

ILM Level 5 Leadership & Management

Developing Critical Thinking

8607-503

Also covering unit 8605-503



[Intentionally Blank]

Contents

Contents	1
Unit Specification and Learning Outcomes	2
Introduction	3
Critical Thinking	4
Components of Critical Thinking	5
Logic	6
Root Cause Analysis	8
Developing an Argument or Debate	12
Perspective Taking	13
Evaluating Issues	14
Distinguishing Facts from Opinion	15
The Value and Purpose of Reflection	16
Structuring Reflective Practice and Sense-Making	16
The Value of Discussion in Resolving Problems	18
How Emotions, Attitudes, Values and Beliefs Affect Rational Discourse	19
Establishing your Values	29
Identifying and Evaluating Alternative Options and Propositions Critically	23
Techniques for Comparing and Evaluating Alternative Propositions Critically	24
Straight Comparison Decision Making Grids	25
Weighted Decision-Making Grids	27
Force Field Analysis	28
Using SWOT Analysis to Evaluate Options	29
The Scientific Method	29
Testing Theories	31
Developing and Sharing Best Practice	32
Management Theories	33
Frederick W. Taylor – Scientific Management or ‘Taylorism’	33
Henri Fayol – Functional Approach	36
Human Relations Management Theory	39
Peter Drucker – Management by Objectives	40
Stephen Covey – <i>Seven Habits of Highly Effective People</i>	43
McGregor’s Theory XY – Management Style Theory	46
Contingency Theory – Tannenbaum and Schmidt’s Continuum	49
The Significance of Beliefs, Attitudes and Value Systems in Shaping Human Behaviour	53
Relationship between Beliefs, Attitudes and Value Systems and Culture and Norms	54
Reality and Perceptions of Reality	56
Perspective Taking	56
Conclusion	58
Bibliography	59

Developing Critical Thinking (8607-503)	
Level: 5 Credit value: 4 Unit guided learning hours: 18	
Learning outcomes	Assessment criteria
<p>1 Be able to critically assess own beliefs, attitudes and value systems</p>	<p>1.1 Explain the difference between beliefs, attitudes and values</p> <p>1.2 Critically assess the impact of beliefs, attitudes and values on own behaviour</p>
<p>2 Be able to critically assess the validity of management theories in relation to own beliefs, attitudes and values</p>	<p>2.1 Identify management theories relevant to your role</p> <p>2.2 Critically assess the impact of own beliefs, attitudes and values on a management theory relevant to your role.</p> <p>2.3 Use the critical assessment to evaluate how someone with different beliefs, attitudes and values might interpret the theory differently</p>
<p>Unit purpose and aim: To develop the ability to think and reflect critically as required by a potential or practising middle manager.</p>	
<p>Indicative Content:</p>	
<ul style="list-style-type: none"> • Basic principles of logic • Use of logic to establish causal relationships • Skills in presenting rational arguments and debating points of view • Value and purpose of reflection in supporting learning • Using structured reflection to make sense of experience • Value of discussion in resolving problems • How emotions, values and beliefs affect rational discourse • Techniques for comparing and evaluating alternative propositions critically • The development of the scientific method (observation, hypothesis, prediction and testing) and its value in natural and social sciences • Inductive and deductive reasoning • Techniques for testing theories (experimentation, empirical studies, observation, etc) • Best practice in the development and dissemination of theories or practices 	
<ul style="list-style-type: none"> • Theories of management such as Human Relations, Scientific Management, Contingency Theory, System Theory, Bureaucratic Management • Significance of beliefs, attitudes and value systems in shaping human behaviour • Relationship between beliefs, attitudes and value systems and culture and norms (eg socialisation) • Reality and perceptions of reality 	

Extracted from the ILM Qualification Specifications.

Introduction

The role of the leadership and management team and the managers employed within an organisation are pivotal to the success or otherwise of the organisation. In particular it is the critical thinking that goes into both strategic and operational decision making that will play a major part in defining the level of success or otherwise of the organisation. This Workbook will guide you through the main tenets of critical thinking and will invite you to apply critical thinking against key management theories – a process that will enable you to challenge your existing approach to leadership and management and to refine and improve your leadership and management accordingly.

Critical Thinking

Activity: In your own words define critical thinking.

'Disciplined thinking that is clear, rational, open-minded, and informed by evidence'

'The mental process of actively and skilfully conceptualizing, applying, analysing, synthesizing, and evaluating information to reach an answer or conclusion.'

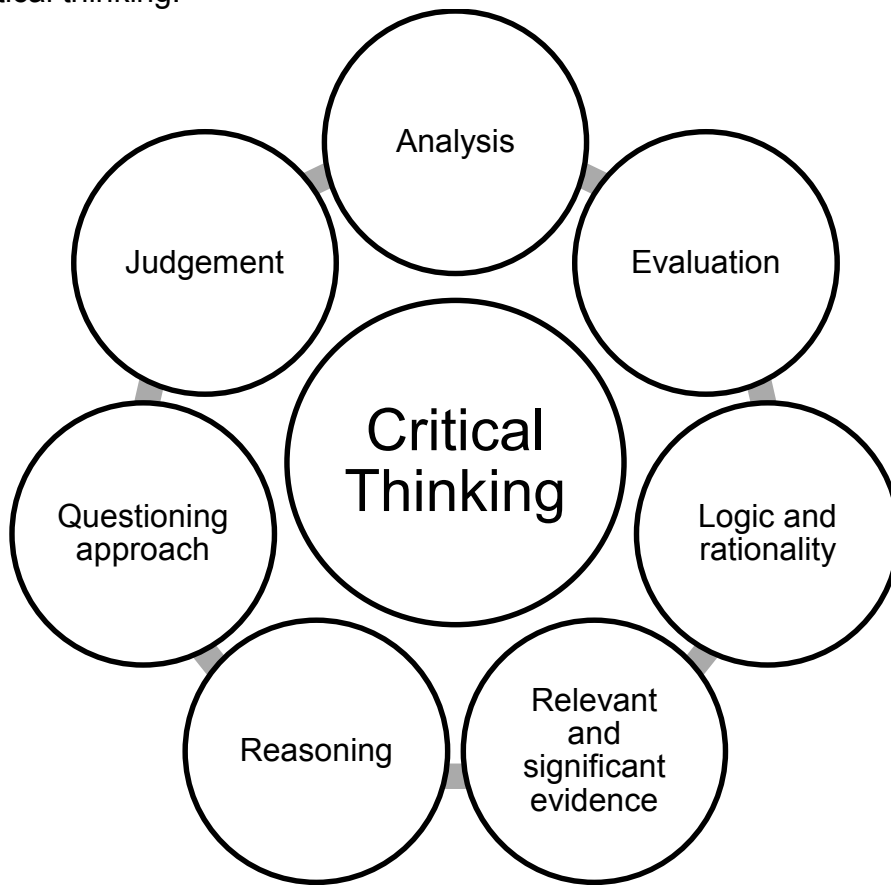
(Dictionary.com)

Critical thinking is about taking time to think, to evaluate and analyse situations and information, to making well-considered and comprehensively thought through judgments that are logical and supported by evidence.

Fundamentally, it requires a healthy scepticism towards new information and assertions, supported by a questioning approach to seek out evidence prior to making a judgement about the information. Those adept in critical thinking are able to quickly assimilate information and decide on its relevance, significance and importance. In the face of convincing evidence it involves being prepared to change your own beliefs about the matter under scrutiny.

Components of Critical Thinking

The following diagram sets out the various components that need to be applied for effective critical thinking.



Components of Critical Thinking

(AH Raymondson, 2013)

Activity: Why is it important for managers to have well-honed critical thinking skills?

Ultimately management is largely about applying judgement. Organisations that have managers who consistently apply sound judgement through application of well-tuned critical thinking skills make fewer flawed business decisions and are better armed to stay ahead of their competition. Unsound decision making wastes time, money and other resources and can have a big impact on organisational or business success. It affects competitiveness and, in extremis, it can impact on business survival.

Logic

Activity: In your own words define *logic*.

The following definitions are from The Merriam-Webster Dictionary:

'A proper or reasonable way of thinking about or understanding something.'

'A particular way of thinking about something.'

'The science that studies the formal processes used in thinking and reasoning.'

In academia, philosophers study reasoning and seek out rational explanations for and against competing theories so that they can make sense of the information around them. This same process of sense-making (or sense-checking) is part of the everyday activity of management where managers, on the basis of rational argument and logic, seek to make decisions and take action in situations that arise. Principles of logic serve to guide us in our reasoning and enable us to differentiate between correct and incorrect reasoning.

Arguments can be valid or invalid. Valid arguments set out the truth of a situation, are compelling and convincing but, essentially, are based on rigorous proof. The least amount of subjectivity in an argument the more valid it is likely to be. In presenting the 'truth' which is where a statement reflects the facts or reality we have a difficulty. The reality to one person may differ from that of another! Put another way, my truth might be different to your truth because of the differing ways we view the world around us - all of which is seated in our values and beliefs. For example an atheist would see certain situations very differently than a devout Hindu because they are operating with different sets of values and beliefs. This dilemma is known as relativism - where truth is relative to an individual's circumstances or view.

Using Logic to Establish Causal Relationships

A causal relationship is one that is based on the premise that there is a relationship between *cause* and *effect*.

In establishing causal relationships 3 main conditions would need to be met:

- The cause and effect relationship can be proved or disproved;
- The variables that are causing the effect can be identified and so can those that are being effected; and,
- There are no other variables that could also be causing the effects. In other words, is the cause identified the only possible cause or might there be other causes

Activity: Think of an example of how causal relationships have been applied in your workplace.

Your example will be peculiar to your organisation. A simple example could be an initiative to increase sales through a marketing campaign. Including a discount code in the marketing, to be quoted by purchasers to claim the discount, will give a direct measure as to whether the marketing initiative has been the cause of increased sales.

The process becomes more complex where there are numerous causes or contributory factors causing the effect. Root cause analysis is a useful technique in those circumstances.

