parker Follett: individualist or collectivist? Or both?", *Journal of Management History*, Vol. 6 No. 5, pp. 207-23.
- Sasaki, T. (1995), "Henri Fayol's family relationships", *Journal of Management History*, Vol. 1 No. 3, pp. 13-20.
- Savitt, M.A. (1962), "Limitations of managerial control", *Advanced Management – Office Executive*, Vol. 1 No. 4, pp. 20-3.
- Schermerhorn, J.R., Campling, J., Poole, D. and Wiesner, R. (2004), *Management: An Asia-Pacific Perspective*, John Wiley & Sons, Milton.
- Schilling, M. (2000), "Decades ahead of her time: advancing stakeholder theory through the eyes of Mary Parker Follett", *Journal of Management History*, Vol. 6 No. 5, pp. 224-42.
- Sewell, G. and Wilkinson, B. (1992), "Someone to watch over me: surveillance, discipline and the just-in-time labour process", *Sociology*, Vol. 26 No. 2, pp. 271-89.
- Sheldrake, J. (1996), *Management Theory: From Taylorism to Japanization*, Thomson Business Press, London.
- Thomas, A.B. (1993), *Controversies in Management*, Routledge, London.
- Urwick, L.F. (1949), "Foreword", in Fayol, H. (Ed.), *General and Industrial Management*, Pitman, London (trans. by C. Storrs).
- Urwick, L.F. (1956a), *The Pattern of Management*, Sir Isaac Pitman & Sons, London.
- Urwick, L.F. (Ed.) (1956b), *The Golden Book of Management: A Historical Period of the Life and Work of Seventy Pioneers*, Newman Neame, London.
- Urwick, L. and Brech, E.F.L. (1945), *The Making of Scientific Management, Vol. 1, Thirteen Pioneers*, Sir Isaac Pitman & Sons, London.
- Wilkinson, A., Allen, P. and Snape, E. (1991), "TQM and the management of labour", *Employee Relations*, Vol. 13 No. 1, pp. 24-31.
- Willmot, H. and Wray-Bliss, H. (1996), "Process reengineering, information technology and the transformation of accountability: the reengineering of the human resource", in Orlikowski, W.J., Walsham, G., Jones, M.R. and DeGross, J.I. (Eds), *Information Technology and Changes in Organizational Work*, Chapman & Hall, London.
- Wood, J., Wallace, J., Zeffane, R.M., Schermerhorn, J.R., Hunt, J.G. and Osborn, R.N. (2001), *Organisational Behaviour: A Global Perspective*, 2nd ed., John Wiley & Sons, Milton.
- Wren, D.A. (1972), *The Evolution of Management Thought*, The Ronald Press, New York, NY.
- Wren, D.A. (1979), *(The Evolution of Management Thought)* 2nd ed., John Wiley & Sons, New York, NY.
- Wren, D.A. (1995), "Henri Fayol: learning from experience", *Journal of Management History*, Vol. 1 No. 3, pp. 5-12.

Further reading

- Chen, M. and Bargh, J.A. (1997), "Nonconscious behavioral confirmation processes: the self-fulfilling consequences of automatic stereotype activation", *Journal of Experimental Social Psychology*, Vol. 33, pp. 541-60.
- Lupton, T. (1971), *Management and the Social Sciences*, Penguin, London.
- Lupton, T. (1983), *Management and the Social Sciences*, 3rd ed., Penguin, London.
- O'Connor, E.S. (1999), "The politics of management thought: a case study of the Harvard Business School and the Human Relations Movement", *Academy of Management Review*, Vol. 24 No. 1, pp. 117-31.
- Parker, L.D. (2004), "Gurus of business: 'value adding' to big ticket items", *Critical Perspectives on Accounting*, Vol. 15 No. 1, p. 134.

Fayol and Follett
today

1357



MD
43,10

Mary van Kleeck, Taylorism and the control of management knowledge

1358

Chris Nyland

International Business Unit, Department of Management, Monash University, Clayton, Australia, and

Tom Heenan

National Centre for Australian Studies, Monash University, Clayton, Australia

Abstract

Purpose – Motivated by the call of the Congress for Industrial Organizations (CIO) for greater labour involvement in management (a call informed by the principles of the Taylor Society), US business launched a crusade in 1944 under the banner, “The Right to Manage”. The purpose of this paper is to extend earlier explorations of the ideas that inspired the leaders of the CIO.

Design/methodology/approach – Through examining the work of the neglected feminist, and labour and social activist, Mary van Kleeck, the paper shows how the ideas concerning the democratisation of management, and the determination of decision making by knowledge, not profit, evolved into Taylorism’s principal tenets.

Findings – The paper finds that an analysis of Mary van Kleeck’s work helps explain why many of the ideas that prevailed among inter-war Taylor Society members deeply disturbed employers, while concomitantly enthusing the CIO.

Originality/value – This paper redresses the view of scientific management’s history that misleadingly stresses the initial hostility between Taylor’s circle and organised labour, which has become entrenched in management folklore and accepted as axiomatic within the discipline, while ignoring the subsequent commitment of Taylor and the Taylor Society to management democratisation.

Keywords Industrial relations, Democracy, Management history, Scientific management, Social welfare

Paper type Research paper

Introduction

In 1944 business elements across the USA launched a campaign designed to reassert the employers’ “Right to Manage”, which employers believed had been undermined by labour reforms introduced as part of the New Deal. Harris (1982) has documented this campaign, arguing that it enjoyed wide support because many business leaders feared that demands being promoted by the Congress for Industrial Organizations (CIO) would increase workers’ participation in management processes. But what Harris did not identify, was the sources from which the CIO drew its ideas regarding management. This gap in knowledge was subsequently confronted by Nyland (1989, 1998) who has revealed the Taylor Society was a significant influence shaping the CIO’s views. Challenging conventional wisdom regarding the character of scientific management, Nyland has shown that the dominant stream within the Society’s membership accepted it to be axiomatic that management activity should be governed by scientific knowledge rather than vested interests, be they the interests of



shareholders, unions or the state. Initially, Taylor and those management theorists and practitioners who established the Taylor Society assumed that simply alerting workers and employers to the benefits that could be generalised by a scientific approach to management would ensure knowledge became the “master in industry”. However, over time, Taylor and those of his acolytes who led the Taylor Society through the first half of the twentieth century came to accept that workers would never embrace management science while control of management knowledge remained monopolised by a narrow body of stakeholders.

This paper extends Nyland’s exploration of the ideas that inspired CIO leaders by examining the work of Mary van Kleeck. A feminist, social activist and scholar, van Kleeck was in many ways representative of her peers in the Taylor Society. We hold that an analysis of her work helps explain why many of the ideas that prevailed among interwar Taylor Society members deeply disturbed employers while concomitantly enthusing the CIO. Detailing these ideas and the practices they inspired has value, as it prompts the question how could it be that the participatory character of the Taylorist movement came to be written from the history of management? By tracing the development of van Kleeck’s ideas, we work towards an answer to this question that suggests the Taylor Society promoted a body of thought that was contested by the majority of the business community. In the struggle generated by this contest, the participatory movement was defeated and as a consequence the business community was left in control of the discipline’s applied, theoretical and historical knowledge. This development, we believe, laid the foundation for the subsequent demonisation of Taylorism that became orthodoxy in management texts and folklore.

Facts and feminism

Born in 1883, van Kleeck was educated at the all-female Smith College, which engendered in its students a commitment to redressing the “evils of society” (Alchon, 1999, p. 63). She subsequently completed post-graduate studies in social economy under Edward Devine at Columbia University. An admirer of Taylor, Devine encouraged his students to embrace Taylor’s systematic approach to data collection, analysis and reform. Students were trained to establish the facts on a given issue, and encouraged to wield these facts in ways that ensured “information – rather than power or personal whim would guide organizational decision-making and make possible a vibrant democracy” (Schachter, 2000, p. 281; Layton, 1971, p. 148).

While at Columbia, van Kleeck joined a circle of “social feminists” who shared Devine’s belief that Taylor’s commitment to rigorous, factual analysis offered much to social reformers. Committed to improving female workers’ lives, these feminists sought to establish the “facts” shaping women’s work and home life, and used these facts as tools in their reform campaigns (Alchon, 1999). In 1905 van Kleeck formally joined the movement, when she secured a fellowship with the New York College Settlement program, a body that sought to engender community-based political and social activism. Concerned that few women attended Settlement meetings, she began to explore how women’s employment conditions affected their lives. Her results impressed the philanthropic Russell Sage Foundation which in 1911 appointed her director of their Committee for Women’s Work. This body was established because reliable information was lacking on which to assess claims that women workers suffered poor working conditions. To redress this situation, van Kleeck undertook a

“comprehensive survey” of the work and home lives of New York working women, and subsequently sought to use the data generated to “guide public opinion” into supporting legal limits on what employers could demand of their female employees (Alchon, 1985, p. 18; Glenn *et al.*, 1947, p. 61).

Her “comprehensive survey” was timely, as the facts regarding women’s employment were being contested. In the 1908 case, *Mueller vs Oregon*, the Supreme Court had upheld the State of Oregon’s right to limit women’s paid work to ten hours. This was a critical development in US law, for it established the constitutionality of protective labour legislation. It also raised the profile of Frederick Taylor. Oregon’s counsel, Louis Brandeis, drew on Taylor’s empirical studies of the relationship between working hours and fatigue because he knew legislative intervention in the labour market was seldom upheld when defended on the basis of abstract principle. His brief minimised the use of this form of argument and instead defended government regulation of labour standards by detailing the toll exacted by the long hours that tended to be imposed on working women by their employers. In handing down its ruling, the Court pointedly acknowledged that the persuasiveness of the facts had prevailed, and, by so doing, strengthened the relative standing of empirical data in US constitutional law and popularised what became known as a “Brandeis brief” this being an argument that emphasises facts rather than abstract principles (Gal, 1980; Brandeis and Goldmark, 1969, p. 7).

Brandeis utilised a similar strategy in the 1911 *Eastern Rate Case*. Representing rail consumers opposed to increased freight prices, he ignored property rights arguments, and instead highlighted the poor quality of railroad management. Henceforth, this became the standard approach embraced by Taylor and the Taylor Society when seeking to institutionalise social, economic and business reform. Society members would support their demands with empirical data, identify “best practice” firms to exemplify what could be achieved, and carefully target the diffusion of the knowledge generated by their research in order to maximise its political impact.

However, although Brandeis admired Taylor, he was not uncritical of his ideas and practice. An essential aspect of Taylor’s philosophy was the need to engender worker-employer harmony which, he held, required that the responsibilities associated with production be shared between management and workers. In 1915, Brandeis lauded this perspective before the Federal Industrial Relations Commission. But in so doing he reproved Taylor and his followers in the Taylor Society for not acknowledging that if workers are to share responsibility for output, they must be ceded a voice in managing production, that is “no responsibility without authority”. Brandeis’ declaration stung Taylor’s circle, already concerned at union hostility that had been provoked by their initial attempts to systematise workplaces without worker involvement. Many researchers have highlighted this hostility between the labour and scientific management movements. However, what has received much less attention is that Taylor and his colleagues responded to the criticisms coming from the union movement and from liberal intellectuals, such as Brandeis, by helping to establish union-employer production committees in the textile industry, and by initiating debate within the Taylor Society on how scientific management could be reconciled with trade unionism. These initiatives heralded a fruitful association between the Society and organised labour that continued until the early 1950s (Fraser, 1991).

Brandeis' use of factual data impressed van Kleeck, who sought to ensure the results generated by her research work similarly helped institutionalise social reform. She presented the results of her studies before numerous state and federal hearings, and published in a variety of media outlets. Immediately prior to the First World War, she produced a stream of articles and three monographs – *Women in the Bookbinding Trade* (van Kleeck, 1913a), *Artificial Flower Makers* (van Kleeck, 1913b), and *A Seasonal Industry* (van Kleeck, 1917). Underpinning these works was her conviction that “common knowledge is the foundation of wise public opinion” and her belief that the diffusion of factual data can be a stimulus for “progressive change and for more facts” (Glenn *et al.*, 1947, p. 153). Her commitment to empirical analysis and reform was exemplified by her bookbinding study, which detailed the work histories of 210 women. Once this information was publicised, she encouraged Brandeis to use her data to support a law prohibiting female night-work in bookbinderies. Her 1914 investigation into the millinery trade produced similar results. As part of a minimum wage campaign initiated by the union movement and pro-labour feminists, she examined the wage records of 4,000 milliners and published the data in *Wages in the Millinery Trade* (van Kleeck, 1914). This work highlighted the existence of “flagrant instances of overwork”, inadequate health and safety provisions, and employment irregularity, and sought to assist the legislative empowerment of working women.

Labor rights and the Taylor Society

Although remaining an advocate of women's rights, van Kleeck's centre of attention broadened in the years immediately before the USA's entry into the First World War. This expansion of her focus was induced by her acceptance that many of the problems confronting women were common to all employees. Indicative of her new perspective were two unemployment conferences she and Devine organised in 1914, which stressed that job insecurity was a problem for both sexes. Notable, given her later relationship with the Taylor Society, was the fact that the second conference was hosted by Taylor's closest colleague, Morris Cook. Her broadened understanding was also manifest at the Sage Foundation, where in 1916 she convinced the Trustees to replace the Committee for Women's Work with the more broadly focused Industrial Studies Department under her directorship (Magat, 1999, p. 11).

Oldenziel (2000) contends van Kleeck's expanded focus stemmed from her wartime service as a consultant on women's employment. Although this was not the case, we acknowledge that van Kleeck's war service did have a notable impact on her career. However, what was critical was the fact that she joined Cooke's staff at the Federal Army Depot Board as an adviser on working women, and, in turn, was appointed the inaugural head of the Women in Industry Service, the precursor of the Women's Bureau of the Department of Labor (Christie, 1983). While in these roles, she helped Cooke draft an employment code for the munitions industry that ceded many of labor's basic demands, including the eight-hour day, equal pay for equal work, and that held business must accept “joint negotiations between employers and groups of employees” (Christie, 1983, p. 35).

Her association with Cooke continued after the war, when she accepted an invitation to join the Taylor Society in 1919. In so doing, she became the first female member and because she pioneered female membership of the Society subsequently became known as the “first lady of the Taylor Society”. Her reasons for joining reflected why many left

liberal thinkers became Society members in the inter-war period. As she later related, her decision stemmed from observing the devastating effects of long working hours, unemployment and low wages on workers and their families. Attempting to formulate the rationale behind these conditions, she concluded that only in the Taylor Society were such questions being answered in an environment designed to “stimulate the conflict of ideas”, highlight “the present disastrous results of industrial organisation”, and “interpret management to the group who are seeking to construct a better community” (van Kleeck, 1924, p. 242).

In 1919 van Kleeck also returned to the Sage Foundation, forced to curtail her tenure with the Department of Labor because of her mother’s deteriorating health. Her subsequent work at Sage paralleled much of the research undertaken by the Taylor Society, though she augmented the Society’s agenda by alerting members to the importance of gender issues (Nyland and Rix, 2000). With Lillian Gilbreth and Pauline Goldmark, she represented the Society at the 1926 Women’s Industrial Conference organised by the Department of Labor. Being social feminists, all three of these women joined female trade union delegates in opposing “equal rights” feminists campaigning for the rescission of all labour laws not applying to both sexes. When the “equal rightists” called on the Women’s Bureau to assume a neutral stance regarding the impact of gendered labour laws, their call was rejected by van Kleeck, Gilbreth and Goldmark, and by the vast majority of the women present. This latter majority countered by successfully proposing that the Bureau undertake “a comprehensive investigation of all the special laws regulating the employment of women to determine their effects”. When reporting the details of the Conference to the Taylor Society, Gilbreth *et al.* (1926, p. 42) emphasised that the response from the women’s movement had provided “one more test of fact-finding as a means of resolving conflict”. Both the delegates’ commitment to empirical analysis, and the Taylor Society’s standing among labour feminists, was subsequently attested when the Women’s Bureau asked the Society to undertake the study recommended by the Conference. After two years of research, the report produced concluded that gender specific labour laws did not impact negatively on women’s employment – a conclusion that has subsequently withstood many attempts at empirical refutation by employers and “equal rights” feminists (Harvie *et al.*, 1993).

However, while gender remained a pervasive interest for van Kleeck, from the time she joined the Taylor Society her attention turned increasingly to furthering the scientific managers’ attempts to engage trade unions and consumers in management activity. In 1919, Cooke and the President of the American Federation of Labor (AFL), Samuel Gompers, edited a special edition of the *Annals of the American Academy of Political Science* that explored labour’s place in management. Van Kleeck used her position at Sage to further this effort, convincing the Trustees that the study of participatory management could improve “industrial relations and conditions” (Hammack, 1994, p. 50). With this victory achieved, her Industrial Studies Department subsequently focussed its research on “relations between employers and employees[,] ... looking toward more definite representation of workers ... through shop committees and trade unions”. By 1930 her department had produced four monographs under the general title, “Labor’s Participation in Management”. These studies held that the pivotal industrial issue concerned who has the power to rule on employment conditions, and the quality and quantity of output (van Kleeck, 1927a, p. 440; Glenn

et al., 1947, p. 378). These issues were to the fore in the twin volumes, *Employees' Representation in Coal Mines* and *Employees' Representation in the Steel Works*, which van Kleeck produced with Ben Selekmán in 1924. These works focussed on the "Rockefeller Plan", which, Rockefeller claimed, sought to ground employer-employee relations on "the principle of representation familiar in political life" (Glenn *et al.*, 1947, p. 379; Selekmán and van Kleeck 1924). The studies conceded that employee voice had been enhanced by the Plan, but denied that it had democratised management. It had not and could not because the employers insisted they were "not bound to abide by [the workers'] vote on any specific subject", and because they refused to allow independent union representation (Selekmán and van Kleeck 1924, p. 385). Both of these policies were roundly condemned by Selekmán and van Kleeck.

Under van Kleeck's auspices, Selekmán also examined management practices at the Dutchess Bleachery – a firm managed by Taylor Society members. Selekmán acknowledged that the firm's "partnership plan" had "revolutionised the attitude of the operatives toward production", and enhanced their "ability to participate in important community and managerial functions with intelligence and responsibility" (Selekmán, 1924, p. 130). Nevertheless, he determined management had not been democratised, because workers did not share ownership of the firm. In so doing, Selekmán, with van Kleeck's support, broached the vital question of whether independent intellectual inquiry or shareholder interests should be industry's master.

While campaigning for management democratisation through the 1920s, van Kleeck also promoted welfare reform. Like the Webbs in Britain, she accepted that employment and social security were inter-related. Employment provides an income to those able to gain work, while welfare underpins wage bargaining and ensures the wellbeing of the individual whose "place in industry does not yield sufficient returns to provide him and his dependents with the essential elements of a living" (van Kleeck, 1929, p. 420). Convinced that management scholars must study both issues, she helped create the International Industrial Relations Institute (IRI) in 1925. This body sought to promote "satisfactory human relations and conditions in all undertakings established for the production and distribution of goods or the rendering of services" (IRI, 1933). The IRI's target audience was managers, unionists, academics, regulators, and welfare agents. The inclusion of the lattermost was indicative of the IRI's emphasis on welfare reform, and distinguishes van Kleeck's understanding of industrial relations from the narrow union-employer focus that became the norm after the Second World War. That the IRI's commitment to this progressive perspective would have been acceptable to Taylor was evidenced by the fact that, to van Kleeck's immense delight, Taylor's widow – who guarded vigilantly her husband's intellectual legacy – joined the IRI in 1930 (van Kleeck, 1930).

Throughout the interwar years, IRI congresses brought together scholars and practitioners from over 30 countries. At the initial congress, van Kleeck met the Dutch socialist, Mary Fledderus, whom she invited to the USA in 1927. While in the USA, Fledderus assisted van Kleeck in a study of labour conditions at the Ford Plant, and addressed the Taylor Society. In her speech, she condemned as "disastrous" the Fordist production regime, asserting that it involved the "almost complete isolation of man". Her views were well received by the many Society members who believed Fordism had nothing in common with scientific management, and who lamented their inability to introduce Taylor's ideas into the mass production industries (van Kleeck, 1927b). This

was a perspective to which van Kleeck (1936a, p. 308) gave voice when she later observed:

Industry in the United States . . . has not given free play to scientific management, although this is the land of its origin. Indeed the scientific management movement has not been taken seriously by dominant big business in America. The efficiency movement had a wide vogue, but it lacked the careful study of the individual and the job which was the method of Taylor. For it was merely part of the general effort to speed up the worker. Similarly, mass production *per se* has nothing in common with scientific management.

However, while this perspective enjoyed wide support, Taylor Society members did not necessarily welcome public criticism of leading industrialists. More cautious members believed the way to win the Rockefellers and Fords to scientific management was to gently persuade them that there was a viable, humane and efficient alternative to the authoritarian and de-skilled work practices the latter preferred. The dissension induced when Society leaders, such as van Kleeck, refused to embrace this perspective came to a head at the Society's 1928 annual meeting. At this gathering Cooke denounced company unionism as being undemocratic and successfully called on the members to support an AFL drive to unionise the Southern textile industry. In response, a number of the more cautious members resigned, leaving progressive liberals in control of a body, which despite the many criticisms it received from business, continued to perceive itself as the intellectual vanguard of the US management movement.

Scientific management and the Depression

Through the 1920s the Taylor Society leadership focussed on improving the management of the individual organisation. But by the decade's end the perspective of this band had broadened to include the management of resources at the national level. This development stemmed from their concern that the benefits of the post-war productivity boom were not being distributed in a manner that ensured effective demand existed in the economy. Society members came to appreciate the implications of demand deficiency as a consequence of their study of business organisations, their close relationship with institutional economists, and their working alliance with the International Labor Organisation and the European "Rationalisation Movement". The influence of the latter two bodies was important, because while the European rationalisers applauded the Taylor Society's contribution to management knowledge, they were convinced that the individual firm was but one front in a wider struggle to enable humanity to manage economic life.

With the onset of the Depression, the European perspective came to prevail in Taylor Society debates. Early in the slump, it was soon accepted across the USA that planned national intervention was an urgent necessity. However, there was no consensus regarding the type of intervention required. Big business and farmers viewed the Depression as a crisis of overproduction, with the former insisting firms should be allowed to collude in the restriction of output. By contrast, consumer and union bodies believed the crisis stemmed from inadequate purchasing power, and demanded that the nation's wealth be redistributed to bolster the spending capacity of those with a high propensity to consume.

Most Taylor Society members sided with the "under-consumptionists", and supported the strengthening of institutions that could facilitate the redistribution of the

nation's wealth to the poor and dispossessed. Situated to the fore in this campaign, van Kleeck insisted capitalists should not be allowed to monopolise macroeconomic management. This could not be permitted, she insisted, because capitalists believed profit and not "knowledge" must be the "master" in industry. From this it followed that if business monopolised the planning process, it would invariably oppose policies that redistributed income from profits to workers, and would do so even in those situations where scientific knowledge showed redistribution was urgently required from the community's perspective.

Through the Depression the IRI collaborated with the Taylor Society in promoting broad public involvement in economic management at all levels from the individual enterprise to the nation. Foreshadowing the planning debates of the 1940s, van Kleeck had the IRI commit its 1931 Congress to a debate on 'World Social Economic Planning'. In her concluding statement she explained that her understanding of this concept involved the application of scientific management to national and world economies (van Kleeck, 1931a, p. 565). She made it clear that she was not advocating the creation of a planning board responsible for regulating world affairs according to a rigid formula. Rather, what she desired was the adoption of a "new spirit" that would free industry from the unending clash of conflicting interests. Exemplifying the proto-Keynesianism that came to prevail within the Taylor Society in the 1930s, she concluded by observing:

The end to be chosen is of course a question of values – of social ethics and philosophy. Technology has, however, so increased possibilities in economic life that men's conception of the end to be attained through economic processes must be enlarged if the further development of economic capacity is to be realized. In other words, we have made enormous gains in production but we have not yet learned to balance production through buying power, that is, through distribution (van Kleeck, 1931a, p. 569).

Van Kleeck reiterated this message before a 1931 Congressional committee investigating the possibility of establishing a National Economic Council. She urged this be done with all speed and argued that the Council should be charged with formulating a national recovery plan. Subsequently, she sent a copy of her testimony to the Taylor Society's director, Harlow Person, who had likewise appeared before the committee. Person advised van Kleeck that while he had conveyed a similar message, he had "taken a more 'revolutionary' position", believing "it is helpful for someone to make recommendations beyond what there is a reasonable expectation of securing now" (van Kleeck, 1931).

But if van Kleeck's views were relatively moderate, by Taylor Society standards, they radicalised as the Depression deepened. In late 1931, she published a paper in *The Personnel Journal* (van Kleeck, 1931b) that explored whether the planning knowledge acquired by scientific managers in workplaces could be extended to the management of worker-employer relations at the national level. Having posed this question, she set out to construct an answer in a manner that would have earned Taylor's applause had she allowed her science to prevail over her ideology. In brief, she accumulated a mass of empirical data on the nature of national planning, undertook a close examination of what constituted best practice, and then proceeded to actively disseminate her conclusions.

In the 1930s best practice national planning was understood to mean the USSR, which had introduced its first five-year plan in 1928. Consequently, in 1932 van Kleeck

visited the Soviet Union, where she undertook a case study of a best practice enterprise. The results of this study she subsequently presented to the Taylor Society annual conference at which she clarified the objectives of her visit:

I went to the Soviet Union with the idea of discovering whether the principles of Scientific Management appeared, in the light of Soviet experience, to be universal or whether they belonged to the American scene, or at most to the characteristic forms of control and private ownership which have so far been associated with modern industry (van Kleeck, 1933, p. 31).

Her report detailed the process involved in formulating and administering the Soviet national plan, and the roles played by those who participated in this form of management. Recognising the value of studying an industry in which she had extensive experience, she focussed on the coal trust of the North Caucasus. Her fieldwork involved the examination of mines, workers' homes, and the regime of inspection and control of the labour process. The result was a technical report which argued that the Soviets were applying Taylor's principles with a level of success sufficient to show both the universality of these principles and their capacity to contribute to a national planning regime.

Her report was supposedly technical, but in reality it was dominated by ideology. Despite her long commitment to the notion that conclusions should be grounded on facts, her report was based on the unproven assumption that: "[o]nce the task has been accepted of developing a rational, planned economy, knowledge becomes the master for the reason that no other master could make a plan which could work". She deduced that this conclusion followed from the fact that a national plan has to integrate all its elements. As van Kleeck (1933, p. 35) explained: "[e]ach decision creates the necessity for the next decision, and each must be in harmony with reality and rational because it is based upon natural law".

The problem with this assumption is that even if the required planning instruments and data are available, planning processes can clearly be corrupted by vested interests if power is allowed to prevail over technique and a commitment to scientific method. In brief, the class-neutral perspective advocated by Taylor was not adequately factored into van Kleeck's analysis of the situation in the USSR. Although she explored the impact of worker and consumer participation in the planning process, the standard of evidence she demanded of the Soviets was totally inadequate and far short of what she had previously and would subsequently demand of capitalist industrialists. This failing, and her atypical acceptance that technique would invariably dominate politics, is explicable only if one assumes her views were dominated by the ideological blinkers that directed how observers of both the left and the right interpreted the USSR through the 1930s (Wren and Bedian, 2004). By contrast, in her subsequent investigation of the US coal industry (van Kleeck, 1934a, b) she returned to the Taylorist perspective that social and political environments can and often do dominate technique; an observation which she stressed in her 1934 report on the coal industry to the Taylor Society:

If any one point is incontrovertibly shown in the study of the coal industry . . . it is that the technique of management of production is limited at every point in its application by the environmental social conditions, by human relations and by the whole economic scheme which prevents the management engineer from controlling the factors influencing production, and by the political structure. But most of all the technique of management is being affected by what may be called the *dynamics of action* (van Kleeck, 1934b, p. 4, emphasis added).

By “*dynamics of action*” van Kleeck meant class struggle, and to reinforce her point she traced the history of the Rocky Mountain Fuel Company. Under the management of Josephine Roche, this best practice firm had gone to lengths to implement the participatory and systematic principles advocated by the Taylor Society. Consequently, productivity was high, and employer-employee relations so positive the employees offered the firm half their wages as an interest free loan to ensure it survived the Depression. Notwithstanding these developments, the business was floundering by 1934 because of the Depression induced price-gouging, devastating the industry. As a result, the best efforts of company managers and workers were proving inadequate. These developments were detailed by van Kleeck in her 1934 volume, *Miners and Management*. This text was founded on Taylorist methodology, evidenced in Phillips’ (1934, p. 1577) review, in which he stated that the work was based “upon documented facts . . . supplemented by actual field work, experience with executives and miners, and deductions obtained, in the atmosphere where the experiments were progressing”.

Van Kleeck believed her US study showed the Depression had not increased the willingness of business to share management power at the level of the enterprise, industry or the nation. In presenting her report to the Taylor Society, she declared it was imperative that the power to manage the economy be ceded to a planning agency which would act in the interests of all stakeholders. Advancing this claim, she insisted that she was not seeking to convince Society members of the validity of her assertions. Rather, she wished to determine if members accepted they had a duty to insist that scientific management’s principles should prevail in American industry. The “real issue” confronting the Society, she challengingly contended, was “whether scientific management engineers regard[ed] themselves as workers identified with the basic interests of an evolving democracy, or as profit-makers accepting all the limitations of the status quo upon the application of their science” (van Kleeck, 1934b, p. 13).

The replies to the challenge she posed at the 1934 Taylor Society meeting were diverse. This is evidenced in the responses of three long-term Society members; the vice-president of McGraw-Hill, William T. Chevalier, the Society’s director and former business school dean, Harlow Person, and Walter Polakov, a practising engineer with extensive experience working in the USSR. The diversity represented by these speakers extended to their world-views; Chevalier was a moderate liberal, Person a radical in the Veblenite sense, and Polakov a Marxist. Their comments reflected this diversity: the liberal businessman raised questions relating to technique and the options available to practicing managers; the radical academic concluded that van Kleeck had utilised a “logic which is difficult to controvert”; and the Marxist engineer insisted that her argument did “not go far enough”.