Root Cause Analysis

Root Cause Analysis (RCA) is an approach to gathering information that enables us to understand fully why something has occurred or why there has been a problem. Things do go wrong, and unwanted incidents and outcomes can occur. If we understand the '*root causes*' of an incident or outcome, corrective measures can be put in place to prevent recurrence of the problem.

By directing corrective measures at the *root cause* of a problem as opposed to the '*symptom*' of the problem, the likelihood of the problem recurring will be reduced. In this way, we can get sustainable improvements in output or performance.

There are many different methods and ways to undertake RCA. At its simplest, it is a process for examining an outcome in a systematic way to find out why the situation occurred, and to put in place measures to prevent it from happening again. By considering a range of possible contributory factors in a systematic way with a logical, analytical and enquiring approach, all the relevant root causes of an incident can be identified.

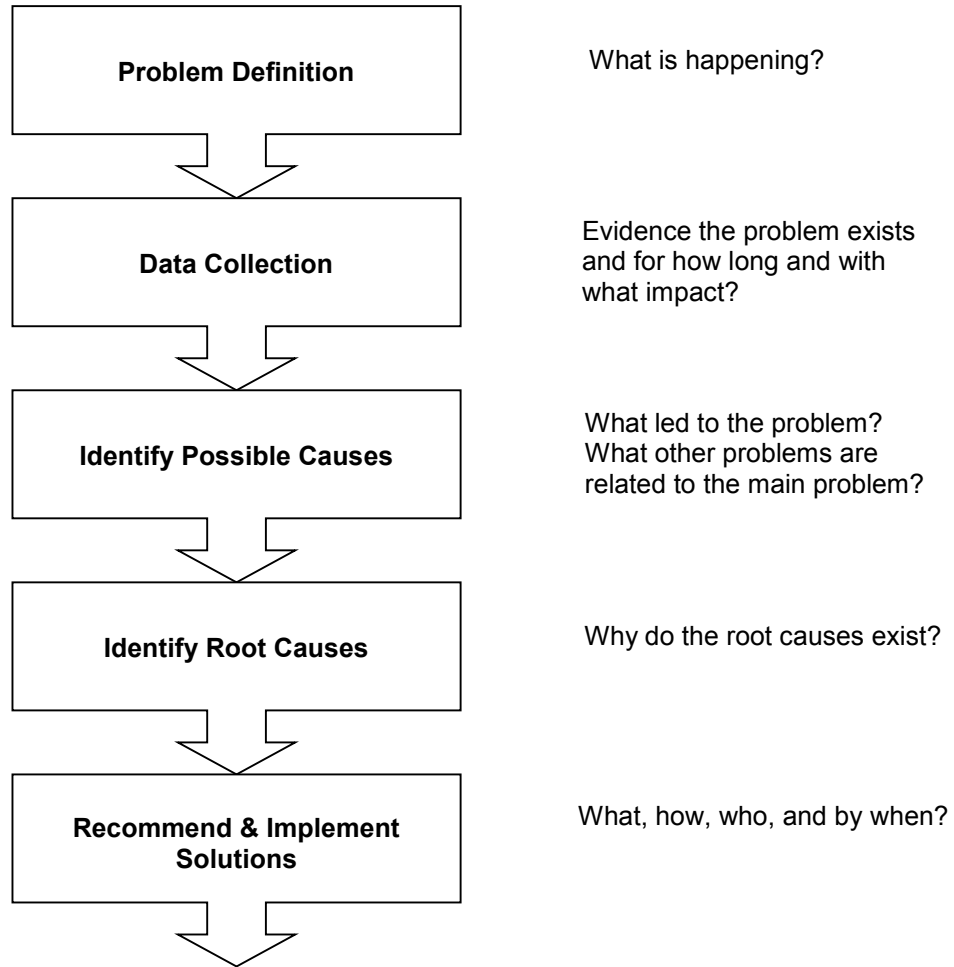
General Principles of Root Cause Analysis

Root cause analysis provides a mechanism to ensure that you have sufficient information to make effective decisions. General principles of RCA include:

- RCA is based on the belief that problems are best solved by attempting to correct or eliminate root causes;
- To be effective, RCA must be performed systematically, with conclusions and causes backed up by evidence;
- There is usually more than one potential root cause for a problem; and,
- RCA can transform an old culture that reacts to problems with a new culture that looks to understand and learn from problems. This leads to a culture that is open and seeks to identify and solve problems before they escalate.

Root Cause Analysis – Process

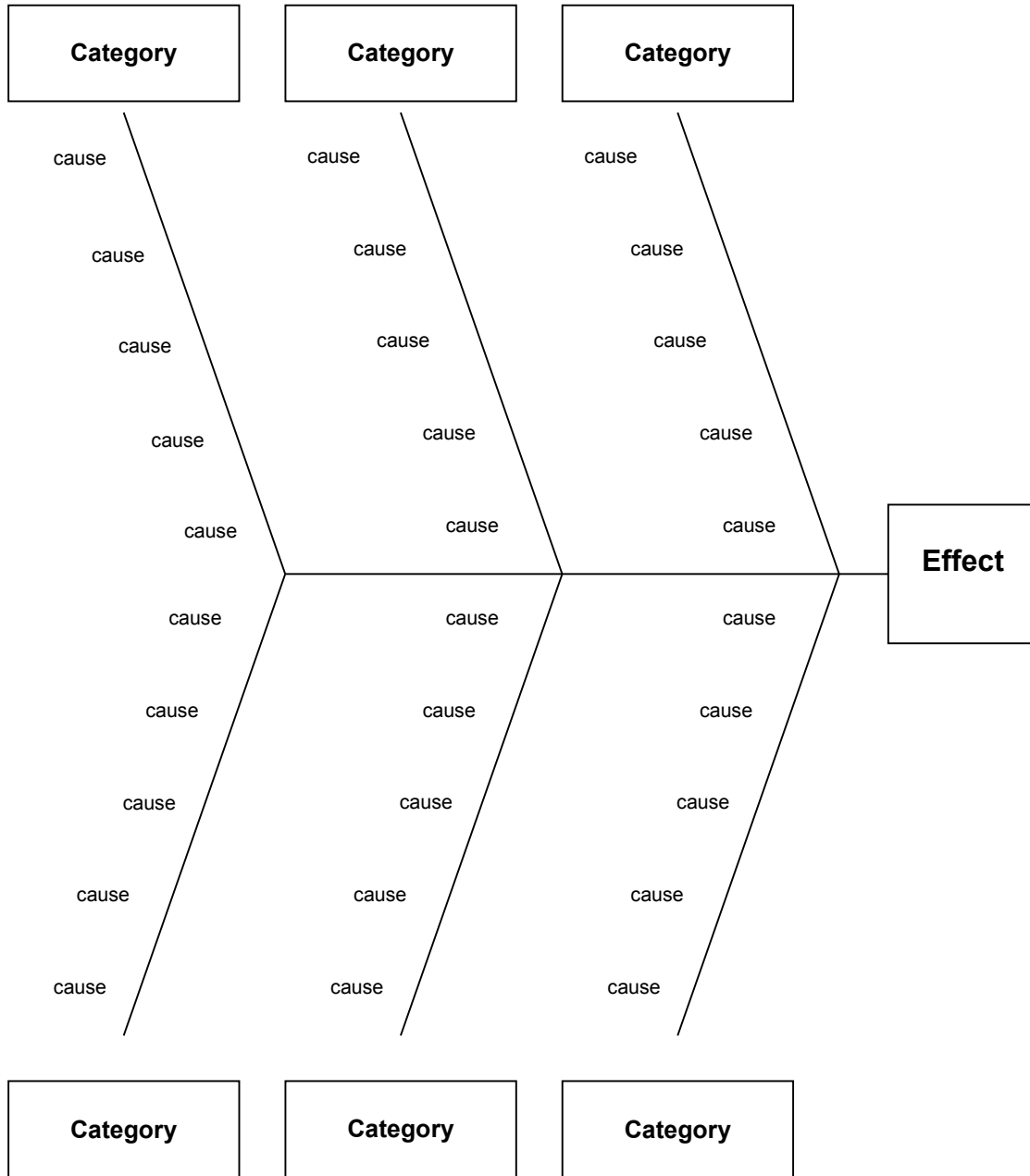
The process for getting to the root of issues is outlined in the following model:



The Root Cause – Problem Solving Process (Format: AH Raymondson, 2009)

Root cause or 'fishbone' diagrams are a useful tool for working through the causes of a problem typified by an unexpected or unwanted effect or outcome: poor performance, for example.

The following diagram is an example of a fishbone diagram. The effect or issue would be defined; the main causes would feature at the head of each 'bone' and the sub-causes within each category would be placed on the 'bones'.



Example outline of a 'Root Cause' or 'Fishbone' diagram

Activity: Consider a problem at work. Define the effect of the issue at the right hand side of the box below. Then undertake an analysis of the root causes.

Use the following headings to classify the causes:

- Methods
- Materials
- Environment
- People
- Equipment
- Managerial issues

Identify the causes as branches of each of the headings. As you do so, think about why these causes influence and exacerbate the problem. Are there any sub-causes of the causes that turn into other branches?



Developing an Argument or Debate

Effective critical thinking is at the heart of effective decision making. In developing an argument for a particular standpoint, it is useful to identify a *'key message'* – the message or, occasionally, messages, that you want the people to whom you are presenting your argument to adopt – and a number of *'key points'* – the information (facts or opinion) that will underpin the key message. The key message needs to be clear and unambiguous and pitched so that it has real impact on the listener or reader. Three key points is usually sufficient to explain and argue your key message; establishing what those key points should be is a good starting point for construction of your argument. Naturally they need to be valid and relevant to the need being addressed. From there, you can move to develop the logical flow of your argument.

Activity: How might you approach collection and collation of content for an argument?

The starting point for collection and collation of content for an argument is the key message(s) and supporting key points. One possible approach is to brainstorm the issues relevant to the topic and home in on the key themes to establish the key points. This could be done in a linear fashion or, if you prefer, a mind map, which is geared to flexible thinking and creativity in your ideas generation.

To be compelling, an argument should incorporate, well-reasoned, logical thinking and be supported by valid and reliable evidence. Moreover, it should be as objective as possible and avoid appeals to emotions. In examining the facts and constructing your argument you will need to be open-minded. Specifically this includes being:

- Open to new ideas;
- Aware of personal bias/prejudice in yourself and others;
- Prepared to consider all possibilities/viewpoints; and,
- Willing to reassess and where appropriate change your own views.

In presenting the argument you should aim for *balance*, which requires that you are able to identify and understand other perspectives

Perspective Taking

Perspective-taking involves being able and willing to see things from the point(s) of view of others and respecting that they are entitled to their view. We may be able to identify other perspectives by asking people for their views. However, much of the time we will need to apply our experience of how different people think to gauge how they might view a particular situation or issue. The perspective an individual holds will be rooted in their values and beliefs – i.e. their view of the world. Consequently, they may be very entrenched in their stance and require very powerful arguments to alter their perspective.

Reframing

A recognised technique for changing your stance on a particular issue is to reframe your thinking so that you interpret a situation differently. That is, to give yourself permission to take a different perspective on your thoughts about a particular situation or to look at a situation from a different angle. A great example, albeit fictitious, was a television advert for *The Guardian* newspaper shown in 1986.

The advert showed a scene where a rough looking youth grabbed an old woman to the floor and her handbag fell off to the side of her: the obvious thought to have was that she had just been mugged! However, the camera diverted to a different angle that made it clear that the old lady has been standing where a builder's skip, chained to a winch, was about to fall from a tall building and most likely would have killed her. From one angle she had just been mugged, while, from another, her life had just been saved. The paper's approach was to encourage people to take a '*wider perspective*' and to see the '*whole picture*'.

Activity: Choose an issue which you believe in strongly (political, sporting, social, technological, etc) and:

- a. Make a list of the 3 best arguments in favour of your view.
- b. Note the likely objections to each (i.e. the argument that someone with a different perspective might take), and then think how you would counter each of these objections.

Issue:		
3 best arguments in favour:	3 likely objections to each:	3 best arguments to counter the objections:
1.		
2.		
3.		

Evaluating Issues

Evaluating is: *'to judge or calculate the quality, importance, amount, or value of something'*.

(Cambridge Dictionary)

Evaluating as a facet of critical thinking, requires that you examine and judge the possible arguments by identifying factors such as:

- The purpose/motivation behind a particular stance
- Any bias or vested interests at play
- Facts versus opinions
- Assumptions being made and how they might be verified or removed

- Incorrect/irrelevant information
- Missing information and how it might be sourced
- Inconsistencies
- Counter-arguments
- Supporting statements and evidence
- False statements
- Flawed arguments

Distinguishing Facts from Opinion

It is important to be clear what in your argument is fact and what is opinion, either or your own or of others.

Activity: How might you distinguish between facts and opinion?

A fact tells us something that can be proved. If it can be proved your listeners/readers will want to know how it is proved and according to whom? If you are presenting supportable facts then they should be indisputable.

An opinion on the other hand tells the listeners/readers what you think, feel, or believe and cannot be proved. There is nothing wrong with opinion and it is opinion or judgements about situations that drive most organisational decision-making. If you are presenting opinion then you will need to explain why your opinion should be adopted if you are to convince your listeners/readers. For example, are you an expert in the field or have you analysed the situation with others to come to this opinion?

Some pointers for distinguishing between facts and opinions are:

- Opinion clue words include: *always, never, all, none, least, best, and worst*;
- Facts often contain dates, numbers, or ages. They are about a specific person, place, or thing. You can find information to prove what is stated;
- Some opinions can be written like they are facts, but if you cannot find information to verify its validity, it is probably an opinion; and,
- To determine a fact, ask yourself, '*can I prove this statement?*'

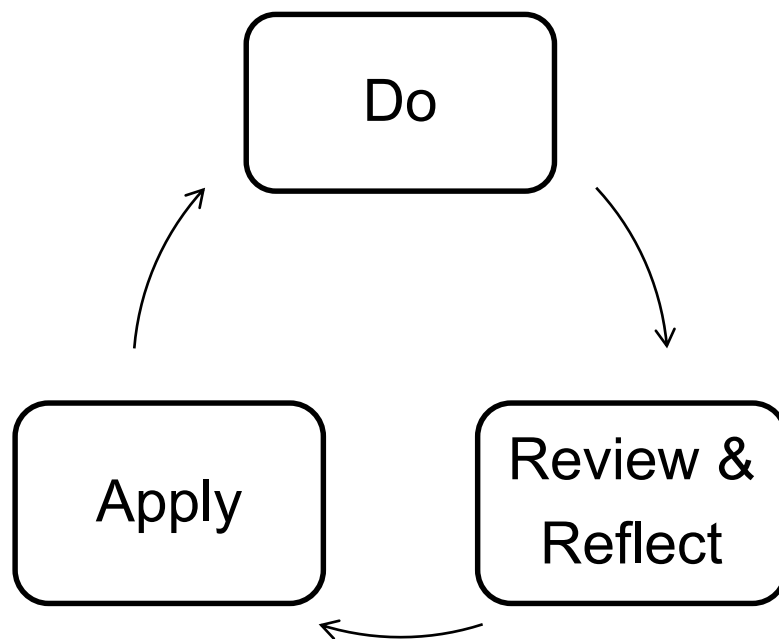
The Value and Purpose of Reflection

Much of critical thinking relates to learning. That is, learning more about situations, possibilities, and options along with learning new ways to resolve problems. Reflective practice provides a systematic way of making sense of experience, developing and embedding learning and refining thinking, particularly in complex situations that require a significant amount of evaluation or examination of multiple options.

Structuring Reflective Practice and Sense-Making

Through systematically reflecting you can make big improvements. Taking time to reflect will reap dividends in terms of improving your overall performance. The reflective cycle represents a simple structure for the ongoing process of reflection and review, enabling thorough consideration of your application of critical thinking and of the judgements made and implemented. In other words, giving deep consideration to how you might have approached an issue differently, followed by reapplication of the learning in a similar context.

The reflective process is depicted below:



The Reflective Cycle (Format: AH Raymondson, 2012)

Activity: Using Structured Reflection to Make Sense of Experience

- a) Think of a relatively complex situation you have recently been involved in at work. Define your involvement and the actions taken (i.e. the 'Do' element of the Reflective Cycle)
- b) Capture your review and reflection on the way you approached the situation and the outcomes. Consider for example:
 - What went well?
 - What could have been more thorough?
 - What was not done so well?
 - What options were missed?
 - How effectively were resources deployed?
 - How effectively was the critical thinking undertaken?
 - Were the judgements made underpinned by evidence? If not, what evidence could have been gathered?
- c) Outline what you would do differently in future as a result of your reflection.

The Value of Discussion in Resolving Problems

In the last activity you will have experienced the value of reflection in making sense of experience for improving performance and in improving decision making through future application of the learning associated with contemplative reflection. But what about resolving problems in the here and now? That is where discussion becomes invaluable.

Activity: How is discussion able to provide effective problem solving?



The old adage ... *a problem shared is a problem halved* ... holds true. Two or more brains applying thinking power to a problem significantly increases the possibilities of finding an optimum solution to a problem. People contribute different experiences, different levels of knowledge and different ways of thinking to the discussion, all of which serve to illuminate possibilities and options for problem resolution. The diversity that others bring serves to promote consideration of alternative perspectives and enables a broader range of possibilities to be explored.

How Emotions, Attitudes, Values & Beliefs Affect Rational Discourse

Values and beliefs sit right at the root of what drives someone to operate and interact the way they do. Virtually everything people do, including their contribution to discussion and rational discourse, is governed and regulated by their belief systems, their associated values and how they see themselves – their identity. Identity sits right at the core of what makes a person who they are. It incorporates all of their values, beliefs and accompanying characteristics, experience and perceptions.