The Taylorists’ practical response also diverged. Morris Cooke became a senior New Deal administrator, as did many other Society members. Indeed, this was the overwhelming response from members, and by the end of the 1930s the Society’s Washington branch included “most of the higher administrative officials in the Government service” (Dimock, 1939). But for Society members, like van Kleeck, who feared New Deal corporatism was more a precursor to fascism than a pathway to democracy, working for Roosevelt was not an option. Consequently, she stayed with Sage, producing research results that she hoped could assist the development of the management tools she believed were required to escape the Depression.

Central to van Kleeck's efforts in the 1930s was a continuing exploration of national economic planning. In 1934 she helped organise an IRI conference that debated how planning might assist societies, "end unemployment, establish security, and raise standards of living". The conference theme contended that economic and social planning must be underpinned by sustained and sophisticated social research, and broad public participation. She and Fledderus subsequently edited a volume, *On Economic Planning* (Fledderus and van Kleeck, 1935), based on the conference proceedings. It revealed participants ranged from proto-Keynesians to those who insisted that a Soviet five-year plan was an immediate necessity for the US attendees were primarily liberals, but no doubt the FBI noted the participation of the General Secretary of the US Communist Party, Earl Browder, and the Vice-Chairman of the Soviet State Planning Committee, Valerin Ossinsky.

However, although van Kleeck was clearly of the left she was not a communist. Highlighting her social democratic politics, in 1936 she joined the American Labor Party and published *Creative America* (van Kleeck, 1936a). In this volume she called on American workers to build a culture and political movement that would ensure the preservation of a sustainable democracy. By "worker" she meant all "employed or self-employed", who earned their livelihood by their work. Her call reflected her conviction that the working class was the only force capable of sustaining the USA's democracy, because only workers had the organisational capacity to prevent business adopting forms of industrial and economic management that would lead to fascism. In calling for a common labour front, she made it clear she was not advocating the immediate adoption of socialism. The choice confronting Americans, she held, was not socialism or capitalism, but fascism or democracy and she believed that, given this situation, severe limitations must be placed on the ability of business to dominate management knowledge. In short, she urged that increased regulatory restraints designed to protect the public interest should be placed upon capitalists but these should be of a form that would preserve liberal democracy.

In 1936 van Kleeck presciently noted that soon Roosevelt would be compelled to take a stand in defence of democracy. As she forcefully declared:

The decisive moment will come when his Administration deals with the demands of the maritime workers, the steel workers, the miners, the automobile workers. Upon the relative strength of the forces which will then be revealed will depend whether the Social Security Act will be revamped, renewed efforts made to control monopoly, the Constitution broadly interpreted, and foreign affairs handled as a challenge to growing international fascism (van Kleeck, 1936b).

At the time she issued this declaration, the workers she identified had already begun the industrial uprising that gave birth to the CIO. With this eruption the Taylor Society membership, though varying in their enthusiasm for Roosevelt's New Deal, showed they very much considered themselves to be what she understood to be "workers". At the Society's 1937 annual meeting, Cooke called on the membership to support the emergent mass unions, and reminded members of his own longstanding commitment to the notion that all stakeholders must share in management activity. Having thus recommitted himself, Cooke published a paper entitled, "Preparedness plus: democracy knocks at industry's door", which warned that American employers would use the looming war to roll-back gains secured by labour under the New Deal. The countering of this threat, he advised, required the immediate implementation of what he termed,

“Labor-management collaboration for increased production” (Cooke, 1938, p. 140). By this he meant the active participation of workers in all aspects of the management process. His declaration attracted the attention of the CIO and in 1940 Cooke and Phillip Murray, the President of the United Mine Workers, published a joint volume entitled, *Organized Labor and Production* (Cooke and Murray, 1940), which detailed the reform program they believed was needed to democratise the management process. As Jacoby (1985, p. 103) has noted, this work sought to “tap labor’s brains”, and assist the worker to become “an active participant in determining production procedures and administrative policies designed to increase the output and distribution of goods and services”.

With the USA’s entry into the war, the CIO and Taylor Society demanded the introduction of “industry councils functioning both in the workshop and on a national scale, with representatives of the unions participating in the establishment of conditions which would result in maximum production” (van Kleeck, 1942). This demand distressed employers not least because it led to the establishment of joint production committees in hundreds of enterprises. And as peace approached, employers responded by building the campaign that had been foreseen by Cooke, launching their counterattack by calling on the CIO to concede that it was the employers’ prerogative to manage the production process. Neither the CIO nor its Taylor Society ally readily conceded the employers’ demand. Consequently, the notion that workers and consumers must be allowed to participate in management processes became a key factor in the post-war conflict between capital and labour. Similar struggles erupted across the world producing as a consequence diverse forms of industrial governance. In West Germany the conflict resulted in the establishment of co-determination – a development that prompted Cooke to declare that co-determination was what the Taylor Society had in mind when it argued all stakeholders must participate in the management process.

Van Kleeck used her position at Sage to support the CIO-Taylor Society campaign for the democratisation of management. Through the war years she published widely in support of union involvement in management processes, and sought to caution unions against succumbing to employer and government demands that they surrender the strike weapon for the war’s duration (van Kleeck, 1940, 1942). Furthermore, she and Fledderus concomitantly developed and promoted the notion of “optimum productivity”. By this they meant:

[...] the best possible achievement, quantitative and qualitative, in output and performance, directed toward the highest standards of living, material and cultural, which are attainable with rational conservation of resources, human and material, and full utilization of the human and technical sciences, invention and skill (van Kleeck, 1940, p. 77).

Whether in the workshop or the economy, van Kleeck insisted that it was the attainment of this aim, and not the goal of profit maximisation that must become the primary objective of industrial managers, unions and the state.

In 1944 van Kleeck explored what the notion of optimum productivity might mean in a machine age in her last book, *Livelihood and Technology*. Written jointly with Fledderus, this work investigated technology’s effect on the labour process and management. Both women were convinced the greatest problem confronting modern industry and society was the need to reconcile the world’s productive capacity with the restraints placed on production emanating from the fact that capitalism had

inadequate means to equilibrate output and demand. Hence, they called on scholars to develop an industrial sociology that could reconcile the productive capacity of the machine with the restraints on production inherent in a social system where the primary goal is profit maximisation (Fledderus and van Kleeck, 1944).

Van Kleeck's concern at what she perceived as the vast space between technological development and humanity's capacity to "control and benefit by the cosmic forces which science has released" deepened in 1945 with the atomic bombing of Hiroshima and Nagasaki. Appalled by this crime, in an address to the American Sociological Society in 1946 she called on the profession to meet the challenge generated by the nation's inability to manage effectively the contradiction between production and social relations (van Kleeck, 1946a). Her address was a *tour de force* by a scholar/activist approaching retirement, but desperately aware so much remained to be done. Having issued this declaration of her beliefs she then returned to her roots, publishing a statement in the Taylor Society (now the Society for the Advancement of Management) *News Bulletin*, urging members to remain true to the traditions of Taylor in the face of "current labor-management controversies". The Society, she observed, had always been an organisation of management professionals, not a "spokesman for special interests such as groups of employers who have other means of expressing their interests". In her view, members had always premised their arguments on the "facts bearing on a given piece of legislation", and had insisted that this approach was "representative of the true science of management". She considered that the employers' "Right to Manage" campaign constituted a direct challenge to the science of management as pioneered by Taylor. Patently aware of the fears the employer campaign was inducing among the Society members she pleaded with them to continue insisting that management is a profession, with all the implications this held for "the scientific approach to even the most controversial problems of human relations". In conclusion, she implored members to remember that "this Society happens to be the group in the United States which can best carry forward the principles and the traditions of scientific management" (van Kleeck, 1946b). With McCarthyism looming, and anti-New Deal and anti-labour assaults becoming ever more virulent, her appeal was heard by an audience proud of its traditions, but increasingly fearful of the ramifications of adhering to them.

Conclusion

Van Kleeck was a feminist, social worker, economist and management theorist. Recently, scholars associated with the first three fields have explored how their discipline was affected by the post-war assault on liberal thought. All report the near complete eradication by the early 1950s of the freedom to express the progressive ideas that had characterised the interwar years. Craufurd Goodwin (1998), who is both the long-time editor of the *History of Political Economy* and the clear doyen of the history of American economic thought, has highlighted the devastating effects the assault wrought on the economics discipline. In some instances, he notes, whole university departments were closed, because they were tainted by liberalism. But in most cases such measures proved unnecessary, for it took only a few instances of heavy-handed discipline for economists to begin to appreciate the price of remaining attached to the heterodoxy. Consequently, even Keynesian economists learned quickly the benefits of reciting a mantra that uncritically lauded the market and a business-friendly state. So

effective was the consolidation of this new orthodoxy, Goodwin laments, by the mid-1950s few American economists were even aware that their discipline had mounted a serious challenge to the ideas and policies of big business during the interwar period.

Goodwin's observations regarding the economics discipline are equally applicable to the field of management. Indeed, that a liberal left tradition had been a significant influence in management thought and debate through the interwar years was all but eradicated from the discipline's history by the 1960s. This was achieved by an Orwellian reinterpretation of scientific management's history, which misleadingly stressed the initial hostility between Taylor's circle and organised labour, while ignoring the subsequent commitment of Taylor and the Taylor Society to management democratisation. The constant reiteration of this story has become entrenched in management folklore and accepted as axiomatic within the discipline.

How and why the authoritarian depiction of Taylorism became orthodoxy in the post-war years requires explanation. This is not an easy feat given that the orthodoxy can and has been sustained despite the existence of abundant evidence that shows it to be a selective and loaded history. An adequate explanation will need to determine the role played by the constricted understanding of what constitutes management that has prevailed through the post-war years, the resistance that scholars invariably confront (particularly those without tenure) if they challenge the belief that managers' primary loyalty is to those who employ them, and the tendency for management activity to be understood in ways that divorce the field from its political context and the issue of who controls management knowledge.

In seeking to understand how the orthodoxy came to be it is also vital to develop and retain an appreciation of the fear imposed on scholars and practitioners by the right-wing assault on business schools and professional associations in the immediate post-war years. The ferocity of the employer "right to manage" assault is perhaps best appreciated by the fact that even those who had retired from the field were not immune. Thus, in 1953, the 70 year-old van Kleeck was called before the House Un-American Activities Committee (HUAC), and accused of being a Communist Party member and an agent of the USSR. Outraged by the accusation that she was a stooge of a foreign government, she retorted that her career was based on "making facts available to other organizations ... [and] co-operating with them in constructive purposes related to problems analyzed in my studies". By the 1950s, however, such class neutral activity was no longer politically correct. Her passport was confiscated, and she joined those liberals and socialists whose problems with the authorities provided a warning to others of what might occur should they elect to insist that management must become a science and not a tool of vested interests (Passport Office, 1957).

Although her passport was returned in 1958, the McCarthyists' assault on van Kleeck's professional reputation had a lasting impact. She died at Woodstock, New York, in 1972, a pioneering feminist management scholar unknown in her own profession. Subsequent acknowledgment of her contribution has been confined to histories of feminism, social welfare, and labour. However, as with the many other Taylor Society members who sought to promote the democratisation of management by promoting the diffusion of control over management knowledge among the widest possible body of stakeholders, her contribution has not been acknowledged by her

discipline. This omission should be rectified by management scholars, in the process of developing knowledge of the discipline's history that goes beyond tracing the evolution of technique and structure.

References

- Alchon, G. (1985), *The Invisible Hand of Planning: Capitalism, Social Science, and the State in the 1920s*, Princeton University Press, Princeton, NJ.
- Alchon, G. (1999), "The world we seek as Christians", Mary van Kleeck, philanthropy and early social science initiatives", in Richardson, T. and Fisher, D. (Eds), *The Development of the Social Sciences in the United States and Canada: The Role of Philanthropy*, Ablex Publishing, Stanford, CT.
- Brandeis, L.D. and Goldmark, J. (1969), *American Labor: From Conspiracy to Collective Bargaining*, Amo & The New York Times, New York, NY (originally published in 1908).
- Christie, J. (1983), *Morris Llewellyn Cooke: Progressive Engineer*, Garland Publishing, New York, NY.
- Cooke, M.L. (1938), "Notes on governmental and industrial administration in a democracy", *The Society for the Advancement of Management Journal*, Vol. III No. 1.
- Cooke, M.L. and Murray, P. (1940), *Organized Labor and Production: Next Steps in Industrial Democracy*, Harper & Brothers Publishers, New York, NY.
- Dimock, M.E. (1939), Dimock to Paul Appleby, part of papers held at the Franklin D. Roosevelt Library, New York, NY.
- Fledderus, M.L. and van Kleeck, M. (1935), *On Economic Planning*, Covici Friede, New York, NY.
- Fledderus, M.L. and van Kleeck, M. (1944), *Technology and Livelihood: An Inquiry into the Changing Technological Basis for Production Affecting Employment and Living Standards*, Russell Sage Foundation, New York, NY.
- Fraser, S. (1991), *Labor Will Rule. Sydney Hillman and the Rise of American Labor*, Cornell University Press, Ithaca, NY.
- Gal, A. (1980), *Brandeis of Boston*, Harvard University Press, Cambridge, MA.
- Gilbreth, L.M., Goldmark, P. and van Kleeck, M. (1926), "The Woman's Industrial Conference, Washington, DC, January 18 to 21, 1926", *Bulletin of the Taylor Society*, Vol. XII No. 3.
- Glenn, J.M., Brandt, L. and Andrews, E.F. (1947), *Russell Sage Foundation 1907-1946*, Russell Sage Foundation, New York, NY.
- Goodwin, C.D. (1998), "The patrons of economics in a time of transformation", in Morgan, M.S. and Rutherford, M. (Eds), *From Interwar Pluralism to Postwar Neoclassicism*, Duke University Press, Durham, NC.
- Hammack, D.C. (1994), "A road not taken: the Independent Social Research Institute", in Hammack, D.C. and Wheeler, S. (Eds), *Social Science in the Making; Essays on the Russell Sage Foundation, 1907-1972*, Russell Sage Foundation, New York, NY.
- Harris, J.H. (1982), *The Right to Manage; Industrial Relations Policies of American Business in the 1940s*, University of Wisconsin Press, Madison, WI.
- Harvie, C., Nyland, C. and Svensen, S. (1993), "Protective legislation and women's labor market participation", *The Journal of Industrial Relations*, Vol. 35 No. 4, December.
- International Industrial Relations Institute (IRI) (1933), *Brochure*, IRI, The Hague.
- Jacoby, S. (1985), "Union-management cooperation in the United States during the Second World War", in Dubofsky, M. (Ed.), *Technological Change and Workers' Movements*, Sage Publications, Beverly Hills, CA, pp. 100-29.

-
- Layton, E.T. (1971), *The Revolt of the Engineers: Social Responsibility and the American Engineering Profession*, University Press, Cleveland, OH.
- Magat, R. (1999), *Unlikely Partners: Philanthropic Foundations and the Labor Movement*, Cornell University Press, Ithaca, NY.
- Nyland, C. (1989), *Reduced Worktime and the Management of Production*, Cambridge University Press, Cambridge.
- Nyland, C. (1998), "Taylorism and the mutual-gains strategy", *Industrial Relations*, Vol. 37 No. 4.
- Nyland, C. and Rix, M. (2000), "Mary van Kleeck, Lillian Gilbreth and the Women's Bureau study of gendered labor law", *Journal of Management History*, Vol. 6 No. 7.
- Oldenziel, R. (2000), "Gender and scientific management; women and the history of the International Institute for Industrial Relations, 1922-1946", *Journal of Management History*, Vol. 6 No. 7.
- Passport Office (1957), *In the Matter of Miss Mary van Kleeck*, Passport Office, Washington, DC, 21 November.
- Phillips, P.G. (1934), "Review of miners and management by Mary van Kleeck", *Columbia Law Review*, Vol. 34 No. 8.
- Schachter, H.L. (2000), "Scientific management and social responsibility: evidence from the role of women in the New York Bureau of Municipal Research", *Journal of Management History*, Vol. 6 No. 6.
- Selekman, B.M. (1924), *Sharing Management with the Workers: A Study of the Partnership Plans of the Duchess Bleachery, Wappingers Falls, New York*, Russell Sage Foundation, New York, NY.
- Selekman, B.M. and van Kleeck, M. (1924), *Employees' Representation in the Coal Mines: A Study of the Industrial Representation Plan of the Colorado Fuel and Iron Company*, Russell Sage Foundation, New York, NY.
- Van Kleeck, M. (1913a), *Artificial Flower Makers*, Russell Sage Foundation, New York, NY.
- Van Kleeck, M. (1913b), *Women in the Bookbinding Industry*, Russell Sage Foundation, New York, NY.
- Van Kleeck, M. (1914), *Wages in the Millinery Trade*, Russell Sage Foundation, New York, NY.
- Van Kleeck, M. (1917), *A Seasonal Industry*, Russell Sage Foundation, New York, NY.
- Van Kleeck, M. (1924), "The social meaning of good management", *Bulletin of the Taylor Society & the Society of Industrial Engineers*, Vol. XI No. 6, December.
- Van Kleeck, M. (1927a), "Financial incentives: an inseparable part of the task of management – discussion", *Bulletin of the Taylor Society and the Society of Industrial Engineers*, June.
- Van Kleeck, M. (1927b), Harlow Person to van Kleeck, part of the Van Kleeck Papers held at The Sophia Smith Collection, Smith College, Northampton, MA.
- Van Kleeck, M. (1929), "Social research in industry", *Social Work Year Book*, Vol. 1, Russell Sage Foundation, New York, NY.
- Van Kleeck, M. (1930), van Kleeck to Eleanor Cooke, part of the Van Kleeck Papers held at The Sophia Smith Collection, Smith College, Northampton, MA.
- Van Kleeck, M. (1931a) in Fledderus, M.L. (Ed.), *World Social Economic Planning: The Necessity for Planned Adjustment of Productive Capacity and Standards of Living*, Sage, The Hague.
- Van Kleeck, M. (1931b), Harlow Person to van Kleeck, part of the Van Kleeck Papers held at the Sophia Smith Collection, Smith College, Northampton, MA.

-
- Van Kleeck, M. (1931c), "The personnel manager in the workshop", *The Personnel Journal*, December.
- Van Kleeck, M. (1933), "Observations on management in the Soviet Union", *Bulletin of the Taylor Society*, Vol. XVIII, December.
- Van Kleeck, M. (1934a), *Miners and Management*, Russell Sage Foundation, New York, NY.
- Van Kleeck, M. (1934b), "Planning for the coal industry", *Bulletin of the Taylor Society and the Society of Industrial Engineers*, Vol. 1 No. 1.
- Van Kleeck, M. (1936a), *Creative America: Its Resources for Social Security*, Covici Friede Publishers, New York, NY.
- Van Kleeck, M. (1936b), "What I expect of Roosevelt", *Nation*, 14 November.
- Van Kleeck, M. (1940), "Industrial productivity and labor legislation", *American Labor Legislation Review*, Vol. 30, June.
- Van Kleeck, M. (1942), "Labor's contribution to production", *American Labor Legislation Review*, Vol. 32, June.
- Van Kleeck, M. (1946a), "Towards an industrial sociology", *American Sociological Review*, Vol. VII No. 5, October.
- Van Kleeck, M. (1946b), "Letter", *News Bulletin*, Vol. 38, January.
- Wren, D.A. and Bedian, A.G. (2004), "The Taylorization of Lenin: rhetoric or reality?", *The International Journal of Social Economics*, Vol. 31 No. 3, pp. 287-99.

Further reading

- Helper, A.L. (2000), *Women in Labor: Mothers, Medicine and Occupational Health in the United States 1890-1980*, Ohio State University Press, Columbus, OH.
- Nyland, C. (1996), "Taylorism, John R. Commons, and the Hoxie Report", *Journal of Economic Issues*, Vol. 30 No. 4.
- Person, H.S. (1931), "The new challenge to scientific management", *Bulletin of the Taylor Society and the Society of Industrial Engineers*, April.
- Schachter, H.L. (1989), *Frederick Taylor and the Public Administration Community: A Reevaluation*, State University of New York Press, Albany, NY.
- US Senate, Senate Permanent Subcommittee on Investigations of the Committee on Government Operations (1953), *Testimony of Mary van Kleeck (Accompanied by her Counsel, Leonard B. Boudin)*, US Senate, Washington DC.
- Van Kleeck, M. (1935), "Social economic planning for the United States: objectives, resources, and perspectives", in van Kleeck, M. and Fledderus, M.L. (Eds), *On Economic Planning*, Covici Friede, New York, NY.
- Van Kleeck, M. (1946), "Social implications of optimum productivity", *British Management Review*, Vol. 3, July.



Maslow: man interrupted: reading management theory in context

Maslow: man
interrupted

1375

Kelly Dye

*Fred C. Manning School of Business Administration, Acadia University,
Wolfville, Canada*

Albert J. Mills

Saint Mary's University, Halifax, Canada, and

Terrance Weatherbee

*Fred C. Manning School of Business Administration, Acadia University,
Wolfville, Canada*

Abstract

Purpose – This paper aims to build on recent work in the field of management and historiography that argues that management theorizing needs to be understood in its historical context.

Design/methodology/approach – First, the paper attempts to show how a steady filtering of management theory and of the selection and work of management theorists lends itself to a narrowly focused, managerialist, and functionalist perspective. Second, the paper attempts to show how not only left-wing ideas, but also even the rich complexity of mainstream ideas, have been “written out” of management accounts. The paper explores these points through an examination of the treatment of Abraham Maslow in management texts over time.

Findings – The paper’s conclusion is a simple one: management theory – whether mainstream or critical – does a disservice to the potential of the field when it oversimplifies to a point where a given theory or theorist is misread because sufficient context, history, and reflection are missing from the presentation/dissemination.

Originality/value – This paper highlights the importance of reading the original texts, rather than second or third person accounts, and the importance of reading management theory in the context in which it was/is derived.

Keywords Management history, Gender, Culture

Paper type Conceptual paper

Introduction

A cogent argument has been made elsewhere for the importance of historiography in management research (Kieser, 1994; Rowlinson and Procter, 1999) and, more specifically, for understanding management theory and management theorists in context. Mills and Helms Hatfield (1998), for example, in their examination of the North American business textbook, demonstrate an almost total neglect of the socio-political context in which management theory is discussed. Following on this line, Cooke, Mills, and Kelley (Cooke *et al.*, 2005; Mills *et al.*, 2002) have explored the relationship between socio-political context – namely the Cold War – and the development of management theory. Cooke (1999) has also revealed how, in the ahistorical processes of presenting and disseminating management thought leftwing ideas have been “written out”.



In this paper we build on that collective work in two ways. First, we attempt to show how a steady filtering of management theory and of the selection and work of management theorists lends itself to the narrowly focused, managerialist, and functionalist perspective that Burrell and Morgan (1979) held up to review some 25 years ago. Second, following Cooke (1999), we attempt to show how not only leftwing ideas, but also even the rich complexity of mainstream ideas has been written out of most management accounts. We explore these points through an examination of the treatment of Abraham Maslow in management texts over time.

Our conclusion is a simple one. Management theory – whether mainstream or critical – does a disservice to the potential of the field where it oversimplifies to a point where a given theory or theorist is misread because sufficient context, history, and reflection are missing from the presentation/dissemination.

Why Maslow?

Certainly we could have taken a number of management theorists or theories to illustrate our central theme of the importance of reading in context. Kurt Lewin is one obvious example. Despite Lewin's significant contribution to management theory (Cooke, 1999; Marrow, 1969; Mills *et al.*, 2002) his work is often reduced to little more than a simple line-drawing illustrating “unfreezing-changing-refreezing” as a process of organizational change. On occasion a business textbook will reference Lewin's work with groups of boys on leadership (Lewin *et al.*, 1939), before the textbook moves on to more “advanced” theories. The young business student could hardly be blamed for assuming that Lewin was indeed a facile and outmoded thinker. And what about Max Weber? If anything, Weber has fared worse than most. Not only has his work all but disappeared from recent textbooks, but also when it does appear he is more often than not presented quite inappropriately as the inventor and/or prophet of bureaucracy, rather than its sociological detractor (see, for example, Lamond, 1990). Beyond Lewin and Weber there are many theorists that we could have chosen to exemplify our argument. We have chosen Maslow because of the continued and widespread interest in his work. As we indicate below, Maslow's work continues to inform a vast range of business problems from customer relations management (CRM) to motivation. We have also chosen Maslow because of the range and complexity of his work and the limited extent to which that is explored in management and organizational theory.

It should be said that our focus on Maslow is also an outcome of pre-existing choices that have been made by numerous management theorists who selected Maslow's work above that of many other theorists in the field. This raises the interesting question of how do certain theories or theorists get selected to occupy the stage of worthy management subjects? That is a paper in itself. A recent survey of North American business textbooks found that certain theories (such as equity theory, total quality management, and business process reengineering) were highlighted in the business textbook almost immediately after the initial research was introduced in the management literature, while others (particularly selected feminist theories/theorists) were either completely ignored or took several years to get cited in the mainstream business textbook: Acker and van Houten's (1974) gendered analysis of the Hawthorne Studies, for example, despite its publication in the *Administrative Science Quarterly*, was virtually ignored by the business textbook for close to 25 years (Mills, 2004).

As far as we can ascertain at this stage, Maslow appears to have been introduced to the business textbook in North America by Davis (1957). Davis, who was to become President of the Academy of Management (AoM) in 1964, refers to Maslow's work in a chapter on the "Mainsprings of motivation". Under the heading "Priority of needs", Davis (1957, p. 40) states:

Psychologists recognise that needs have a certain priority. As the more basic needs are satisfied, a person then seeks the higher needs. If his basic needs are not met, they claim priority, and efforts to satisfy the higher needs must be postponed. A need priority of five levels is established by A. H. Maslow. These needs are:

1. Basic physiological needs
2. Safety from external danger
3. Love, affection and social activity
4. Esteem and self-respect
5. Self-realization and accomplishment.

In the 1957 edition Davis only references Maslow's (1943) paper on "A theory of human motivation". In subsequent editions Davis (1967) also references Maslow's (1954) book on *Motivation and Personality*.

Interestingly, when Ralph C. Davis (the 1948 AoM President) and Allan C. Filley (Davis and Filley, 1963) refer to Maslow's needs theory, they draw from Keith Davis' work and position Maslow as someone who informs the work of Keith Davis. In a discussion of "Executive Leadership", Davis and Filley (1963, p. 61) argue that leaders have to take account of the fact that "human beings have a priority of needs which they seek to satisfy on the job and off. This priority of needs, as reported by Keith Davis [is] based on psychological research by A. H. Maslow . . ."

In contrast to later representations of Maslow's work by other management theorists (including Keith Davis), Davis and Filley (1963) comment:

While the exact order of priority may vary somewhat between persons, the above catalogue of needs represents the normal order of priority for most people.

This is far from the notion of a "hierarchy" of "needs". Neither Keith Davis (1957) nor Ralph Davis (Davis and Filley, 1963) refer to "self actualization" as the highest order need.

A man and his triangle: the enigma that is Maslow

It is clear from various accounts of Maslow that his work was very complex and can be read in a number of ways. Certainly he was a complex thinker. He garnered early interest from the Federal Bureau of Investigation (FBI) for signing an open appeal to the "Platform Committee of the Republican and Democratic Parties" of 1952 to repeal the Internal Security (McCarran) Act that effectively made the Communist Party and any government-designated "communist front" organizations illegal (Federal Bureau of Investigation, 1954-1968). On the other hand, Maslow was also found in the forefront of those condemning anti-war demonstrators during the Vietnam War: Maslow argued that the anti-war demonstrators should be locked up and the key thrown away (Cooke *et al.*, 2005).

In terms of gender politics Friedan (1963) devotes over 14 pages to Maslow's "thought provoking" theories of sexuality in her now classic feminist work, *The Feminine Mystique*. The feminist analysis of Maslow's work by Cullen (1992, 1997), on

the other hand, finds his work deeply gendered and dismissive of women. Furthermore, while Maslow was concerned that his theories make a broad contribution to humankind there is more than enough evidence that he was happy to lend himself to management concerns with productivity through motivational manipulations (Hoffman, 1988).

A sampling of Maslow's work reveals an interest in learning, dominance, sexual behavior, hierarchy in pairs and in groups, psychic illness, leadership and personality, self-esteem, destructiveness, intelligence, holistic thinking, psychological needs, self-actualization, motivation, aesthetics, power relationships, personal development, creativity, human nature, culture, and "humanistic education" (for an extensive list of Maslow's publications see Hoffman (1988, pp. 343-8)). All of these issues have much to tell us about organizational behavior yet it is Maslow's work on motivation, and only a small part at that, which has made its way into business education by way of the textbook.

In the next sections of the paper we will review selected areas of Maslow's work and thinking to reveal the complexity of his research and the implications for organizational analysis.

Reading Maslow

Abraham Maslow was a psychologist who, over a number of years, developed and refined a general theory of human motivation. According to Maslow, humans have five sets of needs that are arranged in a hierarchy, beginning with the most basic and compelling needs (Johns and Saks, 2005, p. 139).

Surveying 120 of the most widely used organizational behavior textbooks used in North American universities in the last 25 years we find that most contain a paragraph much like the one written above. In essence, textbook production has reduced more than 50 years of Maslow's scholarly research and writing to one simple theory of motivation. The received view of Maslow has become embodied in his popular and widely known hierarchy of needs as represented by an innocuous triangle, which has been reproduced near mindlessly by scholars, educators and practitioners over the last 50 years. This tradition of use continues in our educational practices to this day (Johns and Saks, 2005; McShane, 2004; Robbins and Langton, 2003). Indeed, as Cullen (1997, pp. 355-6) expands, Maslow's "hierarchy of needs is ubiquitous in management education and theory [and is . . .] so pervasive that it has almost become invisible".