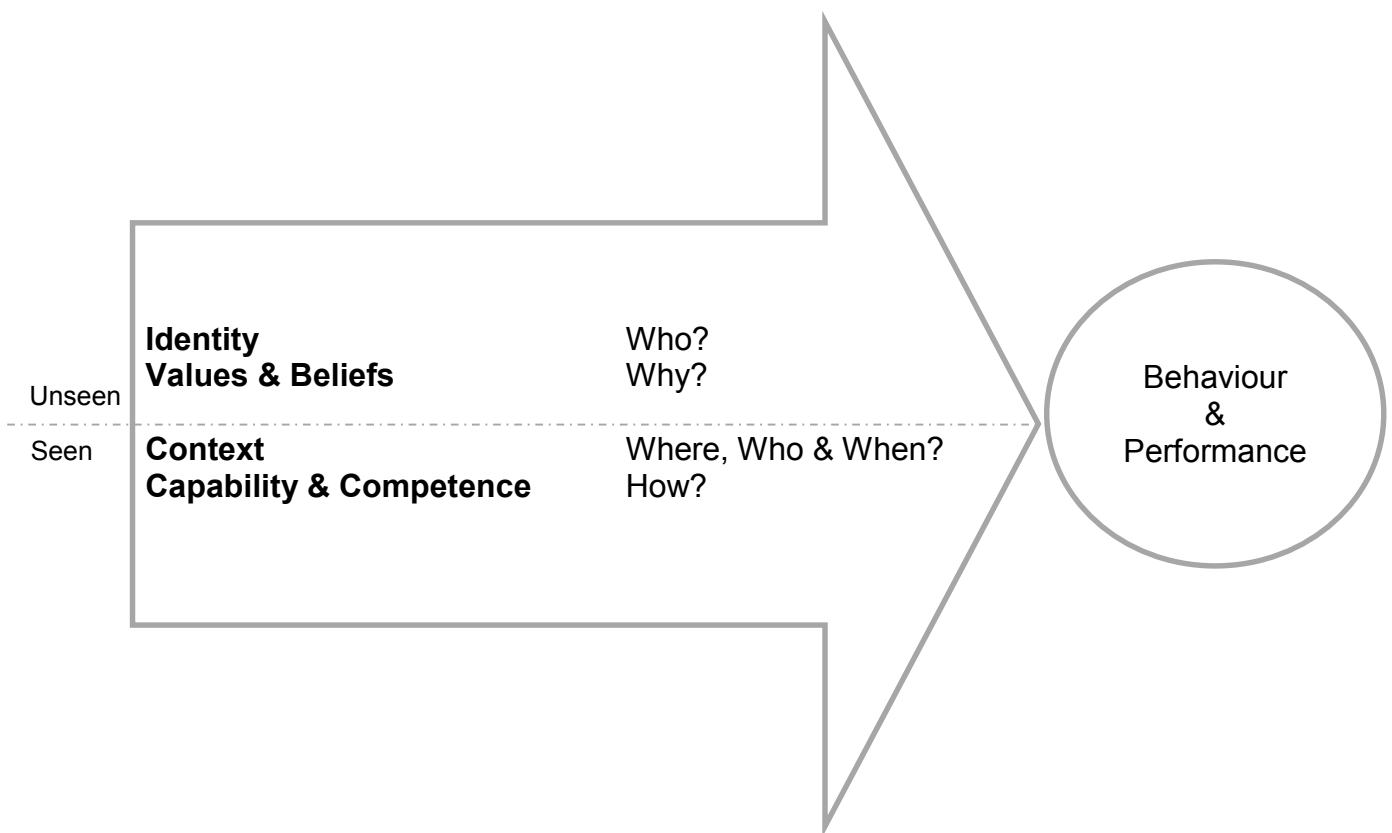
To help differentiate between values and beliefs ask:

'Is this something I aspire to or that I aim to be like?' This reveals a value.

'Is this something I consider to be true and act accordingly?' This reveals a belief.

Beliefs are founded on our experience and help us make sense of the world. People pay attention to what they believe to be important and disregard things they consider to be unimportant. In this respect, beliefs act as filters. People's belief systems in the workplace are important to driving the success of the business, as it is beliefs that drive our individual behaviour. Indeed, Henry Ford famously emphasised this in saying, *'whether you believe you can or you believe you can't, you're probably right'*.

The link to behaviour and performance is illustrated in the following diagram:



Layers of Human Behaviour & Performance

(AH Raymondson, 2013)

Beliefs drive behaviour but ‘limiting beliefs’ and the way reality is interpreted shape our performance in the workplace – i.e. perceptions – are often what prevent most people from achieving their true potential. If you hear, for example, someone say, *‘I can’t speak in public’* it is likely to be a self-limiting belief (and a self-fulfilling prophecy). In stating that they cannot speak in public, the person is creating an environment in which it is acceptable for them not to try. In other words, because we accept we cannot do something, we choose not to put ourselves in that position. Limiting beliefs may prevent people from exploring options for problem resolution because the limiting belief has led them to an assumption that a particular solution is not viable.

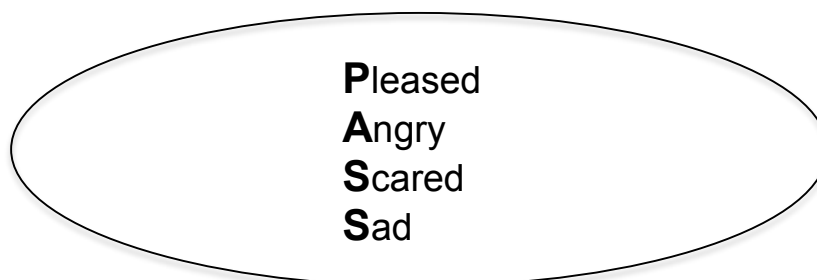
Values are essentially standards and conditions that relate to what you consider important and necessary for you to be content and satisfied. It is important and highly productive to have goals that are congruent with individuals’ values – i.e. consistent with what is important to them, which will in turn lead to conviction and leaps in levels of achievement. Goals that are not consistent with personal values cause frustration, internal conflict and anxiety. Indeed, if people’s achievements are not in line with their values they will have little significance and will not attract high levels of satisfaction and will be energy sapping. People are likely to avoid involvement in activity which does not accord with their values and this may impact on their contribution to problem solving discourse.

Attitudes are personal views – an opinion or general feeling about something (Encarta Dictionary). Attitudes of individuals at work can for example be positive or negative, helpful or unhelpful. Needless to say, an individual’s attitude will affect their contribution and involvement in dialogue and rational discourse. In extremis, a person with an unhelpful attitude could cause decision making to be sub-optimal or erroneous through failure to disclose information or by being obstructive.

Emotions are strong feelings about somebody or something (Encarta Dictionary). The main difference between feelings and emotions is that feelings are induced by an external factor whereas emotions can be entirely internalised. Many of the decisions and contributions to dialogue we make are made because of how we feel, or how we expect to feel. Emotions can stunt or disrupt clear thinking. Moreover, emotions have the potential to unite and create bonds between people and negative feelings can be viewed as indicators of unfulfilled emotional needs.

Understanding Emotional Literacy

To be effective, we need to be able to identify and label emotions as we experience them. We have hundreds of thoughts, but, despite having lots of different labels and levels of intensity, our emotions are generally within 4 broad categories – our primary emotions:

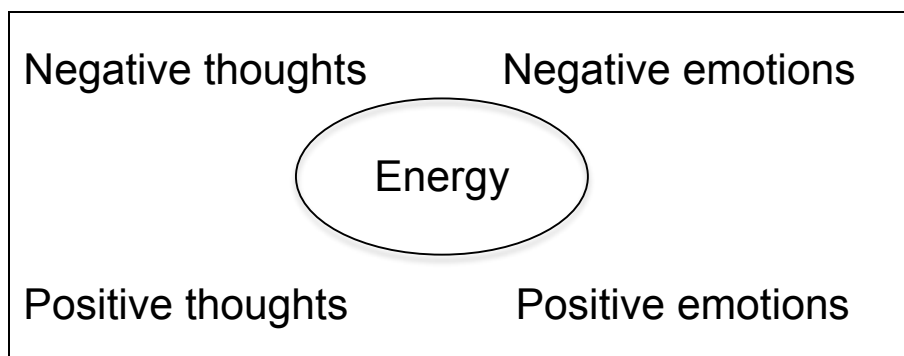


Primary Emotions

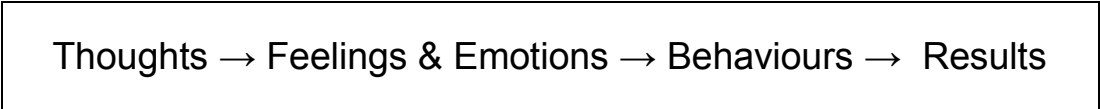
(Format: AH Raymondson, 2009)

Recognising when we feel these emotions is how we can focus on developing our responses to become more adept at handling emotions. Recognising the emotional states of others is a vital skill for managers. It is perfectly normal to experience emotions at work. For example: feeling happy with a job well done; worrying about an uncertainty; irritation with others; being angry with rude customers. It is fairly obvious that positive emotions make us more productive and effective. However, negative emotions are a reality and the objective should be to recognise a negative emotion and move through and away from it quickly.

Emotions are an outward expression of what we think and believe. It is tempting to believe that the external cause creates the emotion but it is our thoughts, how we *respond*, that causes the emotional reaction. In a nutshell, emotions are an expression of how we think. All *emotion* really is, is *energy in motion (e-motion)*.



Emotions experienced by a normal healthy person result from thoughts that they have before they experience the emotion. Some thoughts may be conscious and some unconscious. You can make a choice about your thoughts and about how you react to an experienced emotion. Choice Theory (Dr William Glasser, 1999) asserts that the fact you feel a particular way is because you have chosen to feel that way.



There is something really significant in recognising that how we make people feel at work will affect their behaviours, which will affect, positively or adversely, what we are trying to achieve. Feelings and emotions will be at the root of what drives the quality of critical thinking developed and applied in the workplace.

Establishing your Values

If you understand your own values and are able to set goals for yourself that are aligned with those values you will be better able to facilitate the same with your team.

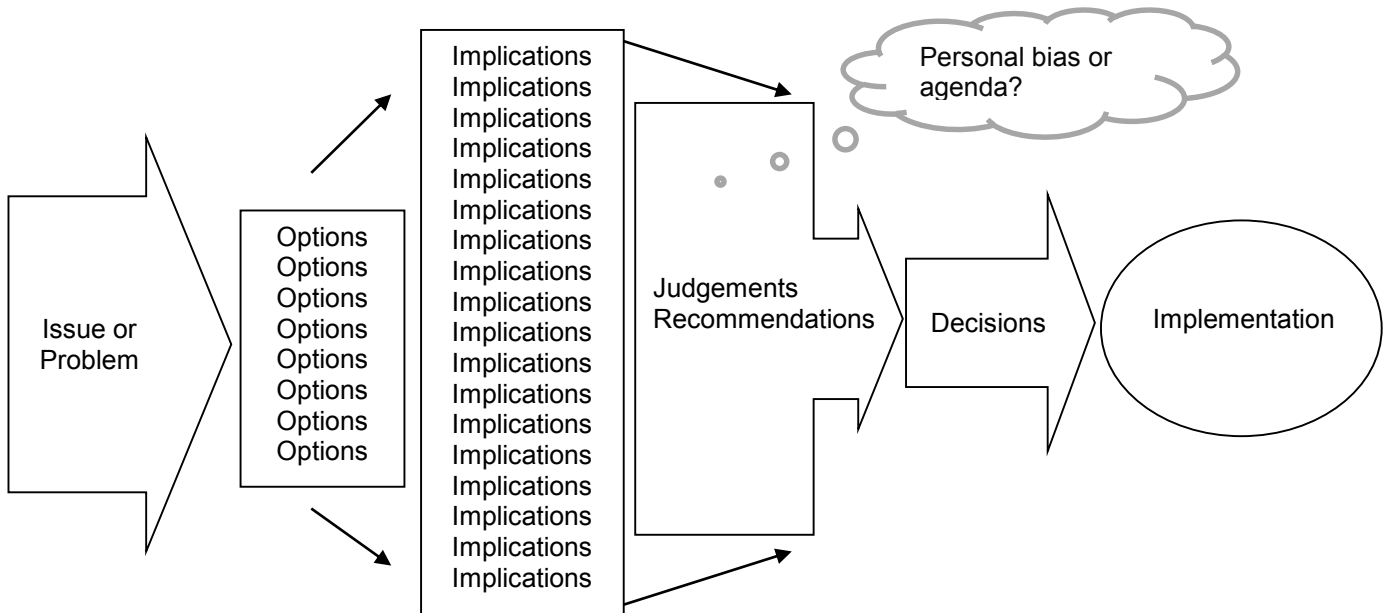
Activity: Below is a list of words that represent values – mark each word that has significance for you. Add any others that are missing for you.

achievement	excitement	kindness	recreation
action	expertise	knowledge	relationships
adventure	fairness	law	relaxation
affection	fame	leadership	religion
approval of others	family	learning	responsibility
authority	fashion	leisure	routine
autonomy	financial security	love	safety
balanced life	free choice	loyalty	security
beauty	free thinking	manners	self-actualisation
career	free time	marriage	self-respect
challenge	freedom	materialism	social change
change	friendship	meaningful work	social justice
charity	frugality	money	social status
children	generosity	nature	socialising
civil rights	goals	non-violence	solitude
civility	happiness	novelty	sophistication
cleanliness	health	order	spirituality
collaboration	hobbies	originality	spontaneity
common sense	home	parenthood	stability
community	honesty	patriotism	status
community service	human	peace	success
compassion	development	perfection	time
conformity	human dignity	personal	tradition
congruency	human potential	appearance	travel
convention	humility	personal growth	truth
courage	humour	philanthropy	variety
creativity	imagination	philosophy	wealth
culture	independence	physical challenge	winning
discipline	inner harmony	physical fitness	wisdom
diversity	insight	playfulness	work
education	integrity	popularity	
efficiency	intellectual	possessions	Other Values:
effort	challenge	power	
emotional	intelligence	privacy	
expression	intimacy	productivity	
emotional health	introspection	progress	
environment	intuition	purpose	
equality	joy	quality	
excellence	justice	recognition	

Look carefully at the words that have real significance for you and consider how they are connected to your goals. Create 3 new goals that relate to the 3 words that have the most prominence for you. Consider also how your values might impact on your decision making and critical thinking more generally.

Identifying and Evaluating Alternative Options and Propositions Critically

It is often surprising how difficult it can be to identify and develop a range of options for meeting the identified need and then to justify the need. By using the options model (below) as a framework for identifying and developing options, you can be confident that you will be less likely to miss things. Evaluating the range of strategic options requires the application of sound judgement. There are a number of different tools and techniques that can be used, including decision-making grids and Force Field Analysis. First, however, let us consider the Pathways to Decisions (sometimes called the Pathways to Change) Model, below:



What? Why? When? Where? How? (AH Raymondson, 2009)

Pathways to Decisions Model (A Critical Thinking Process Model)

This Model highlights that managers need to consider a broad range of options in responding to identified problems. Once all the options have been developed fully, each potential solution needs to be evaluated to determine which is the most viable. There are a number of ways of doing this including, for example, decision-making grids. Judgement needs to be applied in making recommendations and/or decisions. The final stage of the process is implementation of the decision. 'What, where, when, how and why' relates to asking questions to broaden the range of options and to draw in all the implications such as:

- What have we missed?
- How do other organisations do this?
- Why are we doing it that way
- What if we...?
- Where could we do that...?
- How would we do that?
- What would be involved?
- What would or might happen if....?
- Etc.

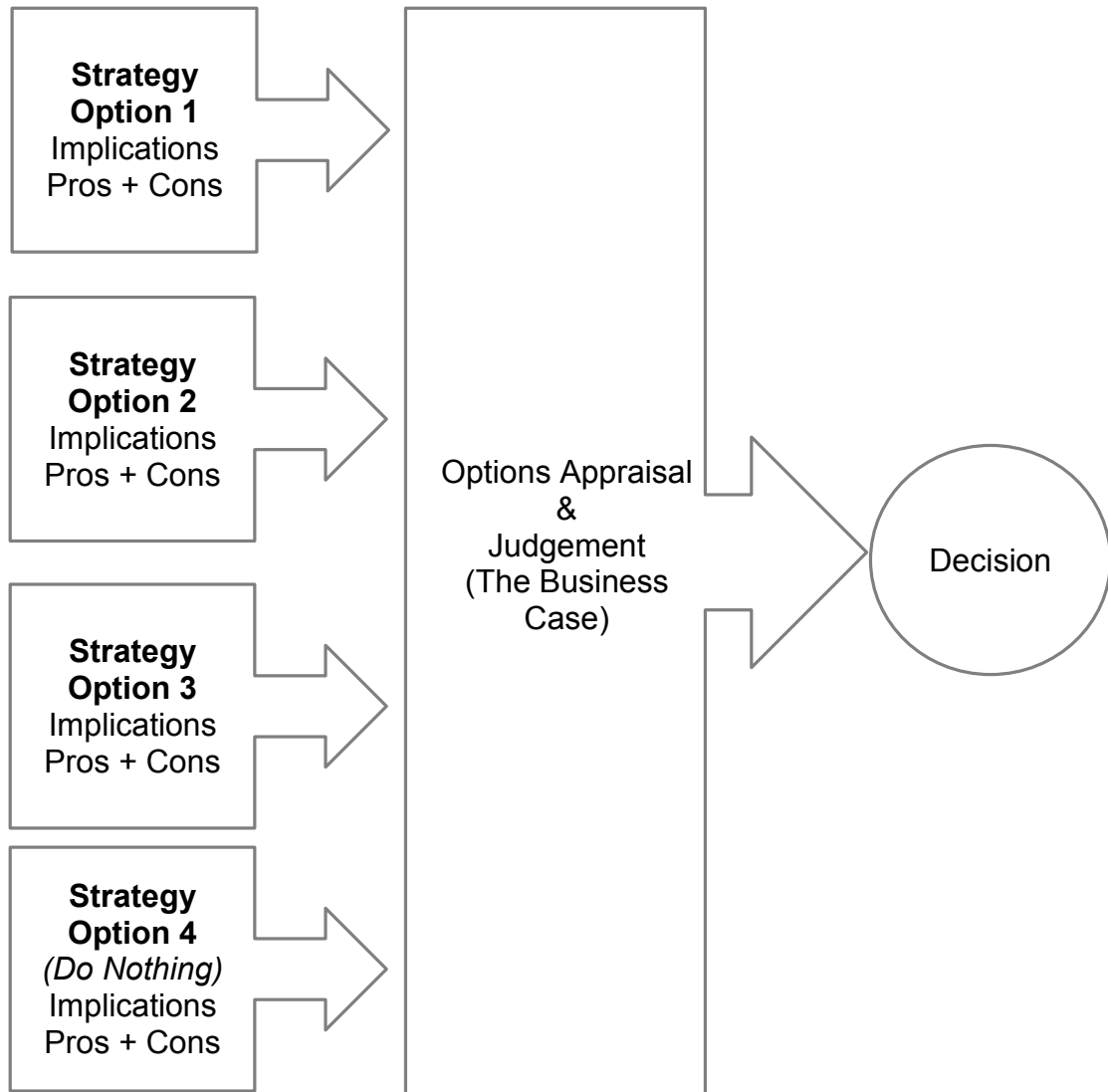
Techniques for Comparing and Evaluating Alternative Propositions Critically

Having generated ideas and considered the various options, the next stage would be to evaluate and justify the preferred solution. This typically involves setting out the viable options that are available and making a recommendation for one strategy. One option that should be considered is the '*do nothing*' option: that is, maintaining the 'status quo'. While this might seem strange in the context of a need or problem that has been identified as requiring resolution, it is possible that, for example, the cost to change might be disproportionate to the benefit to be derived from the change. Consequently, a value judgement regarding the benefit must be made.

In larger organisations and companies, many of the decisions taken are subject to a formal process of evaluation: known as an Options Appraisal. This particular approach may be enshrined in a change or project management process. It is also worth reflecting on whether options that are presented are consistent with the company or organisation vision or mission statement.

Each of the options needs to be carefully considered so that a full appreciation of the pros and cons (the implications) can be used in appraisal and in making a judgement as to which strategy to adopt. Usually a significant change would require a *Business Case* in which the options would be set out in business terms and a recommendation made to the decision maker(s) on the basis of the business interest; it is likely that a major shift in strategy will require a change project to be initiated.

The process is shown diagrammatically below:



The Process for Consideration of Options (AH Raymondson, 2014)

Straight Comparison Decision Making Grids

The example below is of a straight comparison decision-making grid in which 5 options are to be compared. Each option is compared against the other options. For example, a straight comparison between Option 1 and Option 5 (Box 1) reveals that Option 5 is the preferred solution. In the next comparison (Box 2), you decide that, when compared with Option 4, Option 1 is the preferred solution. This is a qualitative form of assessment of options.

	Option 5	Option 4	Option 3	Option 2
Option 1	Box 1 <i>Option 5</i>	Box 2 <i>Option 1</i>	Box 3	Box 4
Option 2	Box 5	Box 6	Box 7	
Option 3	Box 8	Box 9		
Option 4	Box 10			

After comparing all the options against each other – Boxes 3 to 10 – the option that features most on the grid – Option 2 is selected as the preferred option.