The ubiquity of the triangle

Undoubtedly, Maslow's Hierarchy of Needs, as depicted by a small triangle, is the piece of work most often attributed to him. When asking a group of students or practitioners to identify a theory of motivation, one is hard pressed to find an answer other than the hierarchy of needs. Korman (1974, p. 248) attributes the popularity of Maslow's Hierarchy to the "times" (e.g. 1960s), the humanistic, self-actualization thrust in psychology, and the "almost intuitive common-sense approach" proffered by the triangle. Others attribute the popularity and wide acceptance of Maslow's Hierarchy of Needs to the fact that it "substantially reflects realities in the business world" (McFarland, 1964, p.524) or its apparent "face-validity" from the practitioner's perspective (Rausch *et al.*, 2002).

The use of Maslow's Hierarchy of Needs pervades an incredibly wide range of literatures. In a veritable smorgasbord of representation, it is found in the journals of almost all of the social disciplines, in the media and popular press, and in the trade and practitioner magazines. Maslow's hierarchy has been adapted and incorporated in to a broad range of theoretical or practical applications and the scope and scale of the hierarchy's use and application covers an amazingly wide range of topics.

A cursory review of the latest academic and practitioner publications reveals its use to guide the implementation of CRM systems (Gentle, 2003) or to explain why money is an insufficient motivating tool for information systems (IS) professionals (Santodus, 2004). It is being used to support various managerial perspectives for change (Lucey *et al.*, 2004), or to explain why industrial societies have ceased to use certain manufacturing and materials practices (Luke, 2004). It is a theory used to explicate the potential results of shifting immigrant demographics and the subsequent impact on a nation's workforce culture (Nicholson-Lord, 2004), or to theoretically distinguish between cultural populations in psychological studies (Kickul *et al.*, 2004) and motivational differences (Kuo and Chen, 2004). It has been used as a heuristic for the comparison of the main streams of literature concerning corporate reputation (Berens and von Riel, 2004), or even in an attempt to lower recidivism in convicted felons (Jones, 2004). In marketing, it has been used to define customer needs (Ritson, 2004), or to segment individuals based on those needs (Pincus, 2004), as well as to explain the mechanics of motivation of CEOs, senior management and directors of firms (Senter, 2004). It has been used to support views on ethical and moral development (Huang, 2004), and as a practitioner heuristic, advocated by consultants, for the facilitation of the motivation of employees from a specific generation, so-called Gen Y workers (*HR Focus*, 2004). It has even been applied in support of health care strategy (Bardwell, 2004). The peculiarity of this situation is that despite the undeniable popularity of the "triangle", research demonstrated a lack of empirical support for Maslow's Hierarchy as early as 1973 (Miner and Daschler, 1973). The little empirical support there is for Maslow's hierarchy has been found when one of the hierarchical elements is tested and found to be a moderating influence on another variable of interest (Fried *et al.*, 2003; Hagerty, 1999).

The validity and use of Maslow's hierarchy remains a contentious issue even within the discipline of psychology, pitting the social against the experimental, with critics arguing that Maslow's theory is non-testable and, given the lack of empirical validation, is therefore pseudo scientific (Corning, 2000). Wahba and Bridwell (1973, p. 514) emphasize this Maslowian paradox in that "The theory is widely accepted, but there is little research evidence to support it" and note that "It has become a tradition for writers to point out the discrepancy between the popularity of the theory and the lack of clear and consistent empirical evidence to support it". This tradition of "use-despite-verification" continues to this day in our major organizational texts (Johns and Saks, 2005; McShane, 2004; Robbins and Langton, 2003). Ironically, almost four decades earlier Maslow confided in his journals that he was concerned by the "over-extensive use in business of [his] theories and findings" which, he felt were "being taken as gospel truth, without any real examination of their reliability, validity". To correct this jaundiced view of his work he made a note to himself to "publish the critiques of [self actualization] SA and also of [his] motivation theory" (Lowry, 1979, p. 189).

Similarly, Maslow himself supported the notion of revisiting and testing his theory of motivation, “Then the question comes up again: why don’t people replicate, e.g. the SA research? They spend so much time on so much crap. Why not some time on something critically important? I just don’t understand it. My motivation theory was published 20 years ago and in all that time nobody repeated it, or tested it, or really analyzed it or criticized it. They just used it, swallowed it whole with only the most minor modifications” (Lowry, 1979, p. 190). After his death, there has been a growth in the extent to which Maslow’s needs theory has been uncritically adopted at the same time as the growth in dismissals of Maslow’s work as lacking empirical support.

In the remainder of this paper we will explore Maslow’s work through the reading of his journals and will attempt to hear the rest of the conversation, as if it had not been interrupted. It will also situate his research within time and space, thus providing some much-needed context. Finally, the paper will demonstrate that the continued reliance on theories constructed within this particular time and space are oblivious to the needs of certain groups. If we are to truly understand organizations, we must listen to all the voices within them.

Beyond the triangle

Maslow’s Hierarchy of Needs was merely a stepping-stone in the grand scheme of his work. Contrary to the prominence given to it in mainstream management theory, Maslow never felt that the “triangle” was his great contribution. Instead, the five needs listed in the hierarchy that we see today were merely used to identify needs for what Maslow deemed “unhealthy people”. The needs listed were considered lower level needs and their fulfillment was required in order for individuals to become psychologically “healthy”. In opposition to much of the research of the day, Maslow was mainly concerned with studying “healthy” individuals – those who had reached, what he termed, self-actualization. It was the study of those who had achieved self-actualization that really energised Maslow and it was here that he felt his real contribution could be made. As stated by Hoffman (1988, p. 275), “developing his theory of metapsychology, focusing on our highest needs and aspirations, became increasingly important to Maslow”. Maslow wrote that there were two kinds of self-actualizing people – “transcenders” and “merely healthy”. In his paper, “Theory Z” (in Bennis and Schein, 1969), he spent considerable time differentiating between the two and positing testable hypotheses.

Unfortunately, textbook dissemination of Maslow’s work has universally ignored this subsequent work which focuses on higher level needs and continues to perpetuate the use of a theory designed to move people a mentally unhealthy state to a healthy one. This has implications for organizational analysis. It suggests that management theorists and practitioners alike need to take into account that the desired state of psychological wellbeing is self-actualization. If that is the case then merely appealing to different levels of the needs hierarchy to motivate employees to greater performance may actually perpetuate rather than address a lack of psychological wellbeing: the continued focus on lower level needs may only serve to reinforce them and stifle growth into higher level need arenas. Arguably, management theory has, until now, ignored potentially truly great contributions that focus on the psychological welfare of people rather than the production outcomes of motivation. Much of the management

literature has also overlooked what Maslow deemed to be other significant need categories – dominance, sexuality, knowledge and enquiry.

Dominance and sexuality. Much of Maslow's early work was conducted on dominance and provides some basic clues to "the potential relationship between organizations and dominance" (Mills *et al.*, 2005, p. 135). Maslow not only believed that "dominance" was a key element of social relationships, but also that it was a vital determinant of social behavior and organizations (Hoffman, 1988, pp. 69-70). His research suggested that people develop different dominant needs, with some who are driven to dominate and others who feel the need to be dominated. Apart from where Maslow linked dominance to sexuality (see below) this area of work proved of little interest to management theorists. That is perhaps not surprising given the potentially uncomfortable insights that could have been generated into the impact of dominance relationships and organizational behavior (Mills *et al.*, 2005, p. 135).

Outside of management theory Friedan (1963) attempted to revive interest in Maslow's work on dominance. In particular Friedan was impressed by Maslow's argument that so-called "high dominance" women were more like "high dominance" men than "low dominance" women (Mills *et al.*, 2005, p. 133). Maslow, in fact, claimed that his notion of self-actualization consisted of an amalgam of masculine and feminine features. Although fundamentally essentialist in his views of gender Maslow nonetheless suggests in his work that dominance needs may be to some extent socially influenced by cultural factors, arguing that "our conception of the universe, of science, of intelligence [and] of emotion are lopsided and partial because they are constructed by man" (quoted in Hoffman, 1988, pp. 234-5). Indeed, Maslow went on to state that: "If only women were allowed to be full human beings, thereby making it possible for men to be fully human" western culture might finally generate a balanced, rather than a male, approach "to philosophy, art, science" (quoted in Hoffman, 1988, pp. 234-5). Regrettably this viewpoint was contained in a letter to a friend where Maslow confided that he felt unable "to get up courage enough to write anything on the subject" of women and culture (quoted in Hoffman, 1988). We can only guess at the impact of Maslow's work on dominance and sexuality if he had had the courage to revise and develop it, or if others had expanded on his work. We can suggest, however, that it may have lent an important air of legitimacy to gender research at a time when it was completely ignored by management studies (Hearn and Parkin, 1983). Certainly it may have contributed to emerging feminist work on the impact of sexuality and dominance in the workplace (Acker and van Houten, 1974; Collinson, 1988; Gutek, 1985; Pollert, 1981). There is little doubt, as we shall demonstrate later, that a good part of the reason that Maslow failed to gain the requisite courage was due to his own discriminatory views of women and their abilities.

A need to know! In his now famous *A Theory of Human Motivation*, Maslow (1943) also introduces the need to know and to understand. He posits another hierarchy built up of prepotent needs such as the desire to know and the desire to understand. His work suggests that we have a need for freedom of enquiry and expression, and a need to know – "a need for curiosity, learning, philosophizing, experimenting and exploring" (Mills *et al.*, 2005, p. 134). He proposes an overlap between this hierarchy and the hierarchy of basic needs. Further, Maslow introduces another need – "an inborn need to experience and express aesthetic emotions" (Hoffman, 1988). It is not clear where these needs fit in regards to the "triangle" but it is suggested that these

needs are of higher order and exists above the commonly accepted, five-stage hierarchy. More fully disseminated and explored these needs could have encouraged a broader and earlier questioning of workplace learning, aesthetics, and the impact of organization on human development.

While subsequent works by Maslow were well received at the time much of the content seems to have been lost since then. For example, after completing *Motivation and Personality* (Maslow, 1954), which propelled him into mainstream psychology, Maslow was extremely proud and felt that “he had written one of the most important works in the history of psychology” (Hoffman, 1988, p. 205). It was here that Maslow boldly proposed a positive approach to psychology – i.e. study beyond the hierarchy – but this work is hardly noted in the recounting of his contribution. *Eupsychian Management* (Maslow, 1965) brought Maslow:

[...] immediate attention among the leaders of America’s business schools. Many in the management field viewed it as his most important book to date, providing concrete recommendations specific to his compelling theories of human nature. His novel concepts concerning employee motivation, ‘human assets’ accounting, the psychology of entrepreneuring and leadership, and especially, synergy exerted tremendous influence as they reached a receptive generation of managerial theorists and organizational consultants in the 1960s (Hoffman, 1988, p. 285).

It seems that, while Maslow’s work could have provided various significant insights to management theory, much of it seems to have been lost. The remainder of the paper will examine these “lost” contributions, as identified through his personal journals.

Humanist psychology

The placement and framing of Maslow in contemporary management or OB texts leads many to wrongly conclude that his motivation theory is simply a managerialist tool (Mills *et al.*, 2005), enabling managers to better determine the nature, and handling, of the appropriate carrot to be offered to employees. In essence, business students are taught that managers who understand their employees’ motivations (i.e. where they fall on the hierarchy of needs) will be better able to influence the motivation of those employees, thus improving the productivity of the organization. Satisfied workers merely happen to be a by-product.

A deeper reading of Maslow, incorporating his own thoughts as reflected in his journals, sheds new light on the intent of the author. Maslow felt a great need to make a difference in society. He contends that, from his early graduate years, he was “determined to write a big introduction to psychology that would do some good for mankind” (Lowry, 1979, p. 331). It was not his intention to create a tool for the subjugation and control of employees. In fact, he saw the hierarchy as a path to “enlightenment” for individuals and felt that organizations should attempt to create spaces for employees that were conducive to achievement of self actualization, the top of the well-known pyramid.

Maslow believed that man (*sic*) has “within his nature a yearning for truth, beauty, goodness, justice, order, humour, completion, etc . . . but this emerges only as lower basic needs are satisfied” (Lowry, 1979, p. 148). Accordingly, Maslow saw his hierarchy of needs as a path to these values (labeled “B values”):

Thus this striving (all striving, any striving) is the same as the urge to complete oneself, to be, to become fully human, to be a whole, satisfied, unitary, complete, final, perfect thing rather than just an incomplete, unfinished piece or part of something. This is to be fulfilled, actualized, instead of potential or promise. This is the contrast between motivated (stirring, restless, incomplete, satisfied, unsatisfied, becoming, trying, effortful, unsatisfactory, imperfect) and unmotivated (metamotivated, resting, satisfied, fulfilled, perfect, final, complete, etc.) (Lowry, 1979, p. 141).

He envisioned a Utopia, which he called “Eupsychia”, where society, as well as the organizations within them, encouraged the growth and self-actualization of all individuals. This, in turn, would lead to the internalization of B values, and a pride in one’s work that would cause the eradication of faulty products and poor services. Because of the value placed on truth, beauty, goodness, etc., “bad” values would be minimized. This vision of Utopia was evident throughout his work in the 1950s, 1960s, and 1970s, and served as the basis for much of his theorizing.

Maslow believed that man could be emancipated through consciousness-raising and self-actualization. This, in turn, had an activating effect where, “lifting the individual’s repression leads him to become a Eupsychian force – and this is already adding up to a social force toward Eupsychia, even if not very powerful yet” (Lowry, 1979, p. 269). Lifting individual repression would, in effect, serve to activate societal changes. He acknowledged his theoretical placement between Freud and Marx. He agreed with Freud’s contention “that man can overcome repression without social changes. (Yes, he can!)” (quoted in Lowry, 1979), and that society “only influences [man’s] being by greater or lesser repression of his innate biology.” (quoting directly from Fromm, 1962 in Lowry, 1979, p. 269). Nonetheless, again drawing on the words of Fromm (1962, quoted in Lowry, 1979, p. 269), Maslow states approvingly that:

Marx on the other hand was the first thinker who saw that the (widespread) realization of the universal and fully awakened man can occur only together with social changes which lead to a new and truly human economic and social organization of mankind.

Thus, Maslow (quoted in Lowry, 1979, p. 269) concludes:

You need a fully awakened man to know which social changes to make, which direction to go in, how to do it, how to translate the (purely) institutional change into human (SA) terms . . . The process of social and individual betterment must go on simultaneously as a single process.

Maslow’s use of Freud, his self-identification with the work of Marx, and his emphasis on consciousness-raising are not consistent with the positivistic, managerialist vein within which he has been portrayed. It may be more insightful to note the overlapping of his theories across different epistemological and ontological positions. For instance, his emphasis on consciousness-raising in attempts at human liberation plays to radical humanism over positivism. As does his desire to create a level playing field for all by levying a huge inheritance tax to ensure that no one is born into privilege. He also saw the provision of equal-opportunity healthcare and education for all – to ensure that all individuals are given equal opportunities to self-actualize. On the other hand, his focus on improvements within the existing ownership structure of the workplace speaks more to functionalist concerns. Despite the wide ontological and epistemological frames within which Maslow’s broader work may be situated, his corpus has been

effectively reduced to one that embodies the mainstream managerialist conceptualization of motivation as embodied in his five-stage hierarchy of needs.

Culture

When perusing the typical OB text, we rarely see the presentation of Maslow's hierarchy of needs within a greater context. It is usually presented in a positivistic, prescriptive manner, with little regard for characteristics of the individual's external environment. This has left Maslow's work open to two forms of problem. On the one hand, his work is presented as if lack of context was embedded in his work. This encourages the view that Maslow's needs theory is a narrowly focused psychological perspective that ignores socio-psychological and sociological context. On the other hand, this has led some to critique Maslow's work as reflective of a male-oriented western viewpoint of human behavior (Cullen, 1992, 1997), whose application is problematic outside of the North American context (Raymond *et al.*, 2003). These criticisms are not entirely deserved, particularly in the claim that he ignored the sociological context.

Maslow understood that his theory was only useful when culture was considered. He acknowledged that the nature of human needs, the bases of his theory, were both biologically determined and socially constructed (Maslow, 1943). However, the presentation of his work in most texts seems to overlook this. Reflecting in his diary on his needs theory Maslow (quoted in Lowry, 1979, p. 373, our emphasis) writes:

Need level (which = frustration level) determines which are the most pressing values, what is yearned for, definition of Utopia, etc. For the one who needs safety or love, that is the most important thing in the world and SA is not important. But need level is to a large extent (how large?) *determined by culture* . . . The higher the culture, the more "secure" or healthy it is, and the higher the need level. Thus the satisfaction or frustration of 'instinctoid needs' rests on level of culture, on other people, on status of parents, etc. To this extent, ideologies, philosophies, yearnings, Utopias, rest on level of the culture.

In a similar vein, Maslow grappled with the cultural relevance of the hierarchy. In the 1930s he embraced the notion that "every culture is unique, all values and mores are relative, and no culture therefore can judge as better its own values, much less seek to impose them upon another culture" (Hoffman, 1988, p. 113). It is perhaps ironic, given his statement of cultural uniqueness and the fact that his later work did lend itself to an ethnocentric view of the world; one of Maslow's earliest projects praised the culture of the Blackfoot Indians as being superior to western culture. Maslow associated the Blackfoot emphasis on generosity with the high levels of "emotional security" that he found among the members of the tribe. In direct contrast to the Blackfoot he concluded that competitiveness within American culture was harmful.

Nonetheless, Maslow struggled with the concept of cultural relevance, sometimes stating that the hierarchy was applicable across all cultures while at other times stating that the culture of origin greatly affected the applicability of the model. In 1959, he wrote the following in an unpublished paper: "So far, I have been studying self-actualization via autonomy, as if it were the only path. But this is quite Western, and even American" (Hoffman, 1988, p. 243), perhaps settling his struggle with the cultural relativism of his theory once and for all. The very least we can conclude is that Maslow had at least reflected on the ethnocentric roots of his psychology and lamented the fact that the reflection was confined to an unpublished paper. He did not, however,

divorce his needs theory from the broader context and had that been more fully represented in the literature it may have broadened the debate on the relationship between psychological welfare and organizational context.

Leadership

One of Maslow's greatest concerns, as they appear in his journals, seems to be the "valueless-ness" of society. He conceptualizes this valueless-ness as "uncertainty" and he blames this on "the absences of adult standards because the adults are (1) s***s and *not* admirable; and (2) confused and with no fixed values to offer, only phoney ones that they hardly believe in themselves" (Lowry, 1979, p. 128). Maslow concludes that:

(1) most people don't have a will, an identity, a self; (2) they are therefore uncertain about everything – they have no real opinions or judgements; (3) therefore they are easily convinced by anyone who is decisive, sure of himself, without doubt; (4) anyway, all people, especially uncertain ones, are looking for certainty, and since they can't get it from within, they'll get it from without; (5) they will follow any decisive leader, true or false, and feel better thereby; (6) paranoids (obsessionals) are 'certain' for safety-need reasons and therefore look decisive, strong-willed, etc., in their behaviour (Lowry, 1979, p. 375).

His theory is that leaders emerge because of their apparent decisiveness. This theory stems from his work with primates, during his dissertations years. During this time, he determined that the uncertain monkeys always appeared to follow the certain ones – the ones that portrayed an image of certainness and confidence, "The dominant monkey was sure of himself. So is the dominant man. And in a world of unsure people, they all turn to him for answers" (Lowry, 1979, p. 24).

He uses this theory to explain why people follow perceived leaders, regardless of the consequences:

[...] my original thesis was that most people are so uncertain about their wishes, judgements, etc., that they follow anyone who is decisive, sure of himself. And since this decisiveness can come from paranoia, that's why Hitler, Stalin, McCarthy *et al.* were followed. (It's not a taste for evil; it's a taste for certainty) (Lowry, 1979, p. 357).

However, he also acknowledges:

[...] many leaders who are decisive, unwavering, sure of themselves are not paranoid (e.g. Freud), because of their profound confidence in themselves and in the truth of what they've seen. The good captain, the good father, must be like this so as to reassure the panicky ones, the waiverers (Lowry, 1979, p. 133).

Maslow's thinking on leadership is interesting from a number of perspectives. To begin with, it can be argued that the appearance of these ideas in Maslow's 1930s work on primates reflects more general concerns with the rise of fascism and Nazism and the leader-follower research being pursued by the Frankfurt School (Held, 1980). In a similar way Lewin's work on leadership not only reflected the political theorizing of the time, but also became embedded in his theoretical categories of democratic, autocratic, and *laissez-faire* leadership styles (Mills *et al.*, 2002). More problematic is the élitism embedded in Maslow's viewpoint, an élitism that, as been noted elsewhere (Cooke *et al.*, 2005), is the cornerstone of his notion of a "hierarchy" of needs. Also problematic is the gendered notions that inform Maslow's views of leadership (e.g. the "good father") (Cullen, 1992). Despite the problems Maslow does raise some interesting issues about

the link between values, certainty and leadership that may provide useful insights with further research.

Psychotherapy

The benefits of psychotherapy are emphasized in Maslow's journals. Given his occupation, this is not surprising. However, what is of particular interest is Maslow's application of psychotherapy in the quest to achieve self-actualization (SA). Not only does he recommend that psychotherapy be used for achievement of SA, but that it be used in preparation of the journey toward SA, as psychotherapy "prepares (individuals) for positive self-transformation techniques of all kinds" (Lowry, 1979, p. 459).

Also of interest is Maslow's recommendation that group psychotherapy be used within his own academic department at the university where he is employed. He recognizes the value of psychotherapy in organizations. This was a relatively novel idea and could be considered to have been ahead of its time.

Since Maslow, there has been a resurgence of interest in using psychotherapy in organizations. Kets de Vries (1978) noted the need for counseling within organizations. Later, Chiaramonte and Mills (1993) identified the need for self-reflection counseling as an instrument for organizational learning, and argued that self-reflection is a vital skill for managers to possess. They recognized that self-reflection allowed people in organizations to think over their experiences, assumptions, and beliefs about work, thus gaining valuable insights and contributing to the organization. Schein (in Quick and Kets de Vries, 2000) also supported the use of psychotherapy in organizations and hailed the benefits of self-reflection. Gustavsen (2001, p. 374) recommended that introspection and meditation be used "not only as phenomenological research methods, but also as instruments of transcendent change". Lowe *et al.* (2002) also argued that psychoanalysis could prove to be a valuable tool for the understanding of the gendering of organizations. Despite this recognition, the application of psychoanalysis in organizations appears to be in its infancy, and few researchers, if any, have provided a clear picture of what this might look like. Most recently, application of Hubert Hermans' Self Confrontation Method (Hermans *et al.*, 1990) has been proposed as a psychoanalytic tool which might be appropriately used in organizations (Bissonnette and Mills, 2002; Dye and Mills, 2004, 2002; Weatherbee and Mills, 2002). This too, is in its infancy and may have perhaps have opened up as an avenue of research at an early stage had this aspect of Maslow's thinking been engaged with in the management literature.

The meaning of work

Maslow recognized the relationship between work and self-esteem:

If work is introjected into the self (I guess it always is, more or less, even when one tries not to), then the relation between self-esteem and work is closer than I had thought. Especially healthy, stable self-esteem (feeling of worth, pride, influence, importance, etc.) rests on good, worthy work to be integrated into, thereby becoming part of self. Maybe more of the contemporary malaise is due to the introjection of non-prideful, robotized, broken-down-into-easy-bits kind of work than I had thought (Lowry, 1979, p. 187).

Maslow asserted that man (*sic.*) needs meaningful work in order to self actualize and suggests that Henry-Ford-style assembly-line types of organization fail to provide this as:

[...] the whole man is not needed – just his hands, or a particular, easily learned, partial skill; the job is broken down into parts and bits not needing highly trained people; judgement, taste, idiosyncrasy, connoisseurship, professionalism, autonomy, pride – all these are minimized. It leads towards an entrepreneur or manager sitting in an office planning for a large organization of ad hoc trained, unskilled, interchangeable, autonomous people (Lowry, 1979, p. 402).

In contrast to this stark vision of industrial organization, Maslow argues:

If you take into yourself something important from the world, then you become important. You have made yourself important thereby – as important as that which you have integrated and assimilated to self. At once it matters if you die, or are sick and can't work, etc. (Lowry, 1979, p. 185).

He also contends that:

[...] our “organizational world”, as we have come to know it (mechanistic, specialized, etc.) keeps us from self-actualization and asserts that, reliance on statistics and other external cues, like timetables, schedules, etc., can serve in the extreme as a substitute for inner voices, inner decisions, certainties. That is, some people don't get an inner voice to eat or sleep or urinate and look at the clock instead to know whether or not they should eat (Lowry, 1979, p. 508).

Individuals become dependent on external cues, ignore or never develop their inner voices, and become uncertain and unable to make decisions on their own. This is precisely, according to Maslow, what leads individuals to seek those who are certain, to seek leadership from others. Here we see an important nod in the direction of a more humanist version of motivation and the problems for industrial civilization.

Organizational change

Maslow also recognized that change would become inevitable in organizations, stating that:

We must learn to live with perpetual change and with practically no stability, tradition, etc. and it must remain so, or even with faster rate of change (Lowry, 1979, p. 16).

For Maslow, this era of rapid change required, “not an improved man but an entirely different *kind* of man, the creative and flexible one who, in the midst of rapid and perpetual change, can be a person and not just an adapter” (Lowry, 1979, p. 16). This new “man” would be, “flexible, creative, not relying on any traditions, or on routine or habit or any other way of life learned from past and based on assumption of this past continuing on into future. *The future must be unknown*, and the new man would have to stop *needing* stability, order, routine” (Lowry, 1979, p. 16).

This theory of change is not unlike the Tom Peters' (1992, 1994) version of change that was popularized in the 1980s and 1990s. The emphasis on inevitable change and the required change in the mindset of personnel sounds all too familiar. But it could also be argued that this presaged the advent of interest in organizational learning and the learning organization (Bratton *et al.*, 2004). In this regard, Maslow raises an interesting point when discussing the period of rapid change. He asks: “If the future is

not like the past, what is the good of specialization or professional training?" (Lowry, 1979, p. 17). Intuitively, this seems a logical question. He further identifies the implications of this on education and training by asking, "What must education be like to produce the creative man? What good are facts, rote memory" (Lowry, 1979, p. 17). According to Maslow (Lowry, 1979, p. 17), we need "creative education" to help create this new flexible, creative man who thrives on perpetual change.

Maslow and gendered organization theory

In the words of Fondas (1997, p. 257), "Management theorizing is not gender neutral". As we have seen above, Maslow's work was applauded by Betty Fiedan for recognizing that the highest state of being (self-actualization) consisted of masculine and feminine characteristics. And that he seems to have believed that women's ability to reach a higher state of being was influenced by male-dominated views of social life. We have also seen that his work has been characterized by feminists as informed by deeply held gendered views (Cullen, 1997). Maslow's diary entries indicate that, if anything, Cullen (1997), may have underestimated the degree to which Maslow's idea of the world was rooted in gendered thinking but the diaries also reveal that Maslow was conflicted on the role of women in society, believing more that gender was biologically determined rather than socially constructed.

Although his motivation theory claims to have evolved from a study where he interviewed women about their sexual habits, Maslow's conception of "women" was relatively shallow and the link between their sexual habits and motivation theory is never made clear. What he did conclude from his work on sexuality and dominance was that "'normal' sexual happiness can occur in society only when the male plays the dominant role" (French, 1985, pp. 524-5). In the *Farther Reaches of Human Nature* Maslow contends, "none of his points applied to women and he did not know what did" (French, 1985, p. 376).

Maslow seems to have believed that "gender" was the equivalent to "sex", and therefore, biologically determined. In his diaries he articulates, unabashedly, his belief about where women fit in society, and rarely is this fit suggested to be in an organization (as was indicative of the era). For example, he states that a woman who self-actualizes becomes stronger and that "the woman's strength and forcefulness are quite compatible with being a good wife, even a *better* wife than otherwise" (Lowry, 1979, p. 139). Similarly, when discussing a colleague, Maslow writes, "I like Horney as far as she goes, but I don't think of her as a systematic thinker. She was a clinician primarily and *a woman too*" (Lowry, 1979, p. 166, our emphasis) – this despite apparent respect for Horney's work (Hoffman, 1988). Statements of this nature are littered throughout Maslow's journals. Perhaps his most misogynous viewpoint is expressed where he argues:

Women don't have to explore as men do, to look under every rock, climb every mountain, take clocks apart to see how they work. They don't have to solve things. Puzzles and riddles don't challenge them as much. They don't have to get into crevices (they *are* the crevice) (Lowry, 1979, p. 354).

And he is at his most paternalist where he argues that:

Only the woman *needs* to be loved, first and foremost, and will give up justice, dignity, law and order, truth, *anything* to hang on to being loved (Lowry, 1979, p. 251).

Despite these views, Maslow was prepared to argue that Freud's view of women was "inaccurate and demeaning; clearly, there was more to female psychology than procreative anatomy" (Hoffman, 1988, p. 234). According to a letter written to a female colleague in 1956 (Hoffman, 1988), Maslow felt that women could, in fact, self-actualize but that their differences, emotional, cognitive, and perceptual, warranted a different journey toward self-actualization. In this early period, even Maslow recognized that the hierarchy of needs, constructed by and for man, was not necessarily appropriate or applicable for women (Hoffman, 1988).

Perhaps Maslow's perception of women was a symptom of the times, and perhaps his theory of motivation, developed for the times, was not inappropriate. In fact, it may have served the era well. However, Maslow's theory of motivation, that which is most commonly associated with his name, and is as popular today as it was 30 years ago, is presented without this important context. For example, textbooks rarely proffer the fact that the theory is more than 40 years old and was constructed during a time where the North American workforce consisted mainly of white, Anglo-Saxon men. Should this be provided, readers would be able to draw their own conclusion about the applicability of Maslow's theory to today's world of work. However, this simply is not the case.