	Option 5	Option 4	Option 3	Option 2
Option 1	Option 5	Option 1	Option 1	<i>Option 2</i>
Option 2	<i>Option 2</i>	Option 4	<i>Option 2</i>	
Option 3	Option 3	Option 4		
Option 4	Option 5			

Should the situation arise where two options come out with equal preference – in the example below both Option 2 and Option 4 have been selected 3 times each – the original straight comparison which shows that Option 4 was preferred over Option 2 is decisive.

	Option 5	Option 4	Option 3	Option 2
Option 1	Option 5	Option 1	Option 1	<i>Option 2</i>
Option 2	<i>Option 2</i>	<u>Option 4</u>	<i>Option 2</i>	
Option 3	Option 3	Option 4		
Option 4	Option 4			

Weighted Decision-Making Grids

The example below is of a weighted decision-making grid and relates to moving house. This technique requires you to select the essential criteria – those that must be achieved by the chosen solution – and weight these in order of importance. In the example, of most importance to the person is the house itself (weighted at 4) and the issue of least importance is public transport (weighted at 1). The person compiling the grid would allocate a score on a scale of say 1-10 and then multiply the allocated score by the weighting. So, if the location of the property in Town A was considered to be a nice area in which to live, it might be allocated a high score of 9. This score of 9 would then be multiplied by 3 giving 27 for Town A in the Area Column. Public transport in this part of Town A is also perceived to be good, while the house itself is satisfactory and the schools above average; each factor is scored accordingly. The totals for Town A give a score of 69.

Factor	Area	Public Transport	House	Schools	Total
Weight	3	1	4	2	
Move to Town A	9 (27)	8 (8)	5 (20)	7 (14)	69
Move to Town B					
Move to Town C					
Move to Town D					
Don't Move					

This scoring process is repeated for each of the options enabling a value judgement to be made about whether to move or not (the 'Do Nothing' Option), and where to.

Factor	Area	Public Transport	House	Schools	Total
Weight	3	1	4	2	
Move to Town A	9 (27)	8 (8)	5 (20)	7 (14)	69
Move to Town B	7 (21)	5 (5)	7 (28)	8 (16)	70
Move to Town C	6 (18)	7 (7)	6 (24)	6 (12)	61
Move to Town D	8 (24)	9 (9)	8 (32)	4 (8)	73
Don't Move	9 (27)	2 (2)	7 (28)	8 (16)	73

In the example, 2 options – 'Move to Town D' and 'Don't Move' – have come out with the same score. Critically, however, we can use the most important criterion – the House – to separate the two options. Consequently, the decision in this example probably would be to move to Town D.

Force Field Analysis

Popularised by Kurt Lewin, Force Field Analysis allows us to compare forces for and against implementation of an innovation or change. This tool is particularly useful when it comes to identifying and understanding potential risks to the change initiative. By establishing factors for and against the change – some factors will inevitably appear on both sides of the grid – we articulate and define potential benefits and likely hurdles to successful implementation. The forces identified for the change allow us to validate our earlier thinking while the forces against change enable us to think about what we will need to do to ensure that the change is made successfully. Further potency comes from allocation of a score to reflect the importance of each of the forces for and against the change. Again, a scale of 1-10 would be one way of achieving this.

Forces For Change	Score
Total	

Change Proposal

Forces Against Change	Score
Total	

One note of caution: it is very easy when using this tool to skew the results. In other words, if there is a strong appetite for the change, you may be tempted to over-score the forces for change and under-score the forces against change!

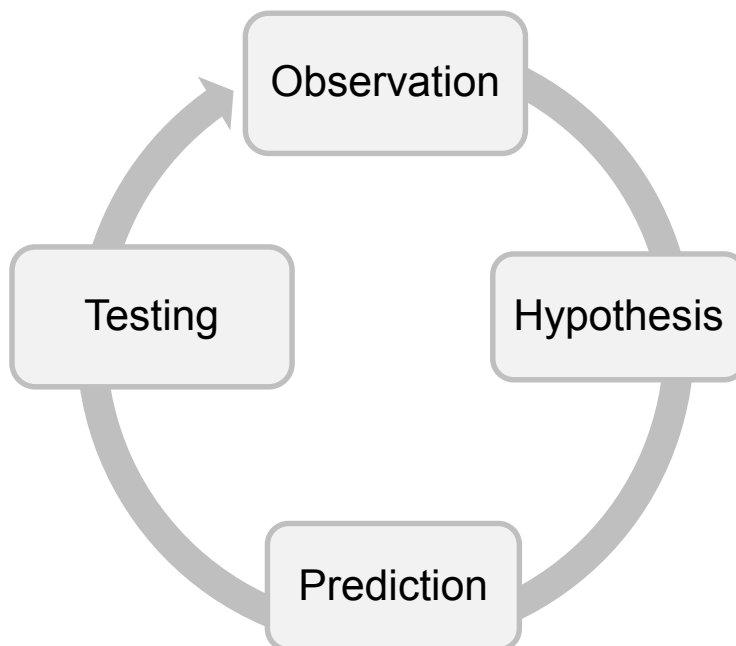
Using SWOT Analysis to Evaluate Options

A straightforward and useful way of framing your evaluation of a series of options is to create a Strengths, Weaknesses, Opportunities & Threats (SWOT) matrix incorporating all of the options, thus:

Option	Strengths	Weaknesses	Opportunities	Threats
1				
2				
3				
4				
5				

The Scientific Method

To give structure to their thinking and to develop ideas and knowledge in a framework that is controlled and objective, scientists apply what has become known as the Scientific Method, which comprises observation, hypothesis prediction and testing.



The Scientific Method

This approach is widely applied in the natural and social sciences but it has validity in application of critical thinking to business and to organisations. The stages are:

Observe. Observe something you would like to investigate and select an appropriate area to test. For example, you might observe that a production run in a factory making car windscreens has an unusually high number of items being rejected by quality control. A question should be formed that can be tested. For example, is the production machine failing to deliver constant heat in the forming process?

Hypothesis. A hypothesis is an educated guess, a tentative answer to the question, and should be based on information formed through research and investigation. For example, research and investigation might show that if heat was unevenly distributed then weak points would be visible as blemishes in the glass. Our hypothesis is that the high rejection rate is due to uneven temperature distribution in the production process.

Prediction. Any hypothesis has predictable consequences that can be tested in our example we could predict that testing of the heat distribution would show uneven heat distribution across the glass and that recalibration of the machine to deliver constant heat across the work would alleviate the problem.

Testing. Test or experimentation will support or dispel the hypothesis. We could obtain, for example, heat distribution testing equipment and measure the heat across the glass in production. Unevenness or cold spots corresponding with observed blemishes in the windscreens would support the hypothesis that the high rejection rate was due to uneven temperature distribution in the production process.

Activity: What do you see as the benefits and drawbacks of the scientific method?

The scientific method is designed to reduce the possibility of bias being applied by the person conducting the experiment. Avoiding bias is difficult as we filter information based on our experience which can cause a scientist to prefer a particular answer. Standardisation in the scientific method is designed to maintain focus on the facts and limit the influence of preconceived notions and bias. Even so, it is easy to make errors in either calculation or measurement, and to ignore information that does not support the hypothesis.

Reasoning

In making observations and drawing conclusions we need to apply reasoning. Two types of reasoning are deductive and inductive reasoning.

Deductive (Confirmatory) Reasoning

Deductive (confirmatory) reasoning provides conclusions that are necessarily true if the premises on which the deduction is based are true. It involves a process of taking broad principles and applying them in specific situations to prove smaller truths. It requires a hypothesis based on research, collection of evidence to test the hypothesis, and a decision to be taken to accept or reject the hypothesis. Deductive reasoning uses premises which are statements of a general nature. For example, if machine A breaks down then production will suffer. This is a general claim about the way things are. Deductive reasoning is intended to prove a particular claim to be true on the basis of general claims about the way things are. They aim at forcing you logically to accept the conclusion.

Inductive (Exploratory) Reasoning

Inductive (exploratory) reasoning results in conclusions that are *probably* true and involves a process where controlled observations are used to develop broad conclusions. The process involves observing, searching for a pattern in what is observed, and making a generalisation about what is observed. Inductive reasoning is similar to deductive reasoning, but is subtly different. The premises are statements which refer to a particular observation or experience either in the past or in the present and move from these claims and make some other claim based on these. For example, we won our last 4 tenders therefore we will win the next one. Note here that inductive reasoning cannot provide certainty only probability. Conclusions from inductive reasoning can only be described as reliable or unreliable, weak or strong (i.e. not absolute or sound)

Testing Theories

A theory is defined by The Business Dictionary as:

'A set of assumptions, propositions, or accepted facts that attempts to provide a plausible or rational explanation of cause-and-effect (causal) relationships among a group of observed phenomenon. The word's origin (from the Greek thorós, a spectator), stresses the fact that all theories are mental models of the perceived reality.'

(The Business Dictionary)

Testing of theories is most often done by experimentation and observation.

Experimentation: Predictions are made from a theory and an experiment is undertaken. For example, 2 groups are set up: one is exposed to a stimulus and the other acts as a control group with no stimulus. If the group with the stimulus reacts according to the prediction then the theory is confirmed

Observation: Predictions are made from a theory and observation of a relevant situation and data is undertaken with no external stimulus. The observation confirms whether or not the theory is consistent with situation/data being observed. Observational tests include '*large-n*'. These are studies that look for patterns in a large randomly selected sample. Case studies where one or more deliberately selected cases are examined in detail.

Developing and Sharing Best Practice

Effective managers are constantly considering, albeit often subconsciously, how they can make improvements in the workplace. This process can be accelerated by examining relevant research, theory, models, concepts and ideas to construct a relevant model of best practice for the particular working context.

Management theory is a good starting point for development of best practice in the work place. Reading and critically thinking through the relevance of management theory can provide a framework or structure to our thinking.

Any decisions to amend the management approach should be underpinned by experience. The combination of experience and knowledge derived from critical thinking based on theory is what enables us to develop good and best practice.