Since the late 1970s, attempts have been made to "ungender" organization theory (Grant, 1988). Scholarship within the women's voice perspective has been promising and significant strides have been made to hear the voices of women (see Bell and Nkomo, 1992; Calás and Smircich, 1991; Gilligan, 1982; Grant, 1988; Martin, 1990; Smircich, 1985). However, by continuing to publish Maslow's Hierarchy of Needs without context, and without theories of motivation representing women's voice to balance the picture, we are merely perpetuating the genderedness of organization theory, and the silencing of voices. We may have a better understanding of the causes of gendered theories of management where we attempt to understand them in context.

Theorizing the other

Women's voices are not the only ones to be silenced by the continued presentation of Maslow's Hierarchy of Needs, without context and counterbalancing theories. The voices of gay men and blacks are also visibly suppressed. On the topic of gay men, Maslow states: "the man who prefers an uncomfortable shoe for his foot is biologically wrong. There are biological suitabilities" (Lowry, 1979, p. 187). He goes on to explain this more graphically. In essence, he is stating that gay men are "biologically wrong" and therefore, not considered to be of the "normal" range considered in his research. This is emphasized in his reference to gay men as being in the same category as criminals and delinquents, "I had thought of using prostitutes and homosexuals to throw light on dominance-subdominance, but now I think I'd add all criminals and delinquents" (Lowry, 1979, p. 385). His treatment of different races is similar, as is evident in the following passage:

Useful thought to work up: thinking about foolish tactics of Negroes and their rioting and burning, splitting among themselves, childish impatience, blaming everyone else and demanding manhood instead of developing it themselves, impotence, absence of leadership (Lowry, 1979, p. 650).

This treatment is consistent throughout Maslow's journals. Yet we also know that he had profound respect for the culture of the Blackfoot Indians.

One must be careful not to “judge” Maslow through today’s lens. In fact, he laments such ethnocentric behavior throughout his journals. The intent of acknowledging the voices silenced by Maslow’s theories was not the admonition of his work. It is merely an attempt to demonstrate the importance of context (time and space) when reading organization theory. Merely reproducing Maslow’s work, without re-visiting and re-analyzing is simply too easy and fails to acknowledge the changing face of work.

Conclusion

While organization theorists have been called to account for the history that underpins their works, the use of historical analysis in pursuit of understanding within organizational studies remains “extremely rare” (Kieser, 1994). This is viewed as problematic as more often than not our understanding of organizations is directly dependant on the work of our academic forbearers as we add links in these epistemological chains. If our forbearers failed to incorporate history in their works then what we see and recognize as the accumulated body of knowledge that is organizational theory potentially hangs suspended from a structure that is far weaker than we believe – with the strength and temper of each link varying significantly, invoking the specter of Damocles. Simply reproducing highly simplified aspects of a theorist’s work, such as Maslow’s hierarchy of needs, in each new management or OB text is doing a disservice to the breadth of debate that is often involved in a corpus of research work. It may limit a person’s theoretical corpus to a managerialist frame, and avoid the potential rewards inherent in listening to the multiple voices in organizations.

In the case of Maslow, we have constructed an identity of the man that he may neither have wanted, nor intended. We have come to identify him with a “rump theory” that has been misunderstood and misappropriated from the very beginning. The theory has been taken out of context in numerous textbooks, which have attributed uninformed goals to the theory, and have basically ignored the potential of work surrounding the theory. What has been interpreted as a tool of managerial control was intended, at least to an important degree, as a tool for the emancipation of human kind. Maslow laments the relative scarcity of humanistic work as he writes: “Why is so little done with science that would help people or help the society or virtue in general?” (Lowry, 1979, p. 619) and: “There are so very few people doing humanistic work (defined as for the benefit of mankind and its improvement)” (Lowry, 1979, p. 620) and might well be appalled by the interpretation of his well-intended work.

A reading of Maslow’s journals demonstrates quite vividly how time and space serve to shape organizational theory and herald a call to re-visit so as to determine their relevance in the current time and space. Finally, by reifying the concept of “Maslow as needs hierarchy” we miss any and all other contributions that Maslow could potentially have offered us. Perhaps the following is indicative of what is to come:

All sorts of memories come flooding back about the first perception of each of my works. The motivation theory read to the psychoanalytic groups – Kardiner, Levy, Rado, Alexander, French *et al.* – not a reaction, no comment, no nothing. Now it’s famous. They didn’t see it. But I did, and I had this profound, stubborn confidence in it . . . Just as I have absolute confidence in the B-psychology I’m doing now. And in the metamotivation stuff which everyone will be studying and memorizing and attacking from now on; 25 years from now, it will be “classical” (Lowry, 1979, p. 151).

While we appear to have missed this 25-year mark, perhaps it is not too late to re-visit Maslow and to discover some previously overlooked contributions. If nothing else, let us do it with context in mind for we must be careful not to “interrupt” the speaker, nor should we attempt to define the person or their contribution by some small subset of his /her work. We need to move beyond the received view, beyond that conversation that was interrupted. In a more general sense we conclude that the perception of mainstream management theory as narrowly focused and managerialist (Burrell and Morgan, 1979; Clegg and Dunkerley, 1980; Mills *et al.*, 2005) is in small part due to textbook dissemination of theories and theorists that, in their drive for simplicity, cut out the complexity of approach. Maslow has served as an exemplar. On its own his hierarchy of needs can be read as a simple tool for manipulating employee motivation. If, on the other hand, we had been exposed to Maslow’s corpus of work we would have been challenged to think about such things as the impact of work on self-esteem; the relationship between culture, organization, and motivation; the exploitation of uncertainty and dominance by unscrupulous leaders; and reflection on the contribution of management to human development. We may also have had an early opportunity to understand and respond to the gendered and ethnocentric nature of emerging theories of motivation.

References

- Acker, J. and van Houten, D.R. (1974), “Differential recruitment and control: the sex structuring of organizations”, *Administrative Science Quarterly*, Vol. 9 No. 2, pp. 152-63.
- Bardwell, P.L. (2004), “A challenging road toward a rewarding destination”, *Frontiers of Health Services Management*, Vol. 21 No. 1, p. 27.
- Bell, E.L. and Nkomo, S. (1992), “Re-visioning women managers’ lives”, in Mills, A.J. and Tancred, P. (Eds), *Gendering Organizational Analysis*, Sage, Newbury Park, CA, pp. 235-47.
- Bennis, W.G. and Schein, E. (1969), *New Developments within the Human Side of Enterprise*, McGraw-Hill, Maidenhead.
- Berens, G. and von Riel, C.B.M. (2004), “Corporate associations in the academic literature: three main streams of thought in the reputation measurement literature”, *Corporate Reputation Review*, Vol. 7 No. 2, p. 161.
- Bissonnette, A. and Mills, A.J. (2002), “The self confrontation method at work”, *Proceedings of the 32nd Annual Atlantic Schools of Business Conference, St Francis Xavier University, Antigonish, November 7-9*, pp. 256-64.
- Bratton, J., Helms Mills, J., Pynch, T. and Sawchuck, P. (2004), *Workplace Learning. A Critical Introduction*, Garamond Press, Toronto.
- Burrell, G. and Morgan, G. (1979), *Sociological Paradigms and Organizational Analysis*, Heinemann, London.
- Calás, M.B. and Smircich, L. (1991), “Voicing seduction to silence leadership”, *Organizational Studies*, Vol. 12, pp. 567-602.
- Chiaromonte, P. and Mills, A.J. (1993), “Counselling self reflection as an instrument in organizational learning”, *British Journal of Guidance and Counselling*, Vol. 21 No. 2, pp. 145-55.
- Clegg, S. and Dunkerley, D. (1980), *Organization, Class and Control*, Routledge & Kegan Paul, London.

- Collinson, D.L. (1988), "Engineering humour: masculinity, joking and conflict in shopfloor relations", *Organization Studies*, Vol. 9 No. 2, pp. 181-99.
- Cooke, B. (1999), "Writing the left out of management theory: the historiography of the management of change", *Organization*, Vol. 6 No. 1, pp. 81-105.
- Cooke, B., Mills, A.J. and Kelley, E.S. (2005), "Situating Maslow in cold war America: a recontextualization of management theory", *Group and Organization Management*, Vol. 30 No. 2, pp. 129-52.
- Corning, P.A. (2000), "Biological adaptation in human societies: a 'basic needs' approach", *Journal of Bioeconomics*, Vol. 2 No. 1, pp. 41-86.
- Cullen, D. (1992), "Sex and gender on the path to feminism and self-actualization", paper presented at the Administrative Sciences Association of Canada, Quebec.
- Cullen, D. (1997), "Maslow, monkeys and motivation theory", *Organization*, Vol. 4 No. 3, pp. 355-73.
- Davis, K. (1957), *Human Relations in Business*, McGraw-Hill Book Company, New York, NY.
- Davis, K. (1967), *Human Relations at Work: The Dynamics of Organizational Behavior*, 3rd ed., McGraw-Hill Book Company, New York, NY.
- Davis, R.C. and Filley, A.C. (1963), *Principles of Management*, Alexander Hamilton Institute, New York, NY.
- Dye, K.E. and Mills, A.J. (2002), "Diversity management through self-confrontation", *Proceedings of the 32nd Annual Atlantic Schools of Business Conference, St Francis Xavier University, Antigonish, November 7-9*.
- Dye, K. and Mills, A.J. (2004), "Psychoanalysis at work: unraveling the gendered organization", paper presented at the Academy of Management, New Orleans, LA.
- Federal Bureau of Investigation (1954-1968), *Subject: Abraham H. Maslow. File Number: 100-HQ-415677*, FBI, Washington, DC.
- Fondas, N. (1997), "Feminization unveiled: management qualities in contemporary writings", *The Academy of Management Review*, Vol. 22 No. 1, pp. 257-82.
- French, M. (1985), *Beyond Power. On Women, Men, and Morals*, Summit Books, New York, NY.
- Fried, Y., Slowik, L.H., Shperling, Z., Franz, C., Ben-David, H.A., Avital, N. and Yeverechyau, U. (2003), "The moderating effect of job security on the relation between role clarity and job performance: a longitudinal field study", *Human Relations*, Vol. 56 No. 7, p. 787.
- Friedan, B. (1963), *The Feminist Mystique*, Dell, New York, NY.
- Fromm, E. (1962), *Beyond the Chains of Illusion: My Encounter with Marx and Freud*, Simon & Schuster, New York, NY.
- Gentle, M. (2003), "CRM: ready or not?", *Computerworld*, Vol. 37 No. 33, p. 40.
- Gilligan, C. (1982), *In a Different Voice: Psychological Theory and Women's Development*, Harvard University Press, Cambridge, MA.
- Grant, J. (1988), "Women as managers: what they can offer to organizations", *Organizational Dynamics*, Vol. 16 No. 3, p. 56+.
- Gustavsen, B. (2001), "Theory and practice: the mediating discourse", in Reason, P. and Bradbury, H. (Eds), *Handbook of Action Research: Participative Inquiry and Practice*, Sage Publications, London, pp. 173-83.
- Gutek, B.A. (1985), *Sex and the Workplace*, Jossey-Bass, San Francisco, CA.

-
- Hagerty, M.R. (1999), "Testing Maslow's hierarchy of needs: national quality-of-life across time", *Social Indicators Research*, Vol. 46 No. 3, p. 249.
- Hearn, J. and Parkin, P.W. (1983), "Gender and organizations: a selective review and a critique of a neglected area", *Organization Studies*, Vol. 4 No. 3, pp. 219-42.
- Held, D. (1980), *Introduction to Critical Theory: Horkheimer to Habermas*, University of California Press, Berkeley, CA.
- Hermans, H.J., Fiddelaers, R., Groot, R.D. and Nauta, J.F. (1990), "Self-confrontation as a method for assessment and intervention in counseling", *Journal of Counseling and Development*, Vol. 69, pp. 156-62.
- Hoffman, E. (1988), *The Right to Be Human. A Biography of Abraham Maslow*, St Martin's Press, New York, NY.
- HR Focus* (2004), "How to get 'buy-in' from the newest generation of employees", *HR Focus*, Vol. 81 No. 11, p. 5.
- Huang, J. (2004), "The science of good and evil", *The Humanist*, Vol. 64 No. 6, p. 38.
- Johns, G. and Saks, A. (2005), *Organizational Behavior*, 6th ed., Pearson, Toronto.
- Jones, M. (2004), "Maslow's hierarchy of needs can lower recidivism", *Corrections Today*, Vol. 66 No. 4, p. 18.
- Kets de Vries, M.F.R. (1978), "The midcareer conundrum", *Organizational Dynamics*, Vol. 7 No. 2, pp. 45-62.
- Kickul, J., Lester, S.W. and Belgio, E. (2004), "Attitudinal and behavioral outcomes of psychological contract breach: a cross cultural comparison of the United States and Hong Kong Chinese", *International Journal of Cross Cultural Management*, Vol. 4 No. 2, p. 229.
- Kieser, A. (1994), "Why organization theory needs historical analyses – and how this should be performed", *Organization Science*, Vol. 5 No. 4.
- Korman, A.K. (1974), *Psychology of Motivation*, Prentice-Hall, Englewood Hills, NJ.
- Kuo, Y.-F. and Chen, L.-S. (2004), "Individual demographic differences and job satisfaction among information technology personnel: an empirical study in Taiwan", *International Journal of Management*, Vol. 21 No. 2, p. 221.
- Lamond, D.A. (1990), "The irrational use of Weber's ideal types", *Australian Journal of Public Administration*, Vol. 49, pp. 464-73.
- Lewin, K., Lippitt, R. and White, R.K. (1939), "Patterns of aggressive behavior in experimentally created 'social climates'", *Journal of Social Psychology*, Vol. 10, pp. 271-99.
- Lowe, L., Mullen, J. and Mills, A.J. (2002), "Gendering the silences: psychoanalysis, gender and organization studies", paper presented in the Gender, Diversity and Organization Division of the Annual Meeting of the Academy of Management, Denver, CO, August.
- Lowry, R.J. (Ed.) (1979), *The Journals of A.H. Maslow*, Vol. I, Brooks/Cole Publishing, Monterey, CA.
- Lucey, J., Bateman, N. and Hines, P. (2004), "Achieving pace and sustainability in a major lean transition", *Management Services*, Vol. 48 No. 9, p. 8.
- Luke, J.E. (2004), "A polyester saga, geography and all", *Textile World*, Vol. 154 No. 9, p. 70.
- McFarland, D.E. (1964), *Management: Principles and Practices*, 2nd ed., The Macmillan Company, New York, NY.
- McShane, S. (2004), *Canadian Organizational Behavior*, McGraw-Hill Ryerson, Toronto.

-
- Marrow, A.F. (1969), *The Practical Theorist. The Life and Work of Kurt Lewin*, Basic Books, New York, NY.
- Martin, J. (1990), "Deconstructing organizational taboos: the suppression of gender conflict in organizations", *Organization Science*, Vol. 1, pp. 339-59.
- Maslow, A.H. (1943), "A theory of human motivation", *Psychological Review*, Vol. 50, pp. 370-96.
- Maslow, A.H. (1954), *Motivation and Personality*, Harper & Row, New York, NY.
- Maslow, A.H. (1965), *Eupsychian Management*, HF5548.8.M374, R.D. Irwin, Homewood, IL.
- Mills, A.J. (2004), "Feminist organizational analysis and the business textbook", in Hodgson, D.E. and Carter, C. (Eds), *Management Knowledge and the New Employee*, Ashgate, London, pp. 30-48.
- Mills, A.J. and Helms Hatfield, J. (1998), "From imperialism to globalization: internationalization and the management text", in Clegg, S.R., Ibarra, E. and Bueno, L. (Eds), *Theories of the Management Process: Making Sense through Difference*, Sage, Thousand Oaks, CA, pp. 37-67.
- Mills, A.J., Kelley, E. and Cooke, B. (2002), "Management theory in context: exploring the influence of the Cold War", in Sprakman, G. (Ed.), *Proceedings of the Business History Division of the Administrative Sciences Association of Canada, Winnipeg*, Vol. 23, pp. 11-20.
- Mills, A.J., Simmons, T. and Helms Mills, J. (2005), *Reading Organization Theory: A Critical Approach to the Study of Organizational Behavior and Structure*, 3rd ed., Garamond Press, Toronto.
- Miner, J.B. and Daschler, P. (1973), "Personnel, attitudes, and motivation", *Annual Review of Psychology*, Vol. 24, pp. 389-91.
- Nicholson-Lord, D. (2004), "Exodus: the great British migration", *New Statesman*, Vol. 17 No. 818, p. 16.
- Peters, T.J. (1992), *Liberation Management: Necessary Disorganization for the Nanosecond Nineties*, 1st ed., A.A. Knopf, New York, NY.
- Peters, T.J. (1994), *The Tom Peters Seminar: Crazy Times Call for Crazy Organizations*, 1st ed., Vintage Books, New York, NY.
- Pincus, J. (2004), "The consequences of unmet needs: the evolving role of motivation in consumer research", *Journal of Consumer Behaviour*, Vol. 3 No. 4, p. 375.
- Pollert, A. (1981), *Girls, Wives, Factory Lives*, The Macmillan Press, London.
- Quick, J.C. and Kets de Vries, M.F.R. (2000), "The next frontier: Edgar Schein on organization therapy/commentary on the Edgar Schein interview", *The Academy of Management Executive*, Vol. 14 No. 1, pp. 31-48.
- Rausch, E., Sherman, H. and Washbush, J. (2002), "Defining and assessing competencies for competency-based, outcome-focused management", *The Journal of Management Development*, Vol. 21 Nos 3/4, pp. 184-201.
- Raymond, M.A., Mittelstaedt, J.D. and Hopkins, C.D. (2003), "When is a hierarchy not a hierarchy? Factors associated with different perceptions of needs, with implications for standardization – adaptation decisions in Korea", *Journal of Marketing Theory and Practice*, Vol. 11 No. 4, pp. 12-26.
- Ritson, M. (2004), "Why are brand positionings made so complex?", *Marketing*, p. 21.
- Robbins, S.P. and Langton, N. (2003), *Organization Behavior: Concepts, Controversies, Applications*, 3rd Canadian ed., Prentice-Hall, Toronto.

-
- Rowlinson, M. and Procter, S. (1999), "Organizational culture and business history", *Organization Studies*, Vol. 20 No. 3, pp. 369-96.
- Santosus, M. (2004), "They don't care too much for money; once again, it behooves CIOs to reward their star performers. But how will they do it? Cutting bonus checks would be the wrong answer", *CIO*, Vol. 17 No. 23, p. 1.
- Senter, A. (2004), "An embarrassment of riches", *Director*, Vol. 58 No. 4, p. 96.
- Smircich, L. (1985), "Toward a women centered organization theory", paper presented at the Annual Meeting of the Academy of Management, San Diego, CA.
- Wahba, M.A. and Bridwell, L.G. (1973), "Maslow reconsidered: a review of research on the need hierarchy theory", paper presented at The Academy of Management Conference, New Orleans, LA.
- Weatherbee, T. and Mills, A.J. (2002), "Here be dragons: psychotherapy and organizational change", *Proceedings of the 32nd Annual Atlantic Schools of Business Conference, St Francis Xavier University, Antigonish, November 7-9*, pp. 173-83.



MD
43,10

1396

Barnard on conflicts of responsibility

Implications for today's perspectives on transformational and authentic leadership

Milorad M. Novicevic, Walter Davis and Fred Dorn
University of Mississippi, Oxford, Mississippi, USA

M. Ronald Buckley
University of Oklahoma, Norman, Oklahoma, USA, and

Jo Ann Brown
Redford University, Redford, Virginia, USA

Abstract

Purpose – The purpose of this paper is to reacquaint researchers and practitioners with Barnard's contributions to understanding of the moral conditions that underlie the authenticity of organizational leadership.

Design/methodology/approach – The paper identifies Barnard's insights on leadership and uses them as inputs to theorizing about authentic leadership.

Findings – As an outcome of theorizing, the paper identifies the conditions that are likely to lead to inauthentic, pseudo-authentic or authentic leader behavior.

Research limitations/implications – Examining authentic leadership from a historical perspective can open promising avenues for future research.

Practical implications – Leadership development programs should incorporate concepts of responsibility and conflicts of responsibility in order to provide executives with the knowledge base required for ethical decision making.

Originality/value – By placing contemporary discussion of authentic leadership in its proper historical context, scholars can draw on a wealth of existing theory to advance the study of authentic leadership.

Keywords Leadership, Management history, Responsibilities, Ethics

Paper type Conceptual paper



An executive may make many important decisions without reference to any sense of personal interest or of morality. But where creative morality is concerned, the sense of personal responsibility – of sincerity and honesty, in other words – is acutely emphasized. Probably few persons are able to do such work objectively. Indeed, few can do it long except on the basis of personal conviction – not conviction that they are obliged as officials to do it, but conviction that what they do for the good of organization they *personally* believe to be right. The creative function as a whole is the essence of leadership. It is the highest test of executive responsibility because it requires for successful accomplishment that element of “conviction” that means identification of personal codes and organization codes in the view of leader (Barnard, 1938, p. 281).

Resonating with the post-Depression years of the twentieth century, the post-Enron years of the early twenty-first century have reinvigorated societal awareness of the

business leaders' obligation to be responsible in maintaining organizations as social systems. As Whitehead (1954, p. 262) noted: "a sense for the maintenance of a social system is basic to any morality". Accordingly, an interest in the moral capacity of organizational leaders to resist the short-term directions of the Wall Street "price makers" and the episodic herd behavior of peer "price takers" has become prominent among leadership researchers (Terry, 1993) and practitioners (George, 2003). This capacity for awareness, determination and dependability to remain true to oneself and aligned with the organization's genuine mission, while passionately enacting organizational vision, can be conceptualized broadly as authentic leadership (May *et al.*, 2003).

Although the evolving body of literature on authentic leadership has been rich in explicating and modeling psychological, socio-psychological, sociological and ethical dimensions of this concept, scant attention has been paid to the historical roots of the concept. In fact, seminal contributions by Chester I. Barnard have been curiously neglected in this body of literature. In this paper, we posit that a careful examination of Barnard's works may contribute to our deeper understanding of the construct of authentic leadership. The use of a *post hoc* approach to understanding the impact of Barnard's concepts can be particularly beneficial for leadership researchers who seek to examine how the historical evolution and heritage of the construct of authentic leadership can inform our current theoretical efforts. Accordingly, the purpose of this paper is to reacquaint researchers and practitioners with Barnard's contributions to our understanding of the responsibilities that underlie the authenticity of leadership. By placing contemporary discussion of authentic leadership in its proper historical context, scholars can draw on a wealth of existing theory, and at the same time provide a more accurate representation of the value of recent contributions to leadership research.

Contemporary research in leadership studies has focused on the construct of transformational leadership and the debate about authenticity (Bass and Steidlmeier, 1999) and pseudo-authenticity (Price, 2003) of transformational leaders. Recently, some leadership researchers have argued for a developmental view of authentic leadership. This view emphasizes a process that draws on positive organizational context and capacities and nurtures self-awareness and self-determination of leaders and followers to exhibit sustained positive behavior (May *et al.*, 2003; Luthans and Youssef, 2004). We argue that much of the current discussion regarding authentic leadership can be grounded in an examination of Barnard's conceptualization of "responsibilities" and "conflicts of responsibilities". Such an examination alerts us to the challenges associated with both defining and developing authentic leadership.

Barnard on "conflicts of responsibility"

Barnard recognized the need for leaders "who can both understand and excel at the practical elements of business while remaining introspective and thoughtful in their pursuit of moral excellence" (Ryan and Scott, 1995, p. 457). According to Barnard (1958), the use of philosophical or theological terms is of low utility when addressing the pragmatic needs of organizational leadership. Rather, Barnard recommends and employs the terms that are meaningful to business practitioners (responsibility, loyalty, obligations, and duties) (Strother, 1976; Scott and Mitchell, 1989). His central leadership concept is responsibility, which is an "emotional condition

that gives an individual a sense of acute dissatisfaction because of failure to do what he feels is morally bound to do or because of doing what he thinks is morally bound not to do, in particular concrete situations” (Barnard, 1948, p. 95). In the forthcoming parts of this section of the paper we analyze Barnard’s (1938, 1948, 1958) views on the moral and social responsibilities faced by organizational leaders. The Barnard’s view of the executive’s conflict of responsibilities may be related to interrole and interpersonal conflict (see Figure 1) that occurs when an individual faces competing demands such that compliance to one role makes compliance with another role difficult or impossible (Katz and Kahn, 1966).

The Functions of the Executive

In this book of his, Barnard (1938, p. 279) not only brings up for the first time the critical importance of the moral component in leadership, but also emphasizes the creative aspects inherent to authenticity:

The distinguishing mark of executive responsibility is that it requires not merely conformance to a complex code of morals but also the creation of moral codes for others.

A leader, recognizing the moral intensity of each situation, exhibits moral imagination by rising above normative solutions to create, with moral efficacy, solutions that impact the moral climate of the organization. This is crucial for organizational morale as, “the creation of organizational morality is the spirit that overcomes the centrifugal interests or motives” of organizational constituents (Barnard, 1938, p. 283). Moral transparency and resilience are necessary for sustainability of this impact because “the quality of leadership, the persistence of its influence, the durability of its related

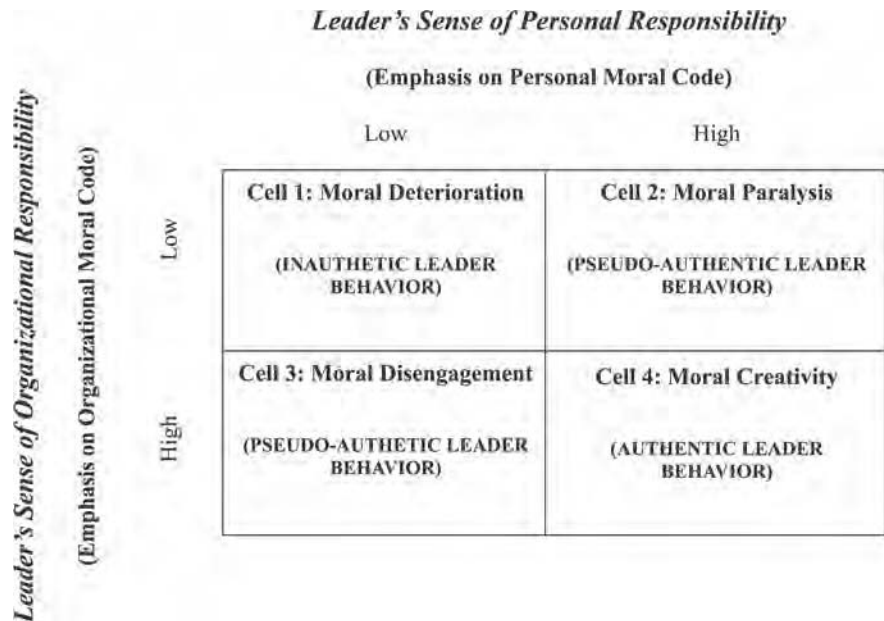


Figure 1.
Failure/success matrix of authentic leadership

organizations, the power of cooperation it entices, all express the height of moral aspirations, the breadth of moral foundations” (Barnard, 1938, p. 284).

Barnard (1938) was the first management scholar to formulate a theory of leadership influence by consent of followers. Assuming moral equality of followers and the leader, Barnard argues that an organizational leader should not only respect follower rights, but also should use persuasion as a means of influence only when followers freely limit their liberty by allowing the leader to impose decisions over them (i.e. within their zones of indifference). Aupperle and Dunphy (2001) claim that Barnard’s conceptualization provides useful managerial lessons, while Feldman (1994), in line with the ideas of Perrow (1986), warns that Barnard’s concept of leadership needs to be complemented with empowerment of followers to avoid the trap of being publicly equated with “executive moral imperialism”. A few years before his death in 1961, Barnard himself recognized that he had not paid due attention to delegation of responsibility and participative decision making, the leadership topics that were later examined extensively by Vroom (2003).

Organization and Management

In this subsequent collection of his major articles, *Organization and Management*, Barnard (1948) emphasizes two aspects of leadership that connote the idea of authenticity:

- (1) the quality of competence to perform the formal role (the technical aspect); and
- (2) the quality of role responsibility (the moral aspect).

The technical aspect reflects individual superiority in administrative and technological skill, which is “essential to positive action; commanding admiration, emulation” (Barnard, 1948, p. 260). The moral aspect “gives dependability and determination to human conduct, and foresight and ideality to purpose” (Barnard, 1948, p. 260). When the moral aspect of leadership quality is not harmonized with the technical aspect “either moral bewilderment or loss of ability can and does produce collapse of character” (Barnard, 1948, p. 278). As “organizations endure in proportion to the breadth of morality by which they are governed,” the authenticity of leadership can be measured by the leader’s moral capacity, courage and resilience in creating commonly held codes within the organization (Barnard, 1948, p. 282).

“Elementary conditions of business morals”

In his last published article, Barnard reflects on two central assumptions that underlie the positive logic of promoting moral leadership. The first assumption is that formal organizations as social systems, “reflect mores, patterns of culture, implicit assumptions as to the world, deep convictions, unconscious beliefs that make them largely autonomous moral institutions on which, political, economic, religious, or other functions are superimposed or from which they evolve” (Barnard, 1958, p. 2). The second assumption is that “to a large extent management decisions are concerned with moral issues” (Barnard, 1958, p. 2). These assumptions underlie the challenges of leading in the face of the variations in the moral climate. Barnard proposes a pragmatic (as opposed to philosophical or theological) approach to addressing these challenges because this variation in moral climate is seldom expressed in explicit moral terms in

everyday business. Rather, the term that business practitioners use most is “webs of responsibility”.

Barnard makes distinctions among three types of responsibility: personal, representative and corporate. Personal responsibility refers to the character of individuals, which implies “avoidance of criminal acts, gross and public immoralities and in particular stealing and lying; a willingness to recognize the interests of others to the extent of ordinary courtesy; and finally, a willingness to discharge commitments, that is to perform duties accepted, to honor promises” (Barnard, 1958, p. 6). Representative responsibility refers to acting in the official role “in accordance with the aims or goals or by methods determined by others” (Barnard, 1958, p. 6). The interaction between personal and representative responsibilities often reflects a moral tension between the interests of the individual and the interests of the organization. Resolution of this tension in favor of organizational interests represents loyalty to the firm. Thus, Barnard (1958, p. 6) defines loyalty as “recognition of the responsibilities of others and the desire to support others in the discharge of those responsibilities, often by means to be erroneous and contrary to self-interest”.