Activity: Through what avenues might sharing good and best practice in management be disseminated?

Some of the ways in which good and best practice can be shared, include:

- Watching someone else demonstrating new or different ways of operating and observing the responses and reactions of staff
- Peer-supported review of outcomes and reflective practice
- Team/staff meetings – discussion of issues and practices
- Subsumed within policies and standard operating procedures, which provide stability and consistence in application of best practice
- Journal circulation
- Informal, open discussion
- Coaching and mentoring
- Staff away days and training events
- On line forums and blogs

Management Theories

There are many management theories to choose from and, over time, each of us will develop a preference for an approach that is aligned with our personal values and the culture in which we work. It is probably worth considering some of the earlier theories before exploring more recent management thinking. It also is worth reflecting that the consensus today is that leadership and management do overlap and that the balance between leadership and management varies dependent upon the role you are employed in and the level at which you are operating.

Frederick W. Taylor – Scientific Management or ‘Taylorism’

Arguably one of the first management ‘gurus’ was Frederick W Taylor (1856–1915); well-educated and from a comfortable background, Taylor found his niche as an industrial engineer. Working in a factory environment at Bethlehem Steel, he identified significant inefficiency in the way workers performed their tasks and the resultant adverse impact this had on productivity.

Taylor observed and concluded that the majority of workers put minimal effort into their work if they knew they could easily get away with it. He referred to this mode of behaviour as *soldiering* and he attributed this problem with mismanagement of the work at the lowest levels of the organisation. He judged that this was, in part, as a consequence of a lack of process, inadequate training, poor manager/worker relationships and insufficient direction from managers. The consequence of these behaviours was reduced or poor productivity.

In his book *Principles of Scientific Management*, published in 1911, he proposed a set of techniques that managers could follow which would lead to increased productivity. Taylor’s ‘Scientific Method’ required organisations to introduce a step-by-step method to determine the ‘one best way’ to perform a job. From this, it would be possible to establish appropriate payment mechanisms and rates for each job. Workers at that time saw their pay reduce once the required level of productivity was achieved, which, in turn, meant that there was no incentive to work harder.

Taylor's methodical approach to determine the 'one best way' to perform a job consisted of the following steps:

- Select a sample of skilled workers and carefully study the job being done;
- Record in extensive detail the actions undertaken to complete each task;
- Use a stopwatch to time each task being performed. Repeat this step over a period of time to calculate the average time it takes to perform each task;
- Identify and eliminate any unnecessary tasks undertaken to complete the job;
- Identify any improvements, new tools or techniques that can be adopted to reduce the time taken to complete each task or job;
- Establish new and informed times and pay-rates for the job; and,
- Train all workers to undertake the job in the 'one best way' identified.

Following his experiments on the best way to increase productivity in industrial organisations, Taylor proposed his four principles of scientific management:

- Work methods based on a scientific study of the tasks should be adopted;
- Employees should be scientifically selected – skills, qualifications and experience should be considered – and trained by the management and not left to find their own way to complete the work;
- Managers should train workers and audit the workers' performance to ensure that the adopted scientific methods are being properly performed; and,
- Work should be divided between managers and workers, with managers *applying* the established scientific methods and processes of production – that is monitoring and controlling activity – and workers undertaking the job according to the established procedures.

Taylor's scientific method to establish work procedures was proven to reduce the time taken by workers to perform jobs and introduced rules and procedures – systems – to industrial management. Subsequently known as 'work study', Taylor's scientific management was widely embraced by organisations throughout the early part of the 20th Century, revolutionising the organisational structures and behaviours of many organisations and companies. Taylor's methods were subsequently applied by organisations to their office and administrative functions with similar success and are seen by many as the precursor to systems analysis.

Critique of Taylorism

What problems or difficulties do you see in application of Taylorism in today's workplace?

Taylorism has merit in situations where standardisation and/or time and motion in workflows are important. However, it has been strongly criticised, including for:

- Stifling people's personal goals and application of initiative;
- Over control – giving rise to resistance and non-compliance;
- Having 'one best way' of undertaking a task could prevent improvement;
- The assumption that workers are like machines and satisfied by money alone has been widely disputed;
- Gives no attention to soft issues; and,
- It was appealing during industrialisation but lacks applicability in the technological arena and in the knowledge-based work of the 21 Century.

Activity: Undertake a case study of your workplace. What if any application of Taylorism exists and what if any application might be appropriate and why? If not appropriate explain why not?

Henri Fayol – Functional Approach

A contemporary of Taylor, Henri Fayol (1841-1925), saw the function of organisations slightly differently to Taylor. Whereas Taylor looked closely at the activities of the workforce and sought to improve productivity by applying a 'bottom-up' approach, Fayol favoured a 'top-down' approach placing the primary emphasis of management on implementing the rules and procedures that define the hierarchy of an organisation. He proposed that there were 5 key functions of management:

- Planning;
- Organising;
- Commanding;
- Coordinating; and,
- Controlling.

Activity: What might be missing from Fayol's 5 key functions of management?

There is no mention of leadership as a facet of management. Commanding seems to imply an authoritarian approach. Also the functions do not accommodate the soft skills which are considered by many modern theorists to be so important in delivering effective management. Additionally, the unpredictable and chaotic nature of management has been highlighted by observers such as Henry Mintzberg (1970) as being overlooked in the 5 functions and therefore not representing the reality of management.

Underpinning these functions, he identified and defined in his book *General and Industrial Management*, published in 1916, 14 principles of management:

1. The Division of Labour. Fayol observed and proposed that individual employee specialisation enables improved efficiency;
2. Authority. Fayol posited that for a manager to be effective, he/she must have, and be recognised as having, the authority to give orders to employees;
3. Discipline. Employees must respect the organisation's rules and code of conduct;
4. Unity of Command. The organisation's hierarchy should be clear and each employee should answer to only one immediate manager;
5. Unity of Direction. For the workforce to be most effective, all employees must work to a single plan and to one shared set of objectives;
6. The Subordination of the Individual Interest to the Company Interest. This principle sets out the premise that the interests of the company are paramount. Employees should be prepared to forego their own (narrow) interests for the greater good;
7. Proper Remuneration. Employees should be paid a fair salary or wage for their services;
8. Centralisation. This principle highlights the importance of consistency. In essence, Fayol proposes that delegation should not remove decision-making from management: he argues that decisions should be taken only by people at the top of the organisation's hierarchy;
9. The Scalar Chain. The organisation's line of authority should be clear and run from the top to the bottom of the organisation;
10. Order. This principle refers to the importance of structure and process in the organisation, demanding that the organisation's resources should be available when they are required;
11. Equity. Managers should exercise fairness in their dealings with all employees;
12. Stability of Tenure. Retention of employees, through proper development of skills and proficiency, should be encouraged. The cost of high employee turnover and its consequent impact on productivity and efficiency should be avoided;
13. Initiative. While requiring employees to operate within a clear framework of authority and discipline, managers should encourage employees to use their initiative for the good of the company; and,
14. Esprit de Corps. This principle is concerned with the benefits to be derived for both employee and employer – high morale and increased productivity – of a strong team ethos.

Activity: Undertake a case study analysis of management in your own organisation. Which of Fayol's 14 principles are most prominent and which have little prominence that would be relevant to the context of your work and why?



While both Fayol and Taylor's theories date back to the beginning of the 20th Century, there is much in both that is still relevant today! Indeed, while the second half of the Century saw many new management theories emerge, many of the themes and ideas outlined by Taylor and Fayol are simply revisited and updated to reflect the context of the generation.

Human Relations Management Theory

The Human Relations Theory of Management evolved in the early 1920's when productivity was the focus of business (via scientific management, etc). Professor Elton Mayo undertook the Hawthorne Studies to evidence the importance of people over machines for productivity.

In essence, human relations management theory identifies that people want and need to be part of a supportive team that enables development and growth. Research showed that the increased attention the workers received (from the researchers) increased motivation and productivity, which resulted in what is known as the Hawthorne Effect.

After the Hawthorne experiments, Abraham Maslow and Douglas McGregor demonstrated how the motivational theory ties in with theories of human relations. Maslow suggested five basic needs (physiological, safety, love, esteem and self-actualisation) were motivating factors, as the employee is motivated to ensure these individual needs are met. McGregor supported motivation beliefs in his Theory XY by showing that employees are more highly motivated and contribute more to the organisation if they feel responsible and valued.

Activity: What are the implications of human relations theory for your management?

To develop high levels of performance from employees, managers should concentrate on developing a sense of belonging and significance through valuing and respecting employees. Respect and value leads to increased quality, productivity and team work.

Peter Drucker – Management by Objectives

Peter Drucker (1909-2005) developed and proposed a range of management and organisational theories over a period of some 60 years, often setting the agenda in management thinking. Central to his philosophy, (not always popular with corporate leaders and managers), is the view that people are an organisation's most valuable resource, and that a manager's job is to prepare, develop and enable people to perform.

Responsible for what many consider to be one of the seminal management theories of the last Century – Management by Objectives (MBO) (outlined in *'The Practice of Management'*, 1954) – Drucker asserted that by focusing on achievable goals, managers can attain the best possible results from the resources available. He proposed that by aligning goals and subordinate objectives throughout the organisation, organisational performance would be improved. Critical to his thinking was the active participation of employees in the identification and setting of these objectives.

He observed that the key to making MBO work was the commitment of managers to effective delegation. In other words, managers should focus on the result while the employee should focus on completing the activity or task in the most efficient way. Drucker counselled against managers becoming too involved in the day to day activities of their staff, arguing that all managers, not just the senior management team, should participate in development of the organisation's strategy and that their role in ensuring delivery of the required results depends on implementation of effective performance management systems. The key principle of MBO is to make sure that everybody within the organisation has a clear understanding of the aims, or objectives, of the organisation, and how their performance of their role or job contributes to achieving those aims.