Corporate responsibility is, in Barnard’s view, of a completely different nature. Barnard claims that the social construction of corporate responsibility originates from the social invention of the limited liability corporation as an important factor in economic and social stability. Although “the corporation, as something having the attributes of a personality, is a legally authorized fiction . . . there is imputed to it not only legally but popularly a special responsibility as if it were a person; hence there can be attributed to it moral and immoral action” (Barnard, 1958, p. 7). “The responsibilities of corporations, aside from the obligation to conform to their charters and the law, are of two kinds: (1) those which may be called internal, relating to the equitable interests of shareholders, directors, officers, and employees; and (2) those relating to the interests of competitors, communities, government, and society in general” (Barnard, 1958, p. 7). Thus, the moral trade-offs that directors/officers/employees of a corporation make relative to corporate social responsibility influence the loyalties of internal and external stakeholders.

The above review of Barnard’s major works points to two major themes that are relevant to current theoretical developments of the leader authenticity construct. These themes resonate two key challenges faced by any leader seeking to attain authenticity. The first challenge is to balance the technical and moral aspects of leadership. The second challenge is to reconcile personal and organizational responsibility. In the sections that follow, we provide a more detailed examination of these two challenges; integrating Barnard’s contributions with current perspectives.

The challenge of balancing technical and moral aspects of leadership

Barnard (1948, p. 83) defines leadership as the “quality of the behavior of individuals whereby they guide people or their activities in organized effort”. This quality of behavior should be supplanted by the quality of “managing organizational assets as a secondary aspect” (Barnard, 1948, p. 84). In Barnard’s view, leading that influences and is responsive to the organizational structural and cultural factors involves the activities of:

- envisioning organizational goals;
- reinforcing organizational values to insure equitable resource use and allocation;

-
- insuring organizational control; and
 - insuring coordination of organizational activities.

When setting goals, the leader “has to be stupid enough to listen a great deal, he certainly must maintain order, and he has to be at times a mere center of communication” (Barnard (1948, p. 86). While directing technological operation and administrative procedures/rules of resource use, the leader should avoid letting his functional expertise in technology or administration divert his attention from the followers and the situation. Also, the leader should insure the instrumentality of organizational control mechanisms. Finally, the leader should insure the appropriateness of incentives “to induce people to convert abilities into coordinated effort, thereby maintaining an organization, while simultaneously getting its work done” (Barnard, 1948, p. 90).

Barnard recognized that the interaction between leadership agency and the organizational structure and culture is important for internal cooperative adaptation of the firm (Williamson, 1994). He warns, however, against any overemphasis of leadership as the sole factor contributing to facilitation of a firm’s internal adaptation because “to suppose that leadership, that the moral elements, are the only important or significant general factor in an organization is as erroneous as to suppose that structure and process of cooperation without leadership are sufficient” (Barnard, 1938, p. 259). The contributing importance of leadership for cooperative effort is reflected not only in its “technical” or transformational aspect (the influence that is effective once it results in the transformation of follower preferences) but also in its moral or authentic aspect (Barnard, 1938).

The two aspects of leadership need to be balanced so that the leader can adapt his/her behavior to influence and/or be responsive to organizational conditions (i.e. organizational stability and change). In stable conditions, the “behavior of leaders may be calm, deliberate, reflective and anticipatory of future contingencies” (Barnard, 1948, p. 91). In other words, “stable conditions call for self-restraint, deliberation, and refinement of technique; qualities that some men who are good leaders under tense conditions are unable to develop” (Barnard, 1948, p. 91). In times of organizational change, leaders however “must have physical or moral courage, decisiveness, inventiveness, initiative even audacity,” as the “outcome of action is more easily judged” (Barnard, 1948, p. 92).

Barnard’s approach to leadership is conceptualized as a function of the interaction between leader transformational and authentic agency and the conditions/situation of organizational stability and change. Barnard’s conceptualization emphasizes not only the technical (structural and process) aspects of the leadership role (applying rules in time of stability and influencing relationships in times of change), but also the leader’s moral responsibility to blend the values of mission to sustain stability with the goals of vision to initiate (or respond to) change. The challenge is to select leaders who will insure that this conceptualized interaction is positive in practice.

Barnard (1948, p. 92, emphasis in original) argues that a major “practical problem in selecting specific leaders would be to ascertain the *balance of active qualities* of leaders most probably adapted to the conditions or the variation of organizational conditions”. In his view, the demand for a balanced set of leader qualities across situations requires that moral quality of responsibility, the influence quality of persuasiveness (social

skill), and the problem-solving quality of intellectual capacity (cognitive ability) are to be supplanted by qualities of endurance and vitality, as well as by the quality of decisiveness. Relative to endurance and vitality, leaders who are persistently energetic, alert and vigilant are likely to be continuously influential and to promote experiential learning among followers. Decisiveness reflects a leader's will and capacity to make decisions "necessary to get the right things done at the right time and to prevent erroneous action" (Barnard, 1948, p. 94). Indecisive behavior of leaders is exhibited as "mere suspense, checks the decisiveness of others, introduces indecisiveness or lethargy throughout the whole process of cooperation, and thus restricts experience, experiment, and adaptation to changing conditions" (Barnard, 1948, p. 94). Also, very important is the ability and propensity of leaders to persuade followers, while taking their perspective, to change their preferences and adapt to the changing conditions because this quality "involves a *sense* or understanding of the point of view, the interests; and the conditions of those to be persuaded" (Barnard, 1948, p. 95).

Like Kirkpatrick and Locke (1991), Barnard argues that moderate intellectual/cognitive ability is a fundamental quality/trait of leaders. Intellectual ability of leaders is a double-edged sword because it is the quality of which leaders are most conscious. Therefore, it tends to be the most common source of leader-biased behavior (thus distorting positive interaction between organizational leadership and organizational conditions) both when conveying meanings and intentions to followers and when interpreting feedback from followers. Leaders who emphasize intellectual overtones in exchange relationships with followers are seldom transparent and "prove to be irresponsible (absent-minded, non-punctual), non-decisive (ultra-judicial, see so many sides they can never make up their minds), non-persuasive" (Barnard, 1948, p. 98). Such "intellectual snobbishness" of some leaders often engenders latent organizational conflict due to their propensity to underestimate intellectual and other personal qualities of followers and "to tell followers how to behave" (Barnard, 1948, p. 97). To followers, leader "intellectual superiority is an offensive thing which even intellectuals dislike in others except as they *voluntarily* give their respect" (Barnard, 1948, p. 100).

The challenge of resolving conflicts of responsibility

Leadership is often characterized by a nexus of multiple responsibilities toward various stakeholders of an organization. The higher the leader in the organization, the higher the complexity of moral issues engendered by the interaction between diverse responsibilities and associated loyalties. Specifically, when competitive or regulatory adaptation (outside the organization) is needed, the past loyalties toward/of external stakeholders are influenced. When cooperative adaptation inside the organization is needed, past loyalties toward/of internal stakeholders are influenced. As the associated issues of varying moral nature and content need to be resolved to secure orderly adaptations, "hierarchy becomes its own court of ultimate appeal" (Williamson, 1994) (i.e. where the leader is the supreme justice). The leader has to master diverse moral tensions and exhibit authenticity in moral awareness and decision making (i.e. be perceived to reflect genuineness, reliability, trustworthiness, reality, and veracity) for the stakeholders to grant legitimacy to the leader's authority and endorse the necessary adaptations as legitimate (Tyler, 1997). But, "moral tensions in a business, or any other kind of organization, can become unbearable and disruptive, leading to severe types of

controversy and opposition. It becomes therefore important to discover and develop methods for resolution of such conflicts” (Barnard, 1958, p. 11).

Leader moral dilemmas in the face of challenges vary across practical situations but mushroom most commonly, in Barnard’s (1958) view, when products of technological innovations are launched in the marketplace. In other words, leader moral dilemmas become salient with the increase in knowledge specialization and customer responsiveness that in turn increase the demand for delegation of responsibility. Barnard (1958, p. 13) illustrates how moral dilemmas evolve in the shadow of innovative technological choices:

Responsibility cannot be arbitrarily delegated and, therefore a high degree of effective autonomous behavior cannot be secured except as responsibility is freely accepted. When so accepted the possibility of effective autonomous behavior is realized.

However, for responsibility to be voluntarily accepted, the associated moral dilemmas must be previously resolved using an appropriate approach/method.

Barnard (1958, p. 8) proposes a procedural approach for leaders facing the tensions of moral dilemmas not only because such an approach is fair, but also because multiple responsibilities “involve many inconsistencies and contradictions; so that the conflict of responsibilities is a characteristic condition of cooperative efforts...then there are likely to be ethical conflict or dilemmas of loyalties and responsibilities” (Barnard, 1958, p. 10). The procedural approach to resolving conflicts of interest means that the leader employing experience-informed intuition and emotional intelligence needs to make a clear and communicable determination as to:

- what responsibilities need narrowing and delineation to restrict the potential for real conflicts (i.e. in Barnard’s terms, the “judicial method”);
- what responsibilities need redefinition from a different point of view to restrict the potential for pseudo-conflicts (“method of reconciliation”); and
- what responsibilities need a substantive and creative change to restrict the potential for latent conflicts (“creative method”).

The main practical challenges to the use of the procedural approach are:

- Each conflict is often “concealed by the labels by which it is described, such as ‘personality conflicts,’ ‘conflicts of interest’ (economic, political or prestige)”;
- Each conflict is often “also concealed by the privacy with which the struggles for the discharge of conflicting responsibilities are veiled. Men seem unwilling or unable to reveal moral struggles and often seem forced to concoct the ‘real reasons’” (Barnard, 1958, p. 10).

In effect, these challenges may jeopardize the leader’s moral awareness, as well as the leader’s recognition of moral intensity inherent in certain issues.

Barnard’s examination of conflicts of responsibility, viewed from today’s perspective, provides a starting point for understanding the definition and meaning of authenticity. The primary derivations from our examination of Barnard’s works suggest that authenticity of organizational leadership depends on the resolution of the moral conflict of responsibility (personal vs organizational), which is embedded in

organizational structure (governing organizational goals and rules) and culture (sustaining organizational values and relationships).

Barnard identifies responsibility as the central quality among the interrelated “active” qualities of leaders. Responsible leaders are able to control their emotions in the face of moral dilemmas and avoid capricious decisions and behavior. As explicated in the previous discussion of Barnard’s contributions, this quality of leader behavior is of high importance for authentic leadership. Particularly, this quality becomes relevant when personal and organizational codes “have substantially equal validity or power in the subject affected, and conflict of codes becomes a serious personal issue” (Barnard, 1938, p. 264).

Barnard in the context of current perspectives on authentic leadership

Our efforts to reacquaint readers with Barnard’s classic works is relevant for the advancement of authentic leadership inquiry because it opens “many possibilities of reinventing theory, reinterpreting evidence, and rediscovering voices and issues” (Kilduff and Dougherty, 2000, p. 778). Our revisiting of Barnard’s works indicates that the primary challenge to the future research on authentic leadership is to assess both the qualities that are to be possessed by a leader and the demands imposed on the leader to be accountable when balancing the responsibilities toward the self, the followers, and the stakeholders. This indication resonates well with the Badaracco’s (1992, p. 77) claim that, “the moral dilemma of management must be resolved through balancing acts – through decisions and actions that meet, as best they can, the conflicting claims of different spheres of responsibility”.

Like Barnard, one contemporary group of leadership researchers of executive authenticity emphasize the issues of the leadership role identification. They view authenticity as socially constructed “claim that is made by or for someone, thing, or performance and either accepted or rejected by relevant others” (Peterson, 2005, p. 1080). The outcome of the claiming can vary from inauthenticity, over pseudo-authenticity, to legitimate authenticity (Guthey and Jackson, 2005). Another group is more focused on a developmental view of authentic leadership.

For example, Luthans and Avolio (2003, p. 243) define the construct of authentic leadership as “a process that draws from both positive psychological capabilities and a highly developed organizational context, which results in both greater self-awareness and self-regulated positive behaviors on the part of both leaders and associates, fostering positive self development”. In their view, authentic leaders tend to exhibit confidence, hope, optimism, resiliency, and a dedication to developing leadership capabilities in others. When setting high moral and ethical standards for themselves and others, authentic leaders take a future-oriented stance and exhibit the capacity for moral reasoning (Luthans and Avolio, 2003, p. 246). Open or transparent about who they are, their personal values, and their intentions, the authentic leaders are striving to link personal values to actions and individual values to organizational values (George, 2003; Luthans and Avolio, 2003, p. 243; Seligman, 2002).

The “development” of authentic leadership stems from positive organizational behavior (POB) and positive organizational context, which reflect “human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today’s workplace” (Luthans, 2002, p. 59; Luthans and Avolio, 2003, p. 245). Positive organizational behavior and

context provide the means for enacting authentic leadership at all levels of the organization.

Both authentic leadership and positive organizational behavior draw from the field of positive psychology, as positive psychological capabilities including POB states of confidence, hope, optimism and resilience help authentic leaders “to clearly frame moral; dilemmas, respond to them and thus become ethical role models” (Gardner and Schermerhorn, 2004, p. 272). The practices grounded in positive psychology focus on building individual strengths rather than correcting weaknesses. Strengths are those personal attributes that are universally valued in their own right, not just as providing the means to an end. As such strengths are malleable (Seligman, 2002), Luthans and Avolio (2003) view leader authenticity to be comprised of positively-oriented attributes and states that can be developed and strengthened.

To strengthen their POB states, leaders need to master how develop appropriate awareness about the self, others, relationships and context. With strengthening of leader’s authenticity, the leader’s awareness of the self evolves from fragmented, authority-focused to more integrated and delegation-focused understanding of oneself as a leader; the view of others becomes fine-grained in terms of their diversity and personal needs; and the leader-follower relationships become more intertwined, interactive, future-oriented across different contexts (Cranton and Carusetta, 2004).

Proponents of the strengths movement emphasize the benefits of identifying and building personal strengths or talents, which are integrated into an individual’s authentic self esteem. Behavioral changes occur as individuals learn to use those talents more effectively and employ them in different situations (Buckingham and Clifton, 2001; Buckingham and Coffman, 1999; Clifton and Harter, 2003). Strength building is expected to have positive effects on the individual’s well-being and the organization’s performance (Clifton and Harter, 2003, p. 119).

Conclusion

Barnard conceptualized an organization as a nexus of stakeholder relationships, sustained by internal and external governance mechanisms and managed by organizational leaders. These relationships reflect “an integrated aggregate of actions and interactions having continuity in time” (Barnard, 1948, p. 112). Barnard thus “rejected the view of organization as comprising a rather definite group whose behavior is coordinated with reference to some explicit goal or goals”, but rather “included in organization the actions of investors, suppliers, and customers or clients” (Barnard, 1948, p. 112). In his view, the job of an organizational leader is:

- to form cooperative relationships with stakeholders; and
- to elicit the stakeholder services (i.e. actions contributing to the organization’s purposes), once the stakeholders “have been brought into that relationship” (Barnard, 1938, p. 227).

To elicit these services, the organizational leader needs to maintain organizational morale, structure, culture, and training and development. Barnard’s stakeholder-service view of organizations places an organizational leader at the center of a cooperative exchange network. Barnard (1948, p. 116) notes that “we often fail to think of an exchange as cooperative, because emphasis is so much placed upon conflict of interest or bargaining in a hostile sense, conditions that may precede

exchange; but a moment's reflection is sufficient to see that an exchange is based upon *agreement* to effect a *transaction*; a coordination of acts of the two parties, the acts being mutually dependent and interconnected".

Building on Barnard's relational conceptualization of organization and leadership, we have provided in this paper insights from Barnard's major works that can be useful for further construction and development of authentic leadership theory. Theorists involved in this endeavor should be reminded of Barnard's (1947) wisdom that "great intellectual confusion is inherent in the fact that it is convenient and effective in most of the ordinary affairs of living to employ single cause reasoning. In fact, that is all we can do. Someone needs to do a job on the conditions that determine the practical limitations of such reasoning". One such variable, neglected in causal reasoning about leadership and leadership development, is authenticity. This neglect of taking into consideration the authenticity variable should be remedied in leadership studies and development programs not only at the organizational level, but also at the societal level because "it would be a pity beyond all others if through abuse and disregard of right proportions we should fall back again upon the myth of the Great Hero and the fiction of the Absolute State in order that we might survive" (Barnard, 1939, p. 25).

In summary, Barnard has clearly delineated how a leader's moral capacity to authentically integrate commitments to the self, to the leadership role, to the organization, and to the public is crucial for the sustainability of cooperative efforts inside and outside the organization. As DiMaggio and Simon claim, the rich historical material of hermeneutic meaning contained in Barnard's works carries valuable lessons for leadership scholars. But, the main lesson leadership scholars should learn from historical examination of Barnard's works is that "awareness of reality is more important than indoctrination in generality" (Chandler, 1963, p. 280). In other words, only once we are aware of leader authenticity we should attempt to generalize about the effectiveness of transformational leadership. Authenticity seems to operate as the primary catalyst of the transformation process when the leader and the followers choose to act in an authentic manner so as to "foster the growth and development of each other's being" (Jarvis, 1992, p. 163).

References

- Aupperle, K. and Dunphy, S. (2001), "Managerial lessons for a new millennium: contributions from Chester Barnard and Frank Capra", *Management Decision*, Vol. 39 No. 2, pp. 156-64.
- Badaracco, J. (1992), "Business ethics: four spheres of executive responsibility", *California Management Review*, Vol. 34 No 3, Spring, pp. 64-79.
- Barnard, C. (1938), *The Functions of the Executive*, Harvard University Press, Cambridge, MA.
- Barnard, C.I. (1939), *Dilemmas of Leadership in the Democratic Process*, Princeton University Press, Princeton, NJ.
- Barnard, C.I. (1947), "Some aspects of organization relevant to industrial research", *The Conditions of Industrial Progress: 25th Anniversary of the Industrial Research Department, Wharton School of Commerce, University of Pennsylvania*, p. 68.
- Barnard, C. (1948), *Organization and Management*, Harvard University Press, Cambridge, MA.
- Barnard, C. (1958), "Elementary conditions of business morals", *California Management Review*, Vol. 1 No. 1, pp. 1-13.

-
- Bass, B.M. and Steidlmeier, P. (1999), "Ethics, character, and the authentic transformational leadership behavior", *Leadership Quarterly*, Vol. 10 No. 2, pp. 181-217.
- Buckingham, M. and Clifton, D. (2001), *Now, Discover Your Strengths*, Free Press, New York, NY.
- Buckingham, M. and Coffman, C.C. (1999), *First, Break All the Rules*, Simon & Schuster, New York, NY.
- Chandler, A. (1963), "Review of Robert Manley and Sean Manley's *The Age of the Manager: a treasure of our times*", *Business History Review*, Vol. 37, p. 280.
- Clifton, D.O. and Harter, J.K. (2003), "Investing in strengths", in Cameron, K.S., Dutton, J.E. and Quinn, R.E. (Eds), *Positive Organizational Scholarship*, Berrett-Koehler, San Francisco, CA, pp. 111-21.
- Cranton, P. and Carusetta, E. (2004), "Developing authenticity as a transformative process", *Journal of Transformative Education*, Vol. 2 No. 4, pp. 276-93.
- Feldman, S. (1994), "The disinheritance of management ethics: rational individualism in Barnard's *Functions of the Executive*", *Journal of Management History*, Vol. 2 No. 4, pp. 34-47.
- Gardner, W. and Schermerhorn, J. (2004), "Unleashing individual potential: performance gains through positive organizational behavior and authentic leadership", *Organizational Dynamics*, Vol. 33 No. 3, pp. 270-81.
- George, B. (2003), *Authentic Leadership: Rediscovering Secrets to Creating Lasting Value*, Jossey-Bass, San Francisco, CA.
- Guthey, E. and Jackson, B. (2005), "CEO portraits and the authenticity paradox", *Journal of Management Studies*, Vol. 42 No. 5, pp. 1057-82.
- Jarvis, P. (1992), *Paradoxes of Learning: On Becoming an Individual in Society*, Jossey-Bass, San Francisco, CA.
- Katz, D. and Kahn, R. (1966), *The Social Psychology of Organizing*, Wiley, New York, NY.
- Kilduff, M. and Dougherty, D. (2000), "Change and development in a pluralistic world: the view from the classics", *Academy of Management Review*, Vol. 25 No. 4, pp. 777-82.
- Kirkpatrick, S.A. and Locke, E.A. (1991), "Leadership: do traits matter?", *Academy of Management Executive*, Vol. 5 No. 2, pp. 34-48.
- Luthans, F. (2002), "Positive organizational behavior: developing and managing psychological strengths", *Academy of Management Executive*, Vol. 16 No. 1, pp. 57-75.
- Luthans, F. and Avolio, B.J. (2003), "Authentic leadership development", in Cameron, K.S., Dutton, J.E. and Quinn, R.E. (Eds), *Positive Organizational Scholarship: Foundations of a New Discipline*, Berrett-Koehler, San Francisco, CA, pp. 241-58.
- Luthans, F. and Youssef, C. (2004), "Human, social, and new positive psychological capital management: investing in people for competitive advantage", *Organizational Dynamics*, Vol. 33 No. 2, pp. 143-60.
- May, D., Chan, A., Hodges, T. and Avolio, B. (2003), "Developing the moral component of authentic leadership", *Organizational Dynamics*, Vol. 32 No. 3, pp. 247-60.
- Perrow, C. (1986), *Complex Organizations: A Critical Essay*, 3rd ed., Random House, New York, NY.
- Peterson, R. (2005), "In search of authenticity", *Journal of Management Studies*, Vol. 42 No. 5, pp. 1083-98.
- Price, T. (2003), "The ethics of authentic transformational leadership", *Leadership Quarterly*, Vol. 14 No. 1, pp. 67-82.

- Ryan, L. and Scott, W. (1995), "Ethics and organizational reflection: the Rockefeller Foundation and postwar moral deficits 1942-1954", *Academy of Management Review*, Vol. 20 No. 2, pp. 438-61.
- Scott, W. and Mitchell, T. (1989), "The universal Barnard: his meta concepts of leadership in the administrative state", *Public Administration Quarterly*, Vol. 13 No. 3, pp. 295-320.
- Seligman, M.E.P. (2002), *Authentic Happiness*, Free Press, New York, NY.
- Strother, G. (1976), "The moral codes of executives", *Academy of Management Review*, Vol. 15 No. 4, pp. 13-22.
- Terry, R.W. (1993), *Authentic Leadership: Courage in Action*, Jossey-Bass, San Francisco, CA.
- Tyler, T. (1997), "The psychology of legitimacy: a relational perspective on voluntary deference to authorities", *Personality and Social Psychology Review*, Vol. 1 No. 4, pp. 323-45.
- Vroom, V. (2003), "Educating managers for decision making and leadership", *Management Decision*, Vol. 41 No. 10, pp. 968-78.
- Whitehead, A. (1954), *Dialogs of Alfred North Whitehead. As Recorded by Lucien Price*, Brown & Co., Boston, MA.
- Williamson, O. (1994), "Visible and invisible governance", *American Economic Review*, Vol. 5, May, pp. 323-6.

Further reading

- Adorno, T.E. (1973), *The Jargon of Authenticity*, Northwestern University Press, Evanston, IL (trans. by Tarkowski, K. and Will, I).
- Aquino, K. and Reed, A. II (2002), "The self-importance of moral identity", *Journal of Personality and Social Psychology*, Vol. 83 No. 6, pp. 1423-40.
- Argyris, C. (1957), *Personality and Organization*, Harper & Brothers, New York, NY.
- Bandura, A. (1999), "Moral disengagement in the perpetration of inhumanities", *Personality and Social Psychology Review*, Vol. 3 No. 3, pp. 193-209.
- Barnard, C. (1995), "The significance of decisive behavior in social action: notes on the nature of decision", *Journal of Management History*, Vol. 1 No. 4, pp. 28-87.
- Beach, L.R. (1998), *Image Theory: Theoretical and Empirical Foundations*, Laurence Erlbaum, Mahwah, NJ.
- Bennis, W. (2003), "Flight of the Phoenix: authentic leaders learn how to fly", *Executive Excellence*, Vol. 20 No. 5, May, pp. 4-5.
- Bevir, M. (1999), *The Logic of the History of Ideas*, Cambridge University Press, Cambridge, MA.
- Brumbaugh, R.B. (1971), "Authenticity and theories of administrative behavior", *Administrative Science Quarterly*, Vol. 16 No. 1, pp. 108-12.
- DiMaggio, P. (1995), "Comment on 'What theory is not'", *Administrative Science Quarterly*, Vol. 40, pp. 391-7.
- Erickson, R. (1995), "The importance of authenticity for self and society", *Symbolic Interaction*, Vol. 18 No. 2, pp. 121-44.
- Etzioni, A. (1968), "Basic human needs, alienation and inauthenticity", *American Sociological Review*, Vol. 33 No. 6, pp. 870-85.
- Ferrara, A. (1994), "Authenticity and the project of modernity", *European Journal of Philosophy*, Vol. 2 No. 3, pp. 252-74.
- Goldman, B.M. and Kernis, M.H. (2002), "The role of authenticity in healthy psychological functioning and subjective well-being", working paper, University of Georgia, Athens, GA.

-
- Golembiewski, R.T. (1988), "Nobel laureate Simon looks back: a low-frequency mode", *Public Administration Quarterly*, Fall, pp. 275-300.
- Halpin, A. and Croft, D. (1966), "The organizational climate of schools", in Halpin, A. (Ed.), *Theory and Research in Administration*, Macmillan, New York, NY, pp. 131-249.
- Harter, S. (2002), "Authenticity", in Snyder, C.R. and Lopez, S. (Eds), *Handbook of Positive Psychology*, Oxford University Press, London, pp. 382-94.
- Heidegger, M. (1962), *Being and Time*, Harper & Row, New York, NY (trans by Macquire, T. and Robinson, E.), (originally published in 1927).
- Henderson, J. and Hoy, W. (1983), "Leader authenticity: the development and test of operational measure", *Educational and Psychological Research*, Vol. 3 No. 2, pp. 63-75.
- Hoy, W., Hoffman, J., Sabo, D. and Bliss, J. (1996), "The organizational climate of middle schools", *Journal of Educational Administration*, Vol. 34 No. 1, pp. 41-59.
- Jaworski, G. (1990), "Robert Merton as postwar prophet", *American Sociologist*, Fall, pp. 209-16.
- Kernis, M. (2003), "Optimal self-esteem and authenticity: separating fantasy from reality", *Psychological Inquiry*, Vol. 14 No. 1, pp. 83-9.
- Klahl, D. and Simon, H. (1999), "Studies of scientific discovery: complementary approaches and convergent findings", *Psychological Bulletin*, Vol. 125 No. 5, pp. 534-43.
- Lampou, K. (2002), "Traits and skills for managerial leadership: a virtue theory approach", working paper, Department of Business Studies, Uppsala University, Uppsala.
- Mandeville, M. (1960), "The nature of authority", *Journal of the Academy of Management*, Vol. 3 No. 2, pp. 107-18.
- Merton, R. (1967), *On Theoretical Sociology*, Free Press, New York, NY.
- Mitchell, T.R. and Scott, W.G. (1988), "The Barnard-Simon contribution: a vanished legacy", *Public Administration Quarterly*, Fall, pp. 348-68.
- Novicevic, M., Hench, T. and Wren, D. (2002), "Plying by ears . . . in an incessant din of reasons: Chester Barnard and the history of intuition in management thought", *Management Decision*, Vol. 40 No. 10, pp. 992-1002.
- Pinalato, M. (2003) pp. 218-30, "Resuscitation of a moral ideal", paper written for a course Contemporary Ethical Theory, run by R. Lee, University of Arkansas, Fayetteville, AR.
- Reed, A. II and Aquino, K. (2003), "Moral identity and the expanding circle of moral regard towards out-groups", *Journal of Personality and Social Psychology*, Vol. 84 No. 6, pp. 1270-86.
- Rome, B. and Rome, S. (1967), "Humanistic research on large social organizations", in Bugental, J. (Ed.), *Challenges of Humanistic Psychology*, McGraw-Hill, New York, NY, pp. 181-93.
- Ryan, R. and Deci, E. (2002), "Overview of self-determination theory: an orgasmic dialectic perspective", in Deci, E. and Ryan, R. (Eds), *Handbook of Self-determination Research*, University of Rochester Press, Rochester, NY, pp. 3-33.
- Sartre, J.-P. (1948), *Anti-Semite and Jew*, Grove Press, New York, NY.
- Schlenker, B., Britt, T., Pennington, J., Murphy, R. and Doherty, K. (1994), "The triangle of responsibility", *Psychological Review*, Vol. 101, pp. 632-52.
- Seeman, M. (1960), *Social Status and Leadership*, Ohio State University Press, Columbus, OH.
- Senge, J.-P. (1999), "The discipline of innovation", *Executive Excellence*, June, pp. 10-11.
- Taylor, C. (1992), *The Ethics of Authenticity*, Harvard University Press, Cambridge, MA.
- Weick, K. (1995), "What theory is not, theorizing is", *Administrative Science Quarterly*, Vol. 40 No. 3, pp. 385-90.



MD
43,10

1410

Contextual implications for transformational and servant leadership

A historical investigation

John H. Humphreys

*College of Business and Technology, Texas A&M University – Commerce,
Commerce, Texas, USA*

Abstract

Purpose – The purpose of this paper is to determine whether there is historical support for the proposal of Smith, Montagno and Kuzmenko that the specific cultures associated with transformational and/or servant leadership would be more or less applicable, based on context. Moreover, its purpose is also to demonstrate that a historical approach can be used effectively to examine such constructs.

Design/methodology/approach – The paper presents a historical examination of the military retreats of Xenophon, a transformational leader, and Chief Joseph, a servant leader, during very similar contextual crises.

Findings – Given similar contexts, the historical record offers support for the proposal of Smith *et al.*

Research limitations/implications – First, the retreats of Xenophon and Chief Joseph were separated by many hundreds of years and miles. Also inherent with this type of methodology is simple disagreement among readers. Although this author finds great similarity in the retreats of Xenophon and Chief Joseph, there are certainly differences that could be scrutinized as well. Moreover, others might be dissatisfied with the selection of Xenophon and Joseph to represent the leadership styles presented, or with the conclusions regarding their effectiveness. Such debate should be encouraged and could provide additional avenues for future research. Further, the current study considered leader effectiveness only as it related to the achievement of the organizational goal(s). It could be that Joseph's cohorts were more satisfied, committed, etc. than were the followers of Xenophon. This line of inquiry should also be pursued.

Practical implications – This research suggests that transformational leader behavior is likely to be more appropriate during times of significant organizational change.

Originality/value – This is the first study that has examined the speculation of Smith *et al.* and the first to demonstrate that a historical approach can add to one's understanding of such constructs.

Keywords Transformational leadership, Leadership, Management history

Paper type Research paper

As a broad construct, leadership has undoubtedly existed from the dawn of the first interactions of humankind. An examination of various ancient written documents point to concrete principles regarding leader behavior as much as 5,000 years ago (Bass, 1981). Having said that, leadership is still often one of the most studied and least understood aspects of the social sciences (Bennis, 1989). In particular, the lack of discernment of when and why certain leader behaviors should be offered has left leadership scholars dissatisfied with many current perspectives and still searching for greater understanding of the relationship between leader behavior and various follower outcomes.



In the attempt to address such causal issues, numerous models have been proposed and tested. In recent years, two of the most popular theories have been transformational and servant leadership. While a majority of these leadership studies have focused on individual leader behavior and effectiveness (Yukl, 2002), there is a growing interest in more macro views to supplement the numerous micro perspectives (Osborn *et al.*, 2002; Shamir and Howell, 1999). In particular, the idea of context is beginning to receive increasing attention (Boal, 2000; Conger, 1999). In a recent conceptual article, Smith *et al.* (2004) suggested contextual factors might determine the appropriateness of particular leader behaviors associated with transformational and/or servant leadership. Specifically, that transformational leadership might prove to be especially effective in rapidly changing environments whereas servant leadership would likely be more appropriate if the context were less dynamic. While the benefit of transforming leader behavior during turbulent times is often accepted intuitively (Gardner and Avolio, 1998), and a modicum of empirical evidence has been offered (Waldman *et al.*, 2001), a test of the contextual implications for transformational and servant leadership does not exist in the literature. As a management historian, the author suggests a historical approach in the attempt to investigate this conjecture.

The article begins with a brief description and comparison of transformational and servant leadership. On comparing the theories, a short summary of the literature follows as to the perceived importance of context, paying particular attention to the comparative model of Smith *et al.* (2004). Next, a description of the historical method and justification of the selection of Xenophon, an ancient Athenian, and Chief Joseph, leader of the non-treaty Nez Perce tribe, to represent transformational leadership and servant leadership, respectively, is offered. Finally, an examination of the historical retreats of each of these past leaders is provided to determine if context might be considered a significant determinant of leader behavior effectiveness.

Transformational leadership

Although Burns (1978) coined the term transforming leadership, Bass (1985) extended the paradigm and popularized the idea that in volatile environments, transformational leadership is needed to “broaden and elevate the interests of . . . employees, generate awareness and acceptance of the purposes and missions of the organization, and stir the employees to look beyond their own self-interests for the good of the overall entity” (Bass, 1990, p. 19). Building on the charismatic ideas of Weber (1947), Downton (1973), Burns (1978), and others, Bass (1990) proclaimed that transforming leadership occurred when leader and followers were engaged in such a way as to enhance the enthusiasm and morality of one another such that the goals of each become fused in the best interest of the organization.

Transformational leader behavior does not depend on a traditional exchange relationship between leader and follower (Bass, 1985). Transformational leaders operate out of deeply held personal value systems that are not negotiable (Bass, 1990). By expressing these principles, transformational leaders unite their followers but, more importantly, they modify their followers’ goals and aspirations by demonstrating:

- individual consideration;
- intellectual stimulation;

- inspirational motivation; and
- charisma.

(The following is a synopsis of the description of these transformational behaviors provided by Avolio *et al.*, 1991).

1412

Individual consideration

Transformational leaders pay close attention to the personal differences among their followers. They often act as mentors to their subordinates, coaching and advising followers with individual personal attention. These leaders are intent on removing obstacles that might inhibit the performance of their followers. A primary component of individual consideration is the understanding that each follower has different needs and that those needs would change over time. Therefore, transformational leaders must accurately diagnose the needs of individual followers in order to optimize each follower's individual potential.

Intellectual stimulation

Transformational leaders also present reasons for followers to alter their perceptions of performance issues and their own attitudes and values. This is characterized by promoting intelligence, rationality, logical thinking, and careful problem solving. An intellectually stimulating leader offers subordinates new ways of looking at old problems (Avolio *et al.*, 1988). They tend to emphasize teaching their followers to search for sensible solutions and develop followers who see difficulties as problems to be solved (Bass, 1990).

Inspirational motivation

Transformational leaders inspire their followers to accomplish great feats. This dimension of transformational leadership is characterized by the communication of high expectations, using symbols to focus efforts, and expressing important goals in simple terms. Avolio *et al.* (1991) have suggested the potential to inspire followers is partially realized by the synergy created by demonstrating individual consideration and intellectual stimulation. Such behavior increases the leader's appeal as it increases the confidence and self-worth of followers. Inspirational leaders often provide encouragement during difficult times and set the group standard as far as work ethic is concerned.

Charisma

Attaining charisma in the eyes of followers is a crucial step in becoming a transformational leader (Bass, 1990). Charismatic leaders exert tremendous influence. They are people that followers want to trust and show commitment. Followers consistently place an inordinate amount of confidence in charismatic leaders (Howell and Avolio, 1992). This dimension of transformational leadership is characterized by providing vision and a sense of mission, instilling pride in and among the group, and gaining respect and trust.

Most recent depictions of Bass' conceptualization of transformational leadership have divided this charismatic dimension into behavioral and attributed idealized influence. Idealized influence can be considered a culmination of the other three Is

(individual consideration, intellectual stimulation, and inspirational motivation) coupled with a strong emotional bond with the leader (Avolio *et al.*, 1991). Leaders who demonstrate idealized influence develop much personal power and influence with followers and are, therefore, often labeled as charismatic.

Bass (1990) suggested that by applying the behavioral characteristics of transformational leadership, leaders can guide their followers toward extra effort and extraordinary performance. A review of the literature indicates there is a preponderance of evidence that transformational leadership can lead to enhanced follower performance and significant organizational benefits (Dvir *et al.*, 2002; Lowe *et al.*, 1996; Whittington *et al.*, 2004; Wofford *et al.*, 1998).

Servant leadership

Like transformational leadership, the concept of servant leadership also emerged from the heritage of charismatic leadership theory (Graham, 1991). Compared to transformational leadership, though, servant leader research is practically nonexistent (Bass, 2000). Only recently has the concept begun to emerge as an accepted paradigm in the leadership literature (Sendjaya and Sarros, 2002). Even Bass (2000, p. 33), however, has suggested that servant leadership should be examined more closely as a leadership theory because “its profound philosophical foundation provides avenues for . . . theoretical development”.

Greenleaf (1977) is credited with conceptualizing the notion of servant leadership. The term conceptualizing is appropriate as Greenleaf did not truly operationally define servant leadership in the same vein as Bass (1985) did for transformational leadership. Greenleaf's (1977, p. 14) overriding philosophy, though, is clearly stated in his writing:

Caring for persons, the more able and less able serving each other, is the rock upon which a good society is built. Whereas until recently, caring was largely person to person, now most of it is mediated in institutions – often large, complex, powerful, impersonal; not always competent, sometimes corrupt. If a better society is to be built, one that is more just and more loving, and provides greater creative opportunity for its people, than the most open course is to raise both the capacity to serve and the very performance, as servant, of existing institutions by new regenerative forces operating within them.

Based on this philosophy, Greenleaf (1977, p. 12) offered a more holistic leadership concept where the primary leadership function is serving others:

It begins with the natural feeling that one wants to serve first, then conscious choice brings one to aspire to lead. The difference manifests itself in the care taken by the servant-first to make sure that other people's priority needs are being served. The best test is: Do those served grow as persons; do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants?

Although Greenleaf (1977) did not provide a specific definition of servant leadership (Smith *et al.*, 2004), he did describe the influence on followers of servant leader behavior and others have attempted to define the construct. Many have defined servant leader behavior as actions that honor the individual self-esteem and self-worth of followers and increase the desire to become servant leaders as well (Spears, 1998). Laub (1999, p. 83) echoed this sentiment by defining servant leadership as “an understanding and practice of leadership that places the good of those led over the self-interest of the leader . . . and the sharing of power and status for the common good of each individual,

the total organization, and those served by the organization". Birkenmeier *et al.* (2003, p. 375) declared that, "Servant leaders transcend personal self-interest and aspire to fulfill the physical, spiritual, and emotional needs of others".

Although this general definition seems to have reached some consensus among servant leadership proponents, explicating distinct conceptual components has proven more difficult. For example, on examination of Greenleaf's writings, Spears (1995) outlined ten interrelated characteristics presented by servant leaders: listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment to the growth of people, and building community. Laub (1999), however, proposed six discrete elements: valuing people, developing people, building community, showing authenticity, providing leadership, and sharing leadership.

Whereas more empirical work is clearly needed to elucidate the model fully, leadership scholars do generally accept there are fundamental principles of servant leadership. Based on the reading of Greenleaf, Daft (1999) provided a summary of four underlying precepts associated with authentic servant leadership:

- (1) service before self;
- (2) listening as a means of affirmation;
- (3) creating trust; and
- (4) nourishing followers to become whole.

(The subsequent descriptions as presented by Birkenmeier *et al.* (2003, p. 375).)

Service before self

Consistent with the definition, servant leaders place serving others before their own self-interests. The desire to facilitate the needs of others takes precedent over the desire for a formal leadership position. The servant leader insists on doing what is good and right, even in the absence of actual or potential gain in material possessions, status, or prestige.

Listening as a means of affirmation

A second hallmark of servant leadership is listening first as a way of affirming others. Instead of providing answers, the servant leader asks questions of anyone having important knowledge or insight into a problem or opportunity. By promoting participative decision making, the leader enhances the confidence and self-efficacy of others as "the primary mission of the servant leader is to figure out the will of the group, to express that will, and then to further it . . ." (Kiechel, 1992, p. 121).

Creating trust

Servant leaders create trust and inspire it in followers by demonstrating personal trustworthiness. They honestly share all information, positive and negative, to assure decisions will ultimately enhance the wellbeing of the group. Trust in the servant leader is augmented through freely trusting others and disseminating, not hoarding, power and incentives.

Nourishing followers to become whole

Servant leaders desire for others to develop their full potential and become servant leaders as well. "Greenleaf believed the final goal of servanthood was to help others

become servants themselves . . .” (Smith *et al.*, 2004). Through openness and personal discussion of their trials and tribulations and those of others, they share their humanity with followers. Unafraid of showing vulnerability, they use frank and open disclosure as a way to awaken the human spirit of those around them.

To proponents, the servant leader conceptual model offers the advantages of “altruism, simplicity, and self-awareness” (Johnson, 2001, p. 136). Servant leadership advocates have suggested many benefits associated with the construct (Sendjaya and Sarros, 2002; Spears and Lawrence, 2002) but support has been largely anecdotal (Bowman, 1997). In a topical study, Ehrhart (2004) demonstrated a significant relationship between servant leadership and unit-level organizational citizenship behavior. In addition, Birkenmeier *et al.* (2003) have offered a historical examination of Jean Monnet, often referred to as the father of Europe, in support of the relationship between servant leadership and effectiveness.

Conversely, servant leadership has also been labeled as naïve, passive, weak, and unrealistic (Bowie, 2000; Johnson, 2001). Further investigation is certainly warranted, particularly when considering servant leadership and ultimate organizational performance.

Conceptual comparison of transformational and servant leadership

From the brief descriptions of transformational and servant leadership provided, it is apparent there are conceptual similarities (Northouse, 2004; Smith *et al.*, 2004; Whetstone, 2002). This is not surprising as transformational leaders are thought to operate out of deeply held personal value systems (end values such as justice and integrity) that align comfortably with the servant leader paradigm. Burns (1978, p. 20) explained this moral dimension of transforming leadership as follows:

Such leadership occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality. Their purposes, which might have started out as separate but related, as in the case of transactional leadership, become fused. Power bases are linked not as counterweights but as mutual support for common purpose. Various names are used for such leadership, some of them derisory: elevating, mobilizing, inspiring, exalting, uplifting, preaching, exhorting, evangelizing. The relationship can be moralistic, of course. But transforming leadership ultimately becomes moral in that it raises the level of human conduct and ethical aspiration of both leader and led, and thus it has a transforming effect on both.

Although a critical element of Burns’ (1978) notion of transforming leadership, very little empirical attention has been given to the moral dimension. A field experiment by Dvir *et al.* (2002) indicated transformational leadership enhanced one narrow measure of follower morality. In addition, there is limited evidence that leaders exhibiting higher moral reasoning abilities display more transformational leader behaviors than those with lesser moral reasoning (Turner *et al.*, 2002).

Although Bass (1985) also believed in a moral component to transformational leadership, he “emphasized the collectivistic aspect of moral development” and focused more on the ability to get followers to move beyond their individual interests for the advantage of the organization (Dvir *et al.*, 2002, p. 736). Nonetheless, because of this moral element, some have suggested that servant leadership is simply a form of transformational leadership or at least could be subsumed under the transformational leadership construct (Beazley and Beggs, 2002).

Graham (1991), however, has argued that servant leadership is different in two important areas. First, servant leadership requires the leader to become responsible for more than simply achieving organizational goals. Second, the servant leadership model gives directionality to the moral dimension. According to Graham (1991, p. 110), “there is nothing in the transformational leadership model that says leaders should serve followers for the good of the followers . . . the primary allegiance of transformational leaders is clearly to the organization rather than to follower autonomy or to universal moral principles”. There is little question that Bass’ (1985) extension of transforming leadership owes much of its recognition to pragmatic results in enhancing follower and organizational performance (Johnson, 2001).

Detractors, of course, suppose this practical effectiveness could undermine the moral emphasis of transformational leadership (Keeley, 1995; Whetstone, 2002), and suggest that transformational leaders might promote their own interests (Kelley, 1992), offer questionable empowerment as a form of manipulation (Ciulla, 1998), or encourage follower dependency (Johnson, 2001). Potentially, this could “contradict the underlying moral emphasis of the concept” (Ehrhart, 2004, p. 67). Bass (1985) would disagree, though, as he makes a motivational distinction between truly transformational leadership and pseudo-transformational leaders (Bass and Steidlmeier, 1999).

Others have suggested the difference goes beyond the motivation of the leader. In the most complete comparison in the literature, Smith *et al.* (2004) determined that although there were theoretical similarities, transformational leadership and servant leadership were different constructs. First, they found only three of the four transformational behaviors were included in the servant leader perspective; as intellectual stimulation was not accounted for in the model (Interested readers should see Smith *et al.* (2004) for support and Freeman *et al.* (2002) for an alternate perspective). Second, they agreed with others (Graham, 1991; Kim *et al.*, 2002) that servant leaders would be more focused on the emotional welfare of followers than transformational leaders. They (Smith *et al.*, 2004, p. 85) concluded that “each theory has some unique contribution” and that the degree of organizational effectiveness might be dependent on the match between leadership style and the particular leadership context.

Context

The examination of context within the leader/follower relationship is undoubtedly important as “different environmental conditions impact the nature of the leadership challenge” (Gibbons, 1992, p. 15). Osborn *et al.* (2002, p. 797) sum it up most succinctly with the declaration, “Leadership and its effectiveness, in large part, is dependent upon the context”. Unfortunately, “many . . . theories of leadership appear context free” (Boal, 2000, p. 525) and much of the literature has “neglected the . . . context in which leadership is embedded” (Shamir and Howell, 1999, p. 257). Osborn *et al.* (2002) agreed suggesting that current leadership research, void of contextual implications, is not invalid, but simply incomplete.

The recognition of contextual influence is certainly not new. The contingency based theories of Fiedler (1967), House (1971), Vroom and Yetton (1973), and Hersey and Blanchard (1977), as well as the more macro systems approaches of Khandwalla (1977) and Melcher and Melcher (1980), all identified the need for congruency between

leadership behavior and contextual variables. Only recently, however, have leadership scholars turned their attention back to various contextual implications (Boal, 2000).

Even with this contemporary scrutiny of context, though, most of the literature is conceptual in nature and directed primarily toward transformational/charismatic leadership. For example, Pawar and Eastman (1997) proposed that factors such as structure, governance, adaptive style, and boundary-spanning would impact an organizations acceptance of transforming leadership. Conger (1993) argued there is an interchange between leadership and context whereby each influences the other depending on the situation. Although focused on the leader/follower dyad, Gardner and Avolio (1998) proposed that environmental turbulence and organizational context would influence this relationship as well. Other conceptual articles have suggested a connection between transformational leader effectiveness and the organizational life cycle (Baliga and Hunt, 1988; Shamir and Howell, 1999).

Empirical support, on the other hand, has been rather insubstantial. As evidence, Pillai and Meindl (1991) found that students selected more charismatic leaders during periods of crisis but failed in the attempt to replicate those findings in a later field study (Pillai and Meindl, 1998). According to Conger (1999), the seminal empirical investigation of leadership and context was conducted by Roberts and Bradley (1988). They examined a school superintendent who was labeled a charismatic leader by followers, yet in a different context (as state commissioner of education) that attribution apparently failed to appear (Conger, 1999).

Further, the literature has been silent as to servant leadership and contextual influences. In the attempt to fill that void, Smith *et al.* (2004) have proposed a model of servant and transformational leadership that includes the contextual variable (The following is a brief summary of the comparative model as presented by Smith *et al.* (2004). Interested readers are encouraged to examine this work in greater detail.)

A comparative model of transformational and servant leadership

As previously discussed, transformational and servant leadership do have some common characteristics (To examine this overlap further, interested readers should see the relative matrices of Smith *et al.* (2004) and Whetstone (2002)). The comparative model of Smith *et al.* (2004) attempts to clarify the differences between transformational and servant leadership further, as well as address the notion of universal theories. Both servant leadership (Spears and Lawrence, 2002) and transformational leadership (Avolio and Yammarino, 2002) claim to be universal theories – that is, each theory is adequate for any context or situation. Transformational leadership theorists do offer some support for their position by pointing to the Globe study of leadership across cultures (House *et al.*, 1997). Even Bass' (1985) original work, however, hinted at the influence of context on transforming leader behavior and effectiveness. Again, no such support is available for the servant leader model.

Smith *et al.* (2004, p. 86) have proposed that transformational leadership would lead to an “empowered dynamic culture”, whereas, servant leader behavior would create a more “spiritual generative culture”. Moreover, they suggest the context could determine which of these cultures, created by the leadership behaviors presented, might lead to greater organizational success. In other words, the context could determine the effectiveness of the leadership style offered (see Figure 1).

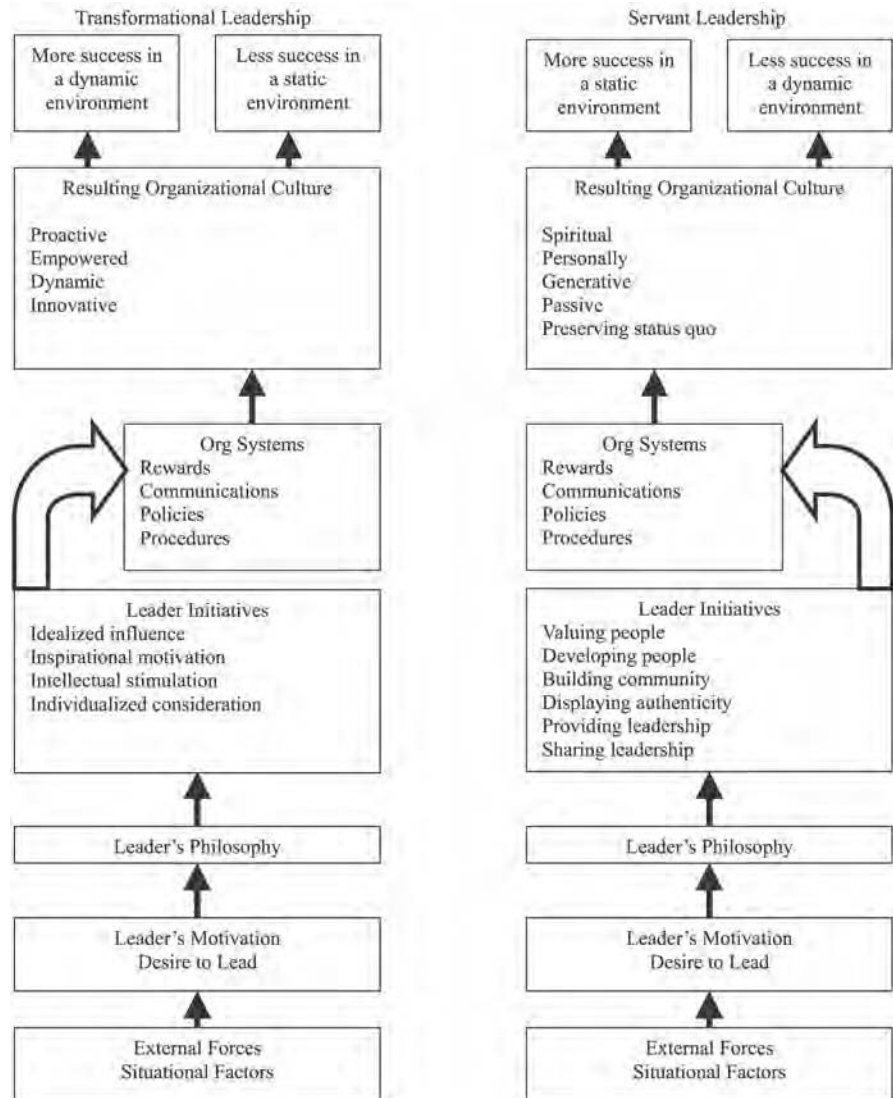


Figure 1.
The comparative model of
transformational and
servant leadership

Source: Smith *et al.* (2004)

The model takes into account the differing motivational bases of transformational and servant leaders. While the servant leader begins with a feeling of altruism and egalitarianism, transformational leaders are more motivated by organizational success, particularly within a tumultuous external milieu. Smith *et al.* (2004) contend this philosophical difference dictates leader behavior that leads to differing organizational systems, and thus, different cultures. They believe a servant leadership culture plainly focuses on the needs of followers over organizational success. Conversely, in a

transformational leadership culture, follower development is not insignificant but must be connected to ultimate organizational achievement. Upon analyzing each leadership model, they summarize their proposition as follows (Smith *et al.*, 2004, p. 87):

We would argue that the servant leadership model works best in a more stable external environment and serves evolutionary development purposes, whereas transformational leadership is the model for organizations facing intense external pressure where revolutionary change is a necessity for survival.

They go on to describe how they (Smith *et al.*, 2004, p. 89) view the relationship between transformational and servant leader behavior and context:

Transformational leadership, in our opinion, is more suitable for a dynamic external environment, where employees are empowered with greater responsibility and encouraged to innovate, take initiative and risk. In this regard we would argue that when an organization tries to implement the servant leadership model, organizational members would become frustrated, because the leader's behavior would not be seen as aggressively addressing external forces that may have a significant impact on organizational success.

Smith *et al.* (2004) clearly suppose the interaction between transformational and/or servant leadership and context could determine the effectiveness of particular leader behaviors in achieving organizational goals. Although no study has investigated this supposition to date, the author suggests the historical record might provide a useful examination of the premise.

Methodology: a historical approach

Considered by many (this author included) to be the preeminent management historian of our time, Wren (1994, p. 4) has suggested key insights are discernable by considering the "lives and labors" of our forerunners. History helps us expand our understanding of existing concepts (Lawrence, 1984) and allows us to develop the fundamentals of human behavior further by offering a shared understanding of far greater variance than any one individual could experience (Hart, 1972). Barrett and Srivastva (1991) have proclaimed the historical method as the primary means to move beyond explanation to true understanding. Booth (2003, p. 103), in arguing for greater use of historical techniques, agreed and asserted a "historical engagement will necessarily result in a richer mode of description, understanding and explanation." Even futurists concede, "We will have to instill common leadership values, refined from the recognized leaders in the past ..." (Gunston, 2004, p. 32).

Furthermore, more empirically-oriented researchers have also accepted supplementary approaches to investigate fully the relationship between the variables under consideration. When discussing a contextual theory of leadership, Osborn *et al.* (2002, p. 836) suggested "... scholars from multiple disciplines and research traditions will need to join together to better inform the theory and research if the leadership field is to mature appropriately". Further, Conger (1999, p. 158) concluded "the dominance of survey/quantitative methods in the research to date may be hindering our ability to discern contextual variables as well as differences between contexts".

Although there are limitations with the historical method, there are advantages as well, as the context and leader/follower relations are fixed in the historical record and reveal valuable information about behavioral characteristics, situations, and outcomes

(Rhodes, 1981). To use a historical approach, though, meant uncovering the behaviors and exploits of a transformational leader and a servant leader from the past who experienced a similar environmental context, and comparing their results.

In order to investigate context with any technique, it must be clearly defined, as it is a very broad variable that includes numerous situational factors both within the organization and without. The focus of the current study was the context of environmental crisis. According to the proposition of Smith *et al.* (2004), one would expect that during such a crisis situation, the dynamic culture created by the transformational leader would lead to greater organizational success than would be achieved by the servant leader.

After a historical review of diverse calamities, the author determined that military campaigns would likely provide the best example of a true crisis context. As such, the incredible military retreat of Xenophon and the 10,000 was an obvious choice as Xenophon has been heralded as an archetype of transformational leadership. (The following is condensed from Humphreys (2002).)

Xenophon as transformational leader

Xenophon (c.438-c.354BC) was a Greek historian who left the guidance of Socrates to join the Greek army (the 10,000) that was under the command of Cyrus the Younger. When Cyrus was killed in the battle of Cunaxa, the army was forced to retreat or surrender to the Persians. They chose to retreat by fighting their way through hostile territory and difficult terrain. After the Greek generals were executed by the Persians Xenophon was chosen as a leader for this seemingly impossible journey. He records this expedition in his most celebrated work, the *Anabasis*. (Selected quotes and indicated page numbers are from Xenophon's *Anabasis* and taken from the English translation located at: www.fordham.edu/halsall/ancient/xenophon-anabasis.html)

The very fact that Xenophon was chosen to lead pays homage to his remarkable leadership characteristics. He held no command under Cyrus nor had any experience as a soldier. Despite that, the Greek army selected him as a leader, and in that role, he consistently exhibited the behaviors associated with transformational leadership (i.e. inspirational motivation, charisma, individual consideration, and intellectual stimulation).

Although space constraints limit the number of quotations offered as evidence of Xenophon's transformational leadership, the case is compelling nonetheless. For example, as the Greek army stood disconsolate about their supposed impending doom, Xenophon (p. 38) understood the need to provide inspirational motivation:

Well then! When you have appointed all the commanders necessary, it would only be opportune, I take it, if you were to summon the rest of the soldiers and speak some words of encouragement. Even now, I daresay you noticed yourselves the crestfallen air with which they came into camp, the despondency with which they fell to picket duty, so that, unless there is a change for the better, I do not know for what service they will be fit . . . The thing is to get them to turn their thoughts to what they mean to do, instead of what they are likely to suffer.

Soon after, during the first hostile encounter of the retreat, the army was attempting to escape through a mountain pass. Alas, the enemy was trying to cut off the pass before they could move through safely. In response, Xenophon (p. 49) once again sought to inspire his followers:

Xenophon, mounted on his charger, rode beside his men, and roused their ardour the while. “Now for it, brave sirs; bethink you that this race is for Hellas! – now or never! – to find your boys, your wives; one small effort . . . now for it”.

Xenophon continually offered inspirational motivation to those around him. In addition, he understood the symbolism needed to realize a heightened motivational state among followers. For instance, when addressing the troops, Xenophon (p. 39) appeared “arrayed for war in his bravest apparel . . .”. The use of such symbols to motivate followers illustrates inspirational motivation and often contributes to the attribution of charisma (Avolio *et al.*, 1991).

Numerous examples could be provided as evidence of Xenophon’s charisma. On one occasion, the army marched until no enemies were seen and then camped for the night. During the night a heavy snow fell, such that at dawn, the men did not want to arise and continue the journey. Their survival, however, dictated they be up and about their work. The *Anabasis* (p. 59) tells us:

[...] it was not until Xenophon roused himself to get up, and, without his cloak on, began to split wood, that quickly first one and then another got up, and taking the log away from him, fell to splitting. Thereat the rest followed suit, got up, and began kindling fire [...]

By his behavior, Xenophon demonstrated his willingness to go beyond his self-interest for the good of the group. Further, he conveyed the importance of a stalwart sense of purpose; focused attention on the effort needed for success, and used symbolism to teach his followers about goal achievement during difficult times. These behaviors typify the concept of charisma (attributed and behavioral idealized influence).

Xenophon (p. 43) also displayed behavior characteristic of individual consideration. For example, he used language directed toward individual follower motives to enhance their performance:

If any of you has set his heart on seeing his friends again, let him remember to prove himself . . . Or is mere living an object with any of you, strive to conquer . . . Or perhaps to gain money and wealth is your ambition, strive again for mastery; have not conquerors the double gain of keeping what is their own, whilst they seize the possessions of the vanquished?

Finally, Xenophon was an intellectually stimulating leader. This is of particular importance to this study as Smith *et al.* (2004) found no evidence of intellectual stimulation in the servant leader model. Therefore, evidence to support Xenophon as such a leader is necessary for the current examination. Fortunately, the *Anabasis* (p. 42) offers numerous examples:

The first thing which I recommend is to burn the wagons we have got, so that we may be free to march wherever the army needs . . . And, next, we should throw our tents into the bonfire also; for these again are only trouble to carry, and do not contribute one grain of good either for fighting or getting provisions. Further, let us get rid of all superfluous baggage, save only what we require for the sake of war, or meat and drink, so that as many as possible may be under arms, and as few as possible doing portorage. I need not remind you that, in case of defeat, the owner’s goods are not their own; but if we master our foes, we will make them our baggage bearers.

The thought of traveling without wagons and tents was certainly foreign to the soldiers. Xenophon, however, asked them to reconsider previous norms. He taught his

followers new ways of looking at old problems. Bass (1990) defined this as intellectual stimulation.

As further evidence, as the army continued, they were confronted by an enemy in a traditional battle formation. In response to this, the Greeks also formed conventional battle lines. Xenophon (p. 68), however, had a different idea:

I am not for advancing in line, but advise to form companies by columns. To begin with, the line," he urged, "would be scattered and thrown into disorder at once; for we shall find the mountain full of inequalities, it will be pathless here and easy to traverse there. The mere fact of first having formed in line, and then seeing the line thrown into disorder, must exercise a disheartening effect. . . . my notion is to form columns by companies, covering ground sufficient with spaces between the companies to allow the last companies of each flank to be outside the enemies flank. Thus we shall be with our extreme companies be outside the enemy's line, and the best men at the head of their columns will lead the attack, and every company will pick its way where the ground is easy; also it will be difficult for the enemy to force his way into the intervening spaces, when there are companies on both sides; nor will it be easy for him to cut in twain any individual company marching in column. If, too, any particular company should be pressed, the neighboring company will come to the rescue, or if at any point any single company succeed in reaching the height, from that moment not one man of the enemy will stand his ground.

Re-examining assumptions to determine whether they are still appropriate, encouraging followers to rethink ideas, and questioning established ways of doing things are all consistent with an intellectually stimulating leader.

Moreover, he sought differing perspectives when solving problems:

If anyone has a better plan, we need not adopt mine . . . For the rest, we can but make experiment of this arrangement, and alter it with deliberation, as from time to time any improvement suggests itself. If any one has a better plan to propose, let him do so (p. 43).

Again, seeking different perspectives and encouraging followers to think logically and express their ideas and opinions are consistent with Bass' (1985) conceptualization of intellectual stimulation.

Finally, lest readers think the support provided might also characterize servant leadership, consider the following. Xenophon's behavior demonstrated his primary focus was on results, not necessarily on nobility. As his followers were waiting for ships for transport, Xenophon (p. 70) addressed them:

Let me tell you what, in my opinion, it is reasonable to do while we are waiting. First of all, we must provide ourselves with necessaries from hostile territory . . . so that if you set off in search of provisions without care and precaution, the chances are that many of us will be lost.

To meet this risk, I propose that we should organize foraging parties to capture provisions, and, for the rest, not roam about the country at random.

While this statement once again epitomizes intellectual stimulation, the fact that Xenophon was willing to do whatever necessary, including the theft of food and other goods, to achieve his organizational objective might afford additional support for the distinction between transformational and servant leadership as conceptualized in the literature (Graham, 1991; Smith *et al.*, 2004).

Xenophon was an exceptional leader during an extraordinary time. He reliably presented leader behaviors consistent with the factors associated with

transformational leadership. There is little doubt that Xenophon can be offered as one of the ancient world's examples of a prototypical transformational leader.

Of course, this information provided only half of the historical equation. In a review of varied and similar military retreats, to remain as consistent as possible with the context, the author searched for an example of servant leadership. The leader of the non-treaty Nez Perce tribe, Chief Joseph, appeared to be an appropriate selection. A review of numerous biographies and accounts, as well Joseph's own words, consistently conveyed the central principles of servant leadership.

Chief Joseph as servant leader

Chief Joseph (1840-1904), whose given name was Hin-mah-too-yah-lat-kekt, was born in the Wallowa (Wal-lam-wat-kin) Valley of what is now the eastern part of Oregon in the northwest USA. Although authors seem to differ somewhat on the exact meaning of his name, a common translation is something to the effect of Thunder Rolling Down the Mountain (www.pbs.org/weta/thewest/people/a_c/chiefjoseph.htm). Although his father, Chief Tue-ka-kas, had taken the Christian name of Joseph (Beal, 1971) and baptized his son as Ephraim (Connery, 2002), he was widely referred to as young Joseph. He succeeded his father on his death in 1871.

Soon after, a deluge of homesteaders descended on the valley. Due to Joseph's objections, President Grant made the entire Wallowa Valley a reservation for his people. "But as happened so frequently, the whites simply ignored government regulations, settled wherever they wanted, and then became a political constituency bent on forcing the government to change the rules they had violated" (Connery, 2002, p. 165). It worked as the government rescinded the order in 1875. By 1877, Joseph had reluctantly accepted the demand by the US Army to relocate his people to a small reservation in Idaho. "However, before Joseph could move his people onto the reservation, young men, from another band of non-treaty Nez Perce, went on a killing spree; an event that thrust the non-treaty bands into war with the United States" (Rhodes, 1981, p. 4). What followed was a retreat through Idaho and Montana that lasted nearly four months and spanned approximately 1,500 miles.

Again, due to space limitations, the evidence provided to label Chief Joseph as a servant leader is restricted (Interested readers are encouraged to examine diverse views of his leadership in greater detail by seeing Beal (1971); Brown (1967); Chalmers (1962); Howard (1972); Josephy (1965); McWhorter (1952); and Rhodes, 1981). Yet, there are definite indications from disparate sources describing Joseph's leadership as consistent with the definitions of servant leadership offered previously.

To begin with, the leadership of the non-treaty Nez Perce was complex and adaptable (Beal, 1971). Although Joseph emerges from the literature as the primary leader (other important leaders of the Nez Perce were Looking Glass, Ollokot, Whitebird, and Toohoolhoolzote), formal leadership status was not rigid and "changed with the situation and interaction of the group" (Rhodes, 1981, p. 96). In other words, at times the leader was whoever could best meet the needs of the people given the situation. Josephy (1965) believed this aspect of the Nez Perce culture accounted for much of their fixation on follower interests and wellbeing. One can envision such an environment as fertile ground for developing servant leadership and the notion of service before self.

Apparently, though, not all of those in positions of leadership were successful in developing into servant leaders. For example, McWhorter (1940, pp. 109, 113) described Chief Looking Glass as “bloated with self exaltation” and “against everything not first thought of by himself”. On the other hand, there are numerous instances of Joseph putting the interest of his followers before his own. St Clair (1990, p. 9) considers his tribal loyalty as one of “the dominant factors underlying his actions”. Indeed, on more than one occasion he made the decision not to deliver a crushing blow to his tormentors so that he might go protect his followers (McWhorter, 1940). In fact, his “usual role” was as protector and “foster guardian” of the women and children (McWhorter, 1952, pp. 358, 394). Joseph was willing to trade the opportunity for glory for serving those around him. In fact, Brown (1967, p. 201) reports that at one point, Joseph was willing to suffer the humiliation of surrender and imprisonment for himself to gain freedom for his followers “but the other chiefs outvoted him.” Joseph’s paramount concern for the welfare of his people is poignantly displayed during his most famous speech delivered at the end of hostilities (McWhorter, 1952). Further, he showed similar concern for others as well. In 1879 (McWhorter, 1952, p. 425), Chief Joseph offered the following:

I would have given my own life if I could have undone the killing of the white men by my people. When my young men began the killing my heart was heart. Although I did not justify them, I remembered all the insults I had endured, and my blood was on fire. Still I would have taken my people to the buffalo country without fighting, if possible.

In addition, although often tempted by others to betray his noble principles, Chief Joseph was intent on always doing what he considered good and righteous (McWhorter, 1952). Even his enemies were astounded at the steadfastness of his word (Howard, 1972). For example, he remained true to the original agreements made by his father and to his father’s dying request that he not abandon his land. Chief Joseph did so although it meant forsaking considerable personal material gains (Howard, 1972). St Clair (1990, p. 12) summed up the entire life of Joseph by writing, “Throughout his life on different reservations, Chief Joseph never relinquishes his self, never sells his people or his soul, and continues trying to see the terms of the original treaty fulfilled until his death”.

One can also see the many servant leader qualities of Chief Joseph portrayed in Warren’s (1982) *Chief Joseph of the Nez Perce*. Warren presents Joseph as an exemplar of humankind, one whose service is an example for others to emulate (St Clair, 1990). Case in point, although Joseph feels pride, the pride is primarily directed toward the efforts of his followers. Addressing the Chief’s council, Joseph declared (St Clair, 1990, p. 15):

... he would stand, fight, and die ... but the chiefs in council said no ... And I heeded their wisdom. What right had I to die – to leave sick, old, young, women – merely to flatter my heart’s pride? For a true chief no self has.

What a profound statement of serving others and stellar example of servanthood. His actions were not “selfish or malicious” and were “predicated by a need and performed in accordance with his inner sense of right and wrong” (St Clair, 1990, p. 20).

Warren (1982) also describes Joseph as sitting quietly in the Chief’s council so he could listen intently and provide respect for the perspectives of others. He portrays his desire for him, his people, and others, to live peaceful and fulfilling lives based on trust, truth, integrity, and honor (St Clair, 1990).

Without question, Chief Joseph practiced service before self, doing what was right no matter the consequences to him personally. He definitely promoted participative decision making and listened to the ideas of peers and followers alike. He offered and created trust and unreservedly distributed information and power. It could be said his entire life was about sharing his humanity as a means to kindle the human spirit of his followers and others.

History proclaims that Chief Joseph, although not necessarily a war chief, was a great leader during a very difficult time (Rhodes, 1981). A reading of the various accounts of his interactions with followers and others leaves one with the distinct impression his behaviors and communications place him squarely in the camp of servant leadership as described by contemporary theorists.

Thus, the essential elements for a historical examination were available. The leader behaviors of Xenophon and Chief Joseph could represent transformational and servant leadership, respectively. Also important, the contexts of the campaigns of these past leaders were eerily similar. Both were very long retreats through hostile territory over the roughest of terrain during a harsh season. Fortunately, both were also recorded in great detail allowing for comparison.

Contextual implications for transformational and servant leadership

To comprehend further the link between the leader behaviors associated with transformational and servant leadership and the environmental context, one must discern the ultimate effectiveness of each. The historical record provides the final outcomes of the extraordinary retreats of Xenophon and Chief Joseph.

As recorded in the *Anabasis*, the 10,000 Greek soldiers, previously employed by Cyrus, found themselves in ominous circumstances. They were far away from home, surrounded by enemies, without sufficient supplies in dreadful conditions, and very deflated. Their survival was uncertain. Howland (2000, p. 881) described the soldiers as “a disorganized mass of individually helpless atoms”. Under Xenophon’s leadership, though, the Greeks came together as an effective unit and successfully retreated through exceedingly harsh and hostile territory. Xenophon accomplished this seemingly insurmountable task by way of both words and deeds. Xenophon spoke of goal achievement by moving from a passive, confused state of mind to one of activity and understanding (Howland, 2000). “He inspired his followers, by employing powerful terms and symbols, to become a motivated, unified force with high morale, a common goal, and a sense of purpose that transcended their individual self-interests. Xenophon stood apart from his predecessors in that he was able to look beyond the customs and conventions of the day that had limited their vision” (Humphreys and Einstein, 2003, p. 87). Bass (1985) would label this authentic transformational leadership which led to extraordinary follower, and thus organizational, performance.

Eventually, Xenophon led the soldiers to Pergamus and left his position of leadership. After the incredible journey along the Tigris River and over the plateaux of Armenia to the Black Sea, Xenophon still had over 90 percent of the original army of Cyrus the Younger (before the battle of Cunaxa). Even today, this is considered one of the most significant military feats in recorded history (For additional information regarding Xenophon’s writings and leadership, interested readers should see Hutchinson (2000).)

The final outcome of the retreat of Chief Joseph, however, was not so triumphant. Although his band of non-treaty Nez Perce won numerous skirmishes along the way (Rhodes, 1981), the tribe was forced to surrender to Colonel Nelson Miles in 1877. This was the time of Joseph's most renowned speech (McWhorter, 1952, p. 498):

Tell General Howard I know his heart. What he told me before I have in my heart. I am tired of fighting. Our chiefs are killed. Looking Glass is dead. The old men are killed. It is the young men who say yes or no. He who led the young men is dead. It is cold and we have no blankets. The little children are freezing to death. My people, some of them, have run away to the hills and have no blankets, no food; no one knows where they are, perhaps freezing to death. I want time to look for my children and see how many of them I can find. Maybe I shall find them among the dead. Hear me, my chiefs; I am tired; my heart is sick and sad. From where the sun now stands, I will fight no more forever.

Although this speech, and others, galvanized the American press who heralded Joseph as a military genius (Brown, 1967), the ultimate result of the campaign was failure. As the only surviving chief, he was forced to lead his people for the next eight years as prisoners of war in the prescribed Indian Territory (Rhodes, 1981). Joseph began his retreat with 700-900 people in his Wallamwatin band and surrendered 418 to Miles (Beal, 1971). After these years exiled to the inhospitable plains (Kansas and then Oklahoma), however, Joseph and his followers numbered only 150 (primarily due to disease) and were eventually "consigned" to the Colville Reservation in the Pacific Northwest (Connery, 2002, p. 2). Thus, a best case scenario indicates only 20 percent of Joseph's followers ever saw their homelands again, and then shackled by unyielding constraints. For his part, Chief Joseph and roughly half of his people were placed on a non-Nez Perce reservation in the state of Washington.

Even so, Joseph has gone down in the annals of American history, and for personal qualities, rightly so. He was considered a man of superior intellect, dignity, and exceptional compassion (Wood, 1970 in Rhodes, 1981). After the war, Joseph became quite famous for his tireless efforts on behalf of native peoples. His honesty and integrity, and sense of service, heightened by excellent oratorical skill, assured his "canonization as a great American Indian leader" (Rhodes, 1981, p. 99). His celebrity, though, did little good for him or his people. He died on the reservation in exile from the Wallowa Valley in 1904. It has been written, "Dr Latham, the agency physician, reported that Joseph died of a broken heart while sitting before his tepee fire" (Beal, 1971, p. 301).

Contributions, limitations, and future research

One contribution of this examination is to provide initial support for the speculation that contextual influence could determine the appropriateness of transformational and servant leadership. Based on the model proposed by Smith *et al.* (2004), the current study assumed Xenophon's transformational leadership would prove more effective in achieving organizational goals than Chief Joseph's servant leadership given the turbulent contextual setting. A comparison of the historical record provides support for this supposition.

Of course, some will argue the historical method does not settle the issue and this author agrees. "This is probably all one can ask of history and of the history of ideas in particular: not to resolve the issues, but to raise the level of the debate" (Hirschman, 1997, p. 135, in Hamblett and Thursfield, 2003). Thus, the primary contribution is to

help advance the discussion concerning the relationship between diverse leader behaviors and context. In addition, it is the author's intent to spur other researchers to consider historical approaches to investigate additional leadership and management topics, as well as provide some underpinning for future empirical work with these variables.

As with all studies, there were limitations. First, the retreats of Xenophon and Chief Joseph were separated by many hundreds of years and miles. Although the time disparity could be an important factor, it is the difference in culture that is more limiting. Cultural variables are an important aspect of context. It could be that differing cultural value systems might impact leader effectiveness and attributions (Conger, 1999). Of course, common human experiences do cross cultural boundaries (Hart, 1972). A study to compare and contrast the Greek and Nez Perce cultures might shed more light on this possible constraint.

A second limitation inherent with this type of methodology is simply disagreement among readers. Although this author finds great similarity in the retreats of Xenophon and Chief Joseph, there are certainly differences that could be scrutinized as well. Moreover, others might be dissatisfied with the selection of Xenophon and Joseph to represent the leadership styles presented, or with the conclusions regarding their effectiveness. Such debate should be encouraged and could provide additional avenues for future research.

Also, the current study considered leader effectiveness only as it related to the achievement of the organizational goal(s). It could be that Joseph's cohorts were more satisfied, committed, etc., than were the followers of Xenophon. This line of inquiry should also be pursued.

Conclusion

Rhodes (1981, p. 26) declares ". . . in the final analysis, true leadership greatness must be evaluated on the basis of the achievements of the group that is being led". Although we can question the term "greatness", leadership effectiveness must assuredly be judged on this basis.

In a recent article, Smith *et al.* (2004) speculated that although conceptually similar, transformational and servant leader behaviors would lead to different organizational cultures that would, in turn, make each more suitable for certain contexts. Specifically, that transformational leadership would prove more effective in very dynamic situations whereas servant leadership would be appropriate for more static environments. The current study provides support for this assumption. Although history deems both Xenophon and Chief Joseph as extraordinary leaders, Xenophon's transformational leadership demonstrated greater effectiveness in enhancing organizational goals than did Joseph's servant leadership during times of considerable crisis.

References

- Avolio, B.J. and Yammarino, F.J. (Eds) (2002), *Transformational and Charismatic Leadership: The Road Ahead*, JAI Elsevier Science, Amsterdam.
- Avolio, B.J., Waldman, D.A. and Einstein, W.O. (1988), "Transformational leadership in a management game simulation: impacting the bottom line", *Journal of Group and Organizational Studies*, Vol. 13 No. 1, pp. 58-80.

- Avolio, B.J., Waldman, D.A. and Yammarino, F.J. (1991), "The four Is of transformational leadership", *Journal of European Industrial Training*, Vol. 15 No. 4, pp. 9-16.
- Baliga, B.R. and Hunt, J.G. (1988), "An organizational life cycle approach to leadership", in Hunt, J.G., Baliga, B.R., Dachler, H.P. and Schriesheim, C.A. (Eds), *Emerging Leadership Vistas*, Lexington Books, Lexington, MA, pp. 129-49.
- Barrett, F.J. and Srivastva, S. (1991), "History as a mode of inquiry in organizational life: a role for human cosmogony", *Human Relations*, Vol. 44 No. 3, pp. 231-54.
- Bass, B.M. (1981), *Stogdill's Handbook of Leadership: A Survey of Theory and Research*, Free Press, New York, NY.
- Bass, B.M. (1985), *Leadership and Performance beyond Expectations*, Free Press, New York, NY.
- Bass, B.M. (1990), "From transactional to transformational leadership: learning to share the vision", *Organizational Dynamics*, Vol. 18 No. 3, pp. 19-31.
- Bass, B.M. (2000), "The future of leadership in learning organizations", *Journal of Leadership Studies*, Vol. 7, pp. 18-40.
- Bass, B.M. and Steidlmeier, P. (1999), "Ethics, character, and authentic transformational leader behavior", *Leadership Quarterly*, Vol. 10 No. 2, pp. 181-217.
- Beal, M.D. (1971), *I Will Fight No More Forever: Chief Joseph and the Nez Perce War*, University of Washington Press, Seattle, WA.
- Beazley, H. and Beggs, J. (2002), "Teaching servant leadership", in Spears, L.C. and Lawrence, M. (Eds), *Focus on Leadership: Servant Leadership for the 21st Century*, John Wiley & Sons, New York, NY, pp. 53-63.
- Bennis, W. (1989), *Why Leaders Can't Lead: The Unconscious Conspiracy Continues*, Jossey-Bass, San Francisco, CA.
- Birkenmeier, B., Carson, P.P. and Carson, K.D. (2003), "The father of Europe: an analysis of the supranational servant leadership of Jean Monnet", *International Journal of Organization Theory and Behavior*, Vol. 6 No. 3, pp. 374-400.
- Boal, K.B. (2000), "Strategic leadership research: moving on", *Leadership Quarterly*, Vol. 11 No. 4, pp. 515-49.
- Booth, C. (2003), "Does history matter in strategy? The possibilities and problems of counterfactual analysis", *Management Decision*, Vol. 41 No. 1, pp. 96-104.
- Bowie, N. (2000), "Business ethics, philosophy, and the next 25 years", *Business Ethics Quarterly*, Vol. 10 No. 1, pp. 7-20.
- Bowman, M.A. (1997), "Popular approaches to leadership", in Northouse, P.G. (Ed.), *Leadership: Theory and Practice*, Sage, Thousand Oaks, CA.
- Brown, M.H. (1967), *The Flight of the Nez Perce*, B.P. Putnam's Sons, New York, NY.
- Burns, J.M. (1978), *Leadership*, Harper, New York, NY.
- Chalmers, H. (1962), *The Last Stand of the Nez Perce*, Twayne Publishers, New York, NY.
- Ciulla, J. (Ed.) (1998), *Ethics: The Heart of Leadership*, Quorum Books, Westport, CT.
- Conger, J. (1993), "Max Weber's conceptualization of charismatic authority: its influence on organizational research", *Leadership Quarterly*, Vol. 4 Nos 3/4, pp. 277-88.
- Conger, J. (1999), "Charismatic and transformational leadership in organizations: an insider's perspective on these developing streams of research", *Leadership Quarterly*, Vol. 10 No. 2, pp. 145-69.
- Connery, W.S. (2002), "Fight no more forever – Chief Joseph", *World and I*, Vol. 17, August, p. 164.
- Daft, R. (1999), *Leadership: Theory and Practice*, Dryden, Fort Worth, TX.

- Downton, J.V. (1973), *Rebel Leadership: Commitment and Charisma in the Revolutionary Process*, Free Press, New York, NY.
- Dvir, T., Eden, D., Avolio, B.J. and Shamir, B. (2002), "Impact of transformational leadership on follower development and performance: a field experiment", *Academy of Management Journal*, Vol. 45 No. 4, pp. 735-44.
- Ehrhart, M.G. (2004), "Leadership and procedural justice climate as antecedents of unit-level organizational citizenship behavior", *Personnel Psychology*, Vol. 57, March 22, pp. 61-94.
- Fiedler, F.E. (1967), *A Theory of Leadership Effectiveness*, McGraw-Hill, New York, NY.
- Freeman, T.L., Isaksen, S.G. and Dorval, K.B. (2002), "Servant leadership and creativity", in Spears, L.C. and Lawrence, M. (Eds), *Focus on Leadership: Servant Leadership for the 21st Century*, John Wiley & Sons, New York, NY, pp. 257-67.
- Gardner, W.L. and Avolio, B.J. (1998), "The charismatic relationship: a dramaturgical perspective", *Academy of Management Review*, Vol. 23 No. 1, pp. 32-58.
- Gibbons, P.T. (1992), "Impacts of organizational evolution on leadership roles and behaviors", *Human Relations*, Vol. 45, pp. 1-13.
- Graham, J.W. (1991), "Servant leadership in organizations: inspirational and moral", *Leadership Quarterly*, Vol. 2 No. 2, pp. 105-19.
- Greenleaf, R.K. (1977), *Servant Leadership: A Journey into the Nature of Legitimate Power and Greatness*, Paulist Press, Mahwah, NJ.
- Gunston, R. (2004), "The future of leadership", *New Zealand Management*, Vol. 51, p. 32.
- Hamblett, J. and Thursfield, D. (2003), "Other voices: a short case for the development of an historical dimension to the study of workplace and lifelong learning", *Human Resource Development International*, Vol. 6 No. 2, pp. 167-86.
- Hart, B.H.L. (1972), *Why Don't We Learn from History?*, George Allen & Unwin, London.
- Hersey, P. and Blanchard, K.H. (1977), *The Management of Organizational Behavior*, Prentice-Hall, Englewood Cliffs, NJ.
- Hirschman, A.O. (1997), *The Passions and the Interests: Political Arguments for Capitalism before Its Triumph*, Princeton University Press, Princeton, NJ.
- House, R.J. (1971), "A path-goal theory of leader effectiveness", *Administrative Science Quarterly*, Vol. 16, September, pp. 321-39.
- House, R.J., Wright, N.S. and Aditya, R.N. (1997), "Cross-cultural research on organizational leadership: a critical analysis and a proposed theory", in Earley, P.C. and Erez, M. (Eds), *New Perspectives on International Industrial/Organizational Psychology*, New Lexington Press, San Francisco, CA, pp. 535-625.
- Howard, O.O. (1972), *Nez Perce Joseph*, Decapo Press, New York, NY (originally printed in 1881).
- Howell, J.M. and Avolio, B.J. (1992), "The ethics of charismatic leadership: submission or liberation?", *Academy of Management Executive*, Vol. 6 No. 2, pp. 43-54.
- Howland, J. (2000), "Xenophon's philosophic odyssey: on the *Anabasis* and Plato's *Republic*", *The American Political Science Review*, Vol. 94, December, pp. 875-89.
- Humphreys, J.H. (2002), "The *Anabasis* and lessons in leadership: Xenophon as a prototypical transformational leader", *Journal of Management Research*, Vol. 2, pp. 136-46.
- Humphreys, J.H. and Einstein, W.O. (2003), "Nothing new under the sun: transformational leadership from a historical perspective", *Management Decision*, Vol. 41 No. 1, pp. 85-95.
- Hutchinson, G. (2000), *Xenophon and the Art of Command*, Greenhill Books, London.
- Johnson, C. (2001), *Meeting the Ethical Challenges of Leadership*, Sage, Thousand Oaks, CA.

-
- Josephy, A.M. (1965), *The Nez Perce Indians and the Opening of the Northwest*, Yale University Press, New Haven, CT.
- Keeley, M. (1995), "The trouble with transformational leadership: toward a federalist ethic for organizations", *Business Ethics Quarterly*, Vol. 5, pp. 67-96.
- Kelley, R. (1992), *The Power of Followership*, Doubleday, New York, NY.
- Khandwalla, P. (1977), *The Design of Organizations*, Harcourt Brace, New York, NY.
- Kiechel, W. (1992), "The leader as servant", *Fortune*, Vol. 125, May, pp. 121-2.
- Kim, K., Dansereau, F. and Kim, I. (2002), "Extending the concept of charismatic leadership: an illustration using Bass (1990) categories", in Avolio, B.J. and Yammarino, F.J. (Eds), *Transformational and Charismatic Leadership: The Road Ahead*, JAI Elsevier, Amsterdam, pp. 143-72.
- Laub, J.A. (1999), "Assessing the servant organization: development of the servant organizational leadership assessment (SOLA) instrument", *Dissertation Abstracts International*, Vol. 60 No. 2A: 0308.
- Lawrence, B.S. (1984), "Historical perspective: using the past to study the present", *Academy of Management Review*, Vol. 9, pp. 307-11.
- Lowe, K.B., Kroeck, K.G. and Sivasubramaniam, N. (1996), "Effectiveness correlates of transformational and transactional leadership: a meta-analytic review of the MLQ literature", *Leadership Quarterly*, Vol. 7 No. 3, pp. 385-425.
- McWhorter, L.V. (1940), *Yellow Wolf, His Own Story*, Caxton Printers, Caldwell, ID.
- McWhorter, L.V. (1952), *Hear Me, My Chiefs!*, Caxton Printers, Caldwell, ID.
- Melcher, A.J. and Melcher, B. (1980), "Toward a systems theory of policy analysis: static versus dynamic analysis", *Academy of Management Review*, Vol. 5, pp. 235-47.
- Northouse, P.G. (2004), *Leadership: Theory and Practice*, Sage, Thousand Oaks, CA.
- Osborn, R.N., Hunt, J.G. and Jauch, L.R. (2002), "Toward a contextual theory of leadership", *Leadership Quarterly*, Vol. 13, pp. 797-837.
- Pawar, B.S. and Eastman, K.K. (1997), "The nature and implications of contextual influences on transformational leadership: a conceptual examination", *Academy of Management Review*, Vol. 22, pp. 80-109.
- Pillai, R. and Meindl, J.R. (1991), "The impact of a performance crisis on attributions of charismatic leadership: a preliminary study", *Proceedings of the Eastern Academy of Management Meeting, Hartford, CT*.
- Pillai, R. and Meindl, J.R. (1998), "Context and charisma: a "meso" level examination of the relationship of organic structure, collectivism, and crisis to charismatic leadership", *Journal of Management*, Vol. 24 No. 5, pp. 643-71.
- Rhodes, L.W. (1981), "Chief Joseph's leadership within the nontreaty Nez Perce Indians, 1871-1885", *Dissertation Abstracts International*, Vol. 42 No. 05A: 2265.
- Roberts, N.C. and Bradley, R.T. (1988), "Limits of charisma", in Conger, J.A. and Kanungo, R.N. (Eds), *Charismatic Leadership: The Elusive Factor in Organizational Effectiveness*, Jossey-Bass, San Francisco, CA, pp. 122-60.
- St Clair, B.S. (1990), "Chief Joseph of the Nez Perce: an affirmation of human values", unpublished Master's thesis, Florida Atlantic University, Boca Raton, FL.
- Sendjaya, S. and Sarros, J.C. (2002), "Servant leadership: its origin, development, and application in organizations", *Journal of Leadership and Organizational Studies*, Vol. 9 No. 2, pp. 57-64.

- Shamir, B. and Howell, J.M. (1999), "Organizational and contextual influences on the emergence and effectiveness of charismatic leadership", *Leadership Quarterly*, Vol. 10 No. 2, pp. 257-83.
- Smith, B.N., Montagno, R.V. and Kuzmenko, T.N. (2004), "Transformational and servant leadership: content and contextual comparisons", *Journal of Leadership and Organizational Studies*, Vol. 10, pp. 80-91.
- Spears, L.C. (Ed.) (1995), *Reflections on Leadership: How Robert K. Greenleaf's Theory of Servant-leadership Influenced Today's Top Management Thinkers*, Wiley, New York, NY.
- Spears, L.C. (Ed.) (1998), *Insights on Leadership: Service, Stewardship, Spirit, and Servant-leadership*, Wiley, New York, NY.
- Spears, L.C. and Lawrence, M. (Eds) (2002), *Focus on Leadership: Servant Leadership for the 21st Century*, John Wiley & Sons, New York, NY.
- Turner, N., Barling, J., Epitropaki, O., Butcher, V. and Milner, C. (2002), "Transformational leadership and moral reasoning", *Journal of Applied Psychology*, Vol. 87 No. 2, pp. 304-11.
- Vroom, V.H. and Yetton, P.W. (1973), *Leadership and Decision-making*, University of Pittsburgh Press, Pittsburgh, PA.
- Waldman, D.A., Ramirez, G.G., House, R.J. and Puranam, P. (2001), "Does leadership matter? CEO leadership attributes and profitability under conditions of perceived environmental uncertainty", *Academy of Management Journal*, Vol. 44 No. 1, pp. 134-43.
- Warren, R.P. (1982), *Chief Joseph of the Nez Perce*, Random, New York, NY.
- Weber, M. (1947), in Parsons, T. (Ed.), *The Theory of Social and Economic Organizations*, Free Press, New York, NY (trans. by Henderson, A.M. and Parsons, T.).
- Whetstone, J.T. (2002), "Personalism and moral leadership: the servant leader with transforming vision", *Business Ethics: A European Review*, Vol. 11 No. 4, pp. 385-92.
- Whittington, J.L., Goodwin, V.L. and Murray, B. (2004), "Transformational leadership, goal difficulty, and job design: independent and interactive effects on employee outcomes", *Leadership Quarterly*, Vol. 15 No. 5, pp. 593-606.
- Wofford, J.C., Goodwin, V.L. and Whittington, J.L. (1998), "A field study of a cognitive approach to understanding transformational and transactional leadership", *Leadership Quarterly*, Vol. 9, pp. 55-84.
- Wood, E. (1970), *Days with Chief Joseph: Diary, Recollections, and Photos*, Oregon Historical Society, Portland, OR.
- Wren, D.A. (1994), *The Evolution of Management Thought*, John Wiley & Sons, New York, NY.
- Yukl, G. (2002), *Leadership in Organizations*, Prentice-Hall, Upper Saddle River, NJ.

Further reading

- Chief Joseph (1879), "An Indian's view of Indian affairs", *North American Review*, Vol. CXXVII, April, p. 425.
- Yammarino, F.J., Spangler, W.D. and Bass, B.M. (1993), "Transformational leadership and performance: a longitudinal investigation", *Leadership Quarterly*, Vol. 4 No. 1, pp. 81-102.



MD
43,10

Strategy in the Battle of Britain and strategic management theory

Robert F. Grattan

University of the West of England, Bristol, UK

1432

Abstract

Purpose – The purpose of this paper is to compare the strategy formulation process recorded as being used during the Battle of Britain with concepts from current management theory.

Design/methodology/approach – The approach to the topic is through the medium of a case study. An account is given of the events in the battle, based on a variety of sources, and various management theories are then used in comparison.

Findings – The paper concludes that it was the strategic thought, or lack of it, that was the root cause of the German failure. The theories of strategic thinking; strategy formation; strategic change; and business level strategy are considered in turn in the context of the German side of the battle. The dominance of Hitler in the strategy formulation process is considered a disadvantage. Although the *Luftwaffe* had superior resources, the manner of their use was at fault. The strategy emerged over the period of the battle, but the results lacked consistency, coherence and a clearly defined aim.

Practical implications – Comparison of military and business strategy formulation processes is a valuable means of considering the validity of strategic management theory. Caution has to be exercised, however, when considering events 65 years ago and in making military business comparisons, which though indicative are never completely exact.

Originality/value – It is hoped that this comparative case study will be of value both to practising managers and to those researchers who can see value in this methodology. Military strategists should find value in the use of strategic management theories in their field.

Keywords Management strategy, War, Aircraft, History, United Kingdom, Germany

Paper type Case study

Introduction

Many thousands of words have been written on that struggle during the Second World War which has become known as the Battle of Britain. The events have been repeatedly analysed from many angles, and the generally accepted conclusion is that the German air force, the *Luftwaffe*, should have won. Again, the reasons for this outcome have been repeatedly pondered, and have been traced to a series of decisions that were made during the battle. The reasons for these decisions might seem to be mere tactical blunders, but it can be argued that the roots of these errors lay at the strategic level. What was the German strategy, and how was it determined? These are the questions that are addressed in this paper, which treats the events in 1940 over the skies of Britain as a case study. Finally, the strategic issues are considered against the theories of strategic management and indications for business practice are discussed. Caution has to be exercised, however, when considering events that occurred 65 years ago and in making military/business comparisons, which though indicative are never completely exact.



The background

Before the Second World War, airmen around the world had seized on the ideas of the Italian Emilio Douhet, who had predicted that future wars would be determined by bomber aircraft attacking enemy cities and so reducing morale that the citizens would cry out for peace. Armies then would become mere instruments for occupying territory already ceded by the collapse of resistance caused by the air war. The *Luftwaffe* must have envisaged a bombing campaign because they had developed two appropriate aids, *Knickerbein* and *X-Gerät*, which enabled accuracies to be achieved that were several orders better than those available to the Royal Air Force. On the other hand, the *Luftwaffe* was essentially a tactical force whose primary role was in support of the devastating *Blitzkreig* of the German Army.

The *Luftwaffe* had gained valuable experience of air warfare during the civil war in Spain, and also in the campaign against the Polish Air Force. They had excellent equipment and their well-trained aircrews were battle experienced and confident. The lightning battles of 1940 had resulted in the Germans occupying most of France, and all of Belgium, The Netherlands, Denmark and Norway. The British Isles remained unconquered and posed a strategic problem.

The German methods of strategy formulation will now be considered.

German strategy formulation

The Prussian army formed a general staff in 1813, following reforms to the Quartermaster system undertaken by Scharnhorst. In the general staff, the Chief of Staff was the commander's alter ego and each of the members of the staff specialised in some aspect of warfare, such as mapping, intelligence, logistics, etc. The commander discussed his ideas with the staff, and together they made the detailed plans that tested the feasibility of the proposed strategy. The German general staff system was adopted by armed forces around the world and is still in use today.

Adolf Hitler believed that the Prussian officer corps was largely to blame for the outcome of the First World War. He said, "the General Staff is the only Masonic Order that I haven't yet dissolved . . . those gentlemen with the purple stripe down their trousers sometimes seem to me even more revolting than the Jews" (Howard, 1970, p. 112). Hitler formed his own staff, the OKW (High Command of the Armed Forces), which was superior to the OKH of the German Army. Hitler ruled as an autocrat and would fly into a fury if opposed. Speer recalled that in 1939 Hitler had long talks with his four military adjutants to discuss his definitive plans. "He seemed to especially like these young and unbiased officers, all the more since he was always seeking approval, which they were more likely to give him than the perhaps better informed but sceptical generals" (Speer, 1970, p. 162). As time went on, Hitler became more convinced of his genius and became even more autocratic, taking most of the military decisions himself.

Thus, strategy decisions were taken by Hitler himself, who was loath to take advice and would brook no opposition. We can now turn to the strategies that Hitler pursued toward Britain

Hitler's strategy against Britain

Hitler did not want war against Britain and, in 1940, offered peace terms that he considered generous. Basically, he wanted a free hand in Europe and restoration of the German colonies in return for leaving Britain with its Empire. Irving recorded Hess as

saying, “The Führer never wanted to batter the Empire to pieces, nor does he want to now” (Irving, 1977, p. 153). Hitler felt that the only beneficiaries of the dismantling of the British Empire would be the Soviet Union, the USA and Japan. He was frustrated by the British determination to fight on and did not relish the inevitable war on two fronts that would exist after he had made his intended attack on the Soviet Union. Speer (1970, p. 72) recorded: “His regret at not having made an ally out of England ran like a red thread through all the years of his rule.” Thus, he procrastinated in 1940 before giving the order to attack Britain, which delay gave time for the improvement of the UK air defences.

Reluctantly, Hitler gave lukewarm support to the planning for the invasion of England in 1940. He issued Directive No. 16:

Since England, in spite of her hopeless military situation, shows no signs of being ready to come to a compromise, I have decided to prepare a landing operation against England, and, if necessary, to carry it out (Deighton, 1977, p. 46).

The Directive does not read as particularly decisive, but Hitler was aware of the misgivings of the German Navy at making a crossing of the English Channel in the face of the might of the Royal Navy, and an invasion would only be feasible if air superiority had been gained. Nonetheless, Herman Goering, head of the *Luftwaffe* and newly promoted to Reich Marshal of the Greater German Reich, was authorised to begin the air offensive against the Royal Air Force. Hitler forbade the bombing of London. The Reich Marshal had to decide how the Royal Air Force was to be destroyed.

Goering urged Hitler to agree to an aerial onslaught, plus heavy parachute drops, immediately after the end of the French campaign, but Hitler had hesitated whilst waiting for peace overtures from England (Mosley, 1974, p. 257). When clearance was given for operations to start, the weather prevented air activity for several days.

***Luftwaffe* strategies**

Deighton (1977, p. 157) described the *Luftwaffe* operations in four phases:

- (1) *Phase one* – Kanalkampf. Starting in July there was a month of attacks on British coastal convoys and air battles over the Channel.
- (2) *Phase two* – Adlerangriff. The major assault began on 12 August.
- (3) *Phase three*. From 24 August to 3 September, attacks were made on RAF fighter airfields in South East England.
- (4) *Phase four*. From 7 September, attacks were made on London, first by daylight and then by night.

In phase one, coastal shipping was attacked, but, importantly, the RAF fighters were being drawn into battle in the air, and suffering losses. If the rate of loss were continued, the fighter force in the south east of England would have been destroyed within six weeks. Phase two was the major offensive during which radar stations and RAF airfields were attacked, but Goering’s priority target list also included: ships and harbours; coastal shipping; factories producing aircraft and components; and the Royal Navy. During this phase, the battles in the air were intense but not decisive. In phase three, the *Luftwaffe* turned their attention to the fighter airfields in the southeast of

England and, although losses were mounting on both sides, the attacks on airfields were seriously affecting the RAF's ability to respond. This phase became known in the RAF as "the critical period".

On 3 September, Goering conferred with his generals and they concluded that the RAF must be brought to battle more quickly, and attacks on London were thought to be the way to lure them into the air. During this period, RAF bombers had raided Berlin and Hitler was now angry enough to demand retribution. The daylight attacks on London proved costly to a bomber force, which had already suffered considerable losses, and so the attacks were switched to the night. The weather now worsened and the invasion of England was deferred, in effect, cancelled with the impending onset of winter.

Mosley (1974, pp. 256-7) recorded Adolf Galland, the German fighter ace, as writing:

I should not care to say which one of the three following strategic aims was responsible for the order to gain air supremacy [over the British]: the total blockade of the island, the invasion, or the defeat of Britain according to Douhet tactics. I rather doubt if the General Staff knew themselves, because during the course of the Battle of Britain the stress was put on all of them in turn. Such an operation is rarely successful, and it was quite alien to the usual German methods. The only answer I can find is that, taken all in all, the High Command had no clear plans for the future pursuit of the war . . .

British strategy

The British strategic problems were simplified by the marked absence of choice. The Germans had the initiative and options for British offensive action were severely limited. Survival is a legitimate aim for strategy, and this defensive posture was adopted *faute de mieux* by the British. The British Fighter Command, responsible for the air defence of Great Britain, fought with what they had, and so their battle was largely tactical (although the outcome was strategic). The British maintained the production of replacement fighter aircraft and so squadrons did not decline in numbers, although the supply of replacement pilots was a critical problem. Both sides fought bravely, but it was the German errors of strategy that lost them a battle they should have won. The British were successful because the air defences remained intact, although severely mauled.

Strategic errors

The prime principle of war is selection and maintenance of the aim and another principle is concentration of force. Unfortunately, the German high command adhered to neither during this battle.

Hitler seems not to have been really committed to an invasion of Britain, which would have been costly through the efforts of the stronger Royal Navy, even if the RAF were defeated. The *Luftwaffe*, although strong, well equipped and experienced, did not possess a strategic bomber force and their single-engined fighters were limited in radius of action. Since the warning provided by radar meant that the British fighters could not be caught on the ground, as had happened to the Polish Air Force, Goering chose initially to try and defeat the RAF in the air. When he did finally concentrate on the British fighter airfields, he discontinued this tactic at the point of success.

Goering may have been a fighter ace in the First World War, but he achieved his position in the *Luftwaffe* through his membership and support of Hitler and the Nazi Party. In the First World War, air forces had not conducted counter-air offensives against air bases, and had aimed to defeat the enemy in the air. Douhet's theories had influenced all the newly forming air forces in the world, and Germany was no exception. It is unhistorical to criticise from a contemporary viewpoint the *Luftwaffe* for failing to conduct its counter-air programme correctly, because they were breaking new ground in the development of the strategy of air power.

The authoritarian structure of the strategy-forming, dominant coalition contributed to the problems facing the German strategists. Hitler formed the grand strategy and the commanders of the Navy, Army, and Air Force had to please him. Opposition to Hitler was rewarded by his towering rage, which became more frequent as he came increasingly to believe in his own infallibility. He did not wish to hear bad news. He did not wish to take advice contrary to his own opinion, and his staff's responsibility was to do the planning to support his decision. Yet, Hitler was indecisive, and Goering was reluctant to act without the endorsement of the Führer. Hitler was driven by an ideology of his own creation, and an unshakeable belief in the superiority of "Aryans". Under these circumstances, it is unsurprising that the strategy was often flawed.

The strategy in business terms

This battle can be viewed through the lens of strategic management theory, particularly using the approach of de Wit and Meyer (1999). This argument now proceeds by using some of the strategy tensions introduced in that text (de Wit and Meyer, 1999, p 16) as a framework for studying strategy and its formulation:

- (1) *Strategic thinking*. The opposing approaches here are logic versus creativity. Was the strategy evolved using rational thinking or generative, that is creative, thinking? The German general staff developed a logical, analytical perspective, which had produced highly rational strategic ideas like the Schlieffen Plan for the conduct of the First World War German offensive. Hitler, however, assumed the role of master strategist in the Second World War, and his thinking was largely intuitive. There was a conflict in strategy formulation, then, in 1940, which may have resulted in the uncharacteristically sloppy thinking of the Air Fleet Commanders. Goering was not a trained staff officer, nor a commander experienced in high-level command, and he did what Hitler wanted. The problem of having strategy decided by a single leader is that humans cannot be right all the time, and the wise business leaders consult widely when formulating strategy. Intuition needs the support of the rigorous, analytical testing of the ideas before implementation.
- (2) *Strategy formation*. Here the opposing ends of the spectrum are deliberateness versus emergentness. Is the strategy formulated in a programmed fashion, following a set sequence, or are decisions taken as and when required? Hitler was basically lazy and had a disorganised lifestyle. He worked in bursts, which was counter to the continuous, industrious workings of the general staff. Although Hitler may have held a general blueprint in his mind, increasingly as the war continued he became more engrossed in details, and his decision making more aimed at contingencies. During the Battle of Britain the strategy process was markedly emergent, but Hitler lost interest in invading Britain

before tackling the Soviet Union. Although some business theorists prefer such a strategy method, they would expect that the emerging strategies followed a coherent and logical pattern, rather than a series of irrational choices.

If Hitler can be seen as deciding “corporate” strategy, Goering and his staff were concerned with “business” strategy (in which case the *Luftwaffe* may be seen as a strategic business unit). The usual military method for determining the best course of action is to conduct an “Appreciation”. This process is highly structured and is designed to prevent the staff officer jumping to a premature conclusion before considering the facts in a predetermined order. (A fuller description of the appreciation can be found in Grattan (2002, pp. 145-9). There does not appear to be any record that such a method was employed by the *Luftwaffe*, and their aim was not well defined: both deficiencies are unusual in military staff work. The choice of target day by day, therefore, did not seem to have been guided by a clear strategy. Perhaps, then, it is wrong to describe this process as “emergent” since there was little coherent pattern to their operations. Care must be taken in criticising this lack of a clear strategy, because this was the first time that such an operation had been undertaken and so the Germans were experimenting. In the First World War, the intention was to destroy the enemy air force in the air, and Goering was a fighter ace from that war. Counter air campaigns have been conducted since the Battle of Britain and have generally used criticism of the *Luftwaffe*’s conduct of operations in 1940 to build the theory. The mistake that the German staff made was that they did not recognise when they had hit upon a winning method.

- (3) *Strategic change*. Were changes to the strategy revolutionary and discontinuous or continuous? The changes to the air strategy were occasioned by an imprecision in the selection of an aim. As a result, the air commanders floundered and made target choices that, though not in themselves inappropriate to an air offensive, result in a dissipation of effort on lower priority targets. The winning strategy was to attack the fighter bases and put them out of action, but, just as this course of action was on the point of succeeding, attacks were diverted to London. Changes were continuous during the battle, but Hitler ordered a revolutionary change when the plans for the invasion of Britain were abandoned. Businesses need to be sure of what they are trying to achieve, work out an appropriate strategy, and then stick to that course of action, unless unexpected failure necessitates a rethink.
- (4) *Business level strategy*. The choice here is between a reaction to the environment (outside-in) or basing one’s strategy on the resources held (inside-out).

The Germans concentrated on building a large, modern air force and learned valuable lessons from their involvement in the Spanish Civil War. Deighton (1977, p. 151) showed that, on 20 July 1940, *Luftflotten* 2 and 3 were equipped with 1,447 bombers (including the JU 87 Stuka dive bomber) and 1,055 fighters (both single and twin-engined types). A further 129 bombers and 118 fighters were available from *Luftflotte* 5 in Norway. The British faced them with 609 fighters (including 27 inferior Defiant aircraft). Barney (1991) stated that, to have the potential of sustained competitive advantage, a resource must have four attributes:

- It must be valuable.
- It must be rare with respect to the competition.
- It must be imperfectly imitable.
- There cannot be strategically equivalent substitutes.

- (5) The *Luftwaffe* was a powerful and valuable asset, but which had some shortcomings. The Heinkel 111 carried the heaviest bomb load, but this was only 4,400 lbs (the British four-engined bombers in 1942 were carrying 21,000 lbs). On the other hand, the Germans had large numbers of bombers that might be expected to swamp the defences, particularly when escorted by fighters. The single seat fighters of the two opposing air forces were largely comparable in performance.

The German air force deployed in Western Europe was valuable but, given the similar capability of the opposing forces, it was not rare. Although in the limited context of the Battle of Britain the bomber force was inimitable, the RAF developed four-engined bombers, which outperformed those of the *Luftwaffe*. These larger bombers also provided a strategic substitute for the largely tactical German bombers. Thus, superficially, the resources of the *Luftwaffe* were superior, but in practice they proved inadequate when used sub-optimally. What were missing were the experience, and the strategic thought and analysis that would have employed the sufficient resources to their best advantage. As a result, the potential competitive advantage of the *Luftwaffe* was not sustained (which was the goal of Barney's (1991) resource argument). After the Battle of Britain, the British air resources developed further to erode the *Luftwaffe's* superiority until, in 1944, the Allies had achieved air superiority over most of Europe.

Indications for business practice

A firm is unlikely to have such a dictator as Hitler, and leadership is now seen as being more co-operative and inclusive than that operated by the *Führer*. The problem in Germany was the combination of absolute power, a conviction of infallibility, and an intuitive mind. This heady mixture may have inspired many at rallies, but it failed the more prosaic test of solving practical problems. Leaders do need to articulate a vision for their organisation, and whatever views one might have of the one given by Hitler, he did not fail in that respect. The vision, however, has to be realistic, and Hitler's depended on such heroic assumptions as that Britain and the USA would not intervene. Charisma can be a poison as well as a stimulant, and we have to be able to recognise the nature of what is being offered.

Intuition can provide the spark of insight that leads to success, but not always. Over-reliance on intuition is almost certain to fail, since humans cannot be right all the time. The safeguards that can be imposed, testing by analysis and logic, and listening to the views of others, were not present in Germany at the time of the Battle of Britain. As a result, Hitler's mistakes and bad judgements were not challenged, as they needed to be. Sharing the development of strategy can eliminate error and will lead to sharing the ownership of the final plan.

The use of a planned, rational approach to strategy formulation has been challenged in Mintzberg (1990) who suggested that the strategy process is more likely to be emergent, rather than a formal regular event. Experimentation is now seen as a

legitimate approach to strategy, particularly in dynamic, fast-moving business situations (Brown and Eisenhardt, 1998). There is evidence of emergence in the developing plans of the *Luftwaffe* in 1940 and also experimentation, but they did not consider closely enough the results of their various moves. The results were *ad hoc* tactics and no strategic vision. In business, too, strategy requires careful thought, coupled with a consideration of the results that are being achieved against the aims of the enterprise.

The possession of an impressive array of modern aircraft and the stunning successes of the battles against Poland and then Western Europe resulted in a dangerous, if understandable, hubris in the *Luftwaffe*. Their resources, although not entirely ideal, seemed more than adequate to defeat the Royal Air Force. Resources alone are insufficient, as even the mighty IBM found in the past, and they need to be applied optimally with a coherent strategy that takes account of the facts. The resource the *Luftwaffe* needed most was knowledge, and since a counter-air theory was not then available, they needed to work one out. The *Luftwaffe* had the brains to do so, but the organisation does not appear to have asked them to use them.

Miller (1992) suggested that success in business could carry a potential penalty:

And that same paradox applies to many outstanding companies: their victories and their strengths so often seduce them into the excesses that cause their downfall.

Miller named this the Icarus Paradox (not an inappropriate metaphor for use in a paper on an air war). Hitler's political successes against opponents intent on appeasement, coupled with his belief in the paramount power of his iron will, were added in 1940 to the *Luftwaffe's* successes in the Spanish Civil War, Poland and North West Europe. Together, these factors would not have encouraged the need for careful thought and planning for the Battle of Britain. Businesses, too, can be carried along by recent successes into imprudent moves. CEOs can fall victim to hubris and, although powerful executives need to seek and heed advice (as Churchill did (Grattan, 2004)), over-confidence does not encourage such restraint.

Lessons for management

The Battle of Britain was a military campaign, but there are useful lessons for management practice, nonetheless.

Leadership needs to be collaborative and aimed at extracting the best from employees. Authoritarianism may yield short-term results, but fear is inhibiting of performance. If employees are in fear of punishment for their mistakes, their aim will be to err on the side of caution and to take no initiatives. The onus for decision then increasingly falls on the leader, as Hitler found, and humans cannot be right all the time. Intuition can be valuable, but one can only exercise it in areas in which one has experience, otherwise it is merely a guess.

Clear aims direct action to the desired result. The *Luftwaffe* was uncertain what to do and experimented. Firms often find themselves having to try various initiatives, but the wise observe carefully the results of their action before trying something new. The *Luftwaffe* abandoned a course of action that was on the point of success, and dissipated their forces on targets of lesser importance. Setting objectives for firms is often criticised for producing inappropriate behaviour. For instance, tell a hospital that it has to perform 2,000 operations per month, but do not be surprised if many more

treatments for minor ailments are performed than the number of really demanding, serious operations. On the other hand, if strategy is the way an organisation intends to win, “winning” needs to be defined.

Successful firms, and particularly their executives, must guard against hubris and the feeling that success is always guaranteed. Companies dominating their market need to remember, that for those at the top of the tree, the only way is down. A powerful set of resources, such as those owned by the *Luftwaffe*, is not a guarantee of success, and key assets must be developed to avoid imitation and properly used. Resources need the guidance of knowledge, expressed through policies based either on established, well-tried practice, or by ground-breaking ideas that have been carefully worked through in advance.

Conclusion

The paper uses the events of the Battle of Britain as a case study. Some concepts from strategic management are adduced as a means of analysis and of relating the events of war to the practices of business. The *Luftwaffe*, which faced the Royal Air Force in the struggle for air supremacy over Britain as a prelude to invasion, was well-equipped, well-trained and experienced. The Royal Air Force was numerically inferior and less experienced, but were fighting over their home territory, which gave them longer combat time and meant that pilots abandoning their aircraft would fall into friendly hands. In 1940, there was no established doctrine for fighting a counter-air war and the Germans were indecisive and inconsistent in their attempts to solve this problem. Strategy was in the hands of Hitler, and Goering lacked the ability to think strategically. Even when the *Luftwaffe* was on the point of succeeding by attacking the RAF's fighter bases, tactics were switched to the irrelevant attacks on London. After suffering heavy losses, the air attack by the *Luftwaffe* was discontinued and thoughts of invasion were abandoned in the face of the worsening weather as winter approached.

A selection of the tensions, or paradoxes, used in a strategic management textbook has been used here to relate the events in the Battle of Britain to strategic management theory. The tensions selected addressed: strategic thinking; strategy formation; strategic change; and business level strategy. Considering these as providing indications for business practice, firstly, it was deemed unlikely that a firm would be faced with such an authoritative, intuitive and egotistical leader as Hitler. Leaders need to articulate a vision, but its development should be shared among colleagues. Intuitive thought can be valuable but needs to be tempered by a rational assessment based on fact and experience. Again, discussion and criticism are necessary to eliminate error and to share the ownership of the resulting strategy. If the strategy emerges over time, care must be taken to ensure consistency, coherence and learning from errors. Resources alone are no guarantee of success, and the way they are deployed and used is as important as sheer power. This power can lead to complacency and subsequent downfall.

The *Luftwaffe* should have won the Battle of Britain. That it did not is not a result of poor equipment or lack of bravery of the men involved. The battle was lost through poor strategic thinking and the lack of a consistent aim and plan of attack.

References

- Barney, J. (1991), "Firm resources and sustained competitive advantage", *Journal of Management*, Vol. 17 No. 1, pp. 99-120.
- Brown, S. and Eisenhardt, K. (1998), *Competing on the Edge*, Harvard Business School Press, Boston, MA.
- De Wit, B. and Meyer, R. (1999), *Strategy Synthesis*, International Thomson Publishing, London.
- Deighton, L. (1977), *Fighter*, Jonathan Cape, London.
- Grattan, R.F. (2002), *The Strategy Process: A Military-Business Comparison*, Palgrave Macmillan, Basingstoke.
- Grattan, R.F. (2004), "A study in comparative strategy using the Alanbrooke Diaries", *The Journal of Management History*, Vol. 42 No. 8, pp. 1024-36.
- Howard, M. (1970), *Studies in War and Peace*, Temple Smith, London.
- Irving, D. (1977), *Hitler's War*, Hodder & Stoughton, London.
- Miller, D. (1992), "The Icarus paradox", in de Wit, B. and Meyer, R. (Eds), *Strategy: Process, Context, Content*, 1st ed., West, St Paul, MN, p. 454.
- Mintzberg, H. (1990), "The Design School: reconsidering the basic premises of strategic management", *Strategic Management Journal*, Vol. 11 No. 3, pp. 171-95.
- Mosley, L. (1974), *The Reich Marshal*, Weidenfeld & Nicolson, London.
- Speer, A. (1970), *Inside the Third Reich*, Macmillan, New York, NY.

Note from the publisher

1442

Outstanding Doctoral Research Awards

As part of Emerald Group Publishing's commitment to supporting excellence in research, we are pleased to announce that the 1st Annual Outstanding Doctoral Research Awards have been decided. Details about the winners are shown below. 2005 was the first year in which the awards were presented and, due to the success of the initiative, the programme is to be continued in future years. The idea for the awards, which are jointly sponsored by Emerald Group Publishing and the European Foundation for Management Development (EFMD), came about through exploring how we can encourage, celebrate and reward excellence in international management research. Each winner has received €1,500 and a number have had the opportunity to meet and discuss their research with a relevant journal editor. Increased knowledge-sharing opportunities and the exchange and development of ideas that extend beyond the peer review of the journals have resulted from this process. The awards have specifically encouraged research and publication by new academics: evidence of how their research has impacted upon future study or practice was taken into account when making the award selections and we feel confident that the winners will go on to have further success in their research work.

The winners for 2005 are as follows:

- Category: Business-to-Business Marketing Management
Winner: Victoria Little, University of Auckland, New Zealand
Understanding customer value: an action research-based study of contemporary marketing practice.
- Category: Enterprise Applications of Internet Technology
Winner: Mamata Jenamani, Indian Institute of Technology
Design benchmarking, user behaviour analysis and link-structure personalization in commercial web sites.
- Category: Human Resource Management
Winner: Leanne Cutcher, University of Sydney, Australia
Banking on the customer: customer relations, employment relations and worker identity in the Australian retail banking industry.
- Category: Information Science
Winner: Theresa Anderson, University of Technology, Sydney, Australia
Understandings of relevance and topic as they evolve in the scholarly research process.
- Category: Interdisciplinary Accounting Research
Winner: Christian Nielsen, Copenhagen Business School, Denmark
Essays on business reporting: production and consumption of strategic information in the market for information.
- Category: International Service Management
Winner: Tracey Daggar, University of Western Australia
Perceived service quality: proximal antecedents and outcomes in the context of a high involvement, high contact, ongoing service.

-
- Category: Leadership and Organizational Development
Winner: Richard Adams, Cranfield University, UK
Perceptions of innovations: exploring and developing innovation classification.
 - Category: Management and Governance
Winner: Anna Dempster, Judge Institute of Management, University of Cambridge, UK
Strategic use of announcement options.
 - Category: Operations and Supply Chain Management
Winner: Bin Jiang, DePaul University, USA
Empirical evidence of outsourcing effects on firm's performance and value in the short term.
 - Category: Organizational Change and Development
Winner: Sally Riad, Victoria University of Wellington, New Zealand
Managing merger integration: a social constructionist perspective.
 - Category: Public Sector Management
Winner: John Mullins, National University of Ireland, Cork
Perceptions of leadership in the public library: a transnational study.

Note from the
publisher

1443

Submissions for the 2nd Annual Emerald/EFMD Outstanding Doctoral Research Awards are now being received and we would encourage you to recommend the awards to doctoral candidates who you believe to have undertaken excellent research. The deadline by which we require all applications is 1 March 2006. For further details about the subject categories, eligibility and submission requirements, please visit the web site: www.emeraldinsight.com/info/researchers/funding/doctoralawards/2006awards.html