Drucker's other significant contribution was in setting out the key responsibilities of the modern manager's role. In his book *'Management: Tasks, Responsibilities, Practices'*, published in 1973, he made the connection between leadership and management stating that *'in modern society there is no other leadership group but managers. If the managers of our major institutions, and especially of business, do not take responsibility for the common good, no one else can or will.'* Taking into account much of his earlier research, he distilled out the key elements of the 'new' managers' role as:

- Setting coherent objectives, consistent with the goals of the organisation, identifying the actions required to achieve these and communicating these effectively to those who are responsible for completing them;
- Classifying work, ensuring that the right resources are allocated – in particular, assigning the correct people – to the task;
- Building the selected people into a team through effective communication and motivation, employing his or her interpersonal skills to achieve this; and,
- Performance managing the team – analysing, appraising and reviewing team and individual performance – and providing meaningful feedback to individual team members and senior management.

Critique of Management by Objectives

MBO has been criticised for various reasons including:

- Lacking acknowledgement of a human tendency not to follow through to completion of goals;
- Missing the unpredictable nature of work – unforeseen changes in circumstances that override objectives;
- Focus on goal setting in preference to developing a plan;
- Lacking attention to availability of resources – for example, an organisation might well have a goal to open 10 new shops but lack of funding, availability of premises and other resources might make that impossible.

Activity: How might MBO contribute to effective management in your workplace?

Activity: Using a range of sources, including existing knowledge, books and the Internet, identify 2 modern management theories: summarise the essence of each.

Identify the strengths and weaknesses of the theories and critically review their applicability for your management and your workplace

Note the source reference (s) for future use.

A large, empty rectangular box with a thin black border, intended for students to write their answers to the activity questions.

In your research, you might have identified one or more of the following management theorists:

- Nancy Austin;
- Stephen Covey;
- Daniel Goleman;
- Charles Handy;
- Henry Mintzberg;
- Tom Peter;
- Anthony Robbins;
- Peter Senge; and,
- Robert H Waterman Jr.

While each of these more contemporary management theorists offers something different, there is an increasing tendency to link leadership to management and to focus on the importance of the people. The other theme that emerges is the importance of self-awareness as a manager both in terms of competence and interpersonal relationships. Indeed, many focus closely on this in their respective management theories.

Stephen Covey – *The Seven Habits of Highly Effective People*

Stephen Covey published his now widely acclaimed book '*The Seven Habits of Highly Effective People*' in 1990. In it he sets out the case for personal development and how through adopting the '*Seven Habits*' we can be fully effective in both our personal and professional lives. There are those who think that the interdependence of work and play is critical to understanding how we function as managers. Indeed, there is a parallel to be drawn between how we choose to behave in our personal lives, when we feel much more in control, and how we manage and tackle the challenges we face in the workplace.

The '*Seven Habits*' identified and proposed by Covey are:

- **Habit One – Be proactive.** This is the ability to control the environment around you. The ability to determine how you live and work, the importance of real choice, and the power to decide how you will deal with the variety of stimuli, conditions and circumstances that you face, enabling distractions and distress to be eliminated at the earliest possible point.
- **Habit 2 – Begin with the end in mind.** Covey calls this the habit of personal leadership. In taking control of your own behaviour through effective planning and time management, you can develop the ability to concentrate on tackling the priorities, avoiding distraction and becoming more productive and successful.
- **Habit 3 – Put first things first.** Covey calls this the habit of personal management. This is about organising and implementing activities in line with the aims established in Habit 2. Covey says that Habit 2 is the first, or mental, creation, while Habit 3 is the second, or physical, creation.

- **Habit 4 – Think win-win.** Covey calls this the habit of interpersonal leadership. He asserts that achievements (both at home and in the office) are largely dependent on co-operative efforts with others. He says that ‘win-win’ is based on the assumption that there is plenty for everyone, and that success follows a co-operative approach more naturally than the confrontation of win-or-lose.
- **Habit 5 – Seek first to understand and then to be understood.** One of the great maxims of the modern age, Covey’s habit of communication is extremely powerful. Using the simple analogy ‘diagnose before you prescribe’, he advocates active listening: once we have understood, we can properly relate our position and work towards ‘win-win’. This basic approach to communication, Covey says, is critical in developing and maintaining positive relationships in all aspects of life.
- **Habit 6 – Synergise.** This is Covey’s habit of creative co-operation in which he sets out the principle that the whole is greater than the sum of its parts. By seeking to recognise and value difference in the contribution of others, we create a platform for high performance.
- **Habit 7 – Sharpen the saw.** This is the habit of ‘self-renewal’ or, more simply, the importance of personal development. Covey posits that this Habit necessarily surrounds all the other habits, enabling and encouraging growth in all 4 parts of the self: the spiritual, mental, physical and the social/emotional.

The thinking behind Covey’s ‘*Seven Habits*’ is interesting on several levels, not least that his focus is very people-centred: he perceives that successful relationships underpin effectiveness and that without true self-awareness, these relationships cannot develop or be nurtured.

Criticisms of Covey’s 7 Habits

Criticisms of Covey’s 7 Habits include that:

- Covey does not define what a highly effective person is;
- The 7 habits are more of an American self-help treatise than a model for effective management;
- The habits are no more than common sense;
- The approach is too enshrined in his Mormon ideas and beliefs.
- The approach is geared more to extraverts than introverts; and,
- Covey describes a utopia that does not take full account of practical realities.

Nonetheless there is significant merit in the framework he provides which offers ways for individuals to increase their effectiveness and make them more successful.

Activity: Assess how well you apply the ‘Seven Habits’ on a scale of 1(*low*) - 10 (*high*). Capture the benefits or limitations of each habit for your leadership and management. Identify potential areas for development – note the area that is likely to bring the most significant benefit to your leadership and management and state why.

Habit		Score (1 low – 10 high)	Benefits/limitations for your leadership and management
1	‘Be Proactive’ – eliminating distraction and distress at source.		
2	‘Begin with the end in mind’ – taking the pressure off by effective planning and time management.		
3	‘Put first things first’ – ditch the ‘ <i>blue-tailed fly</i> ’ syndrome and learn the art of prioritisation to relieve pressures.		
4	‘Think win-win’ – Principles of Interpersonal Leadership – seeking how to dispense with small “p” politics (i.e. the interaction of all forms of power) and the pressures they bring.		
5	‘Seek first to understand – then to be understood’. Overcome frustrations and eliminate tensions by utilising good communication technique.		
6	‘Synergise’ [work together to produce a result] – Eliminate tensions and create high performance teams.		
7	‘Sharpen the saw’ – this is about personal development and constant self-renewal. Effective Managers ensure that they stay effective and don’t become disillusioned with yet higher targets, even more pressing deadlines, re-organisations etc.		

Habit that is likely to bring the most significant benefit to your leadership and management	Rationale (i.e. why)

McGregor's Theory XY – Management Style Theory

Considered by some to be a leadership or management model and by others to be a motivation model, Douglas McGregor's Theory XY (outlined in his 1960 book *'The Human Side of Enterprise'*) proposes managers adopt different approaches to reflect the motivation of their workforce.

McGregor, an American social psychologist, asserts that there are two fundamental approaches to managing people: Theory X and Theory Y. The two different approaches or styles, which, at the extremes, are polar opposites on a continuum, assume that people are either, work-shy (Theory X) or motivated by work (Theory Y). His proposition is simple: for Theory X employees, managers should adopt an authoritarian management approach, and, for Theory Y employees, a more participative management approach should be used. For many this model is too rigid as it stands. However, it provides a useful analysis, particularly when viewed alongside the Psychological Contract, which suggests that adopting Theory X management style can be counter-productive.

In simple terms, the management styles associated with Theory XY are as follows:

- **Theory X (the 'authoritarian management' style)** proposes that the average person dislikes work and will avoid it if they can. It is assumed that the average person prefers to be directed (that is, they want to be told what to do, how to do it and when to do it); they will avoid responsibility; they are lacking in ambition; and seek security. To manage Theory X people, the leader must take a coercive approach, threatening sanctions and punishment to ensure that organisational objectives are achieved.
- **Theory Y (the 'participative management' style)** proposes that people enjoy work and will be prepared to give of their best. It assumes that people are committed to, and will pursue, organisational goals and objectives without threat of punishment or external control because they crave achievement. Theory Y people are perceived to thrive on responsibility and the opportunity to solve workplace problems. Further, it is proposed that there are significant numbers of people with these characteristics in every organisation and that human potential is seldom realised.

In analysing McGregor's Theory XY, it is worth considering what the typical characteristics of managers who operate at each end of the Theory XY continuum might be – what type of behaviours do they display?

Activity: What are the characteristics and behaviours of typical Theory X and Theory Y managers?

Theory X Managers	Theory Y Managers

Typically, Theory X managers are likely to exhibit some or all of these characteristics:

- Results and deadline-driven, often to the exclusion of everything else;
- Intolerant;
- Issues deadlines and ultimatums;
- Issues instructions, directions, edicts;
- Issues threats to make people follow instructions;
- Demands, never asks;
- Does not participate;
- Unconcerned about staff welfare, or morale;
- One-way communicator, a poor listener;
- Does not thank or praise;
- Withholds rewards;
- Operates a 'blame culture' seeking culprits to blame for failure, rather than learning from experience and preventing recurrence;
- Does not invite or welcome suggestions;
- Sees the issue of orders as delegating; and,
- Fails to empower his colleagues.

The Theory Y manager, unsurprisingly, tends to exhibit the exact opposite behaviours! For example, where the Theory X manager does not invite or welcome suggestions from his team, the Theory Y manager is likely to start any workplace problem-solving by explaining the issue to the team and asking them for their ideas.

Activity: Define the dominant Theory XY leadership and management style you are faced with from different sources in your work. Undertake an Internet search to see if you can find (and complete) a Theory XY questionnaire, which illuminates and develops your thinking. What did you learn? Record your findings.

may be perceived by the team as a task-based decision, taking no account of their views.

- **The manager/leader takes the decision and 'sells' it to the team.** Once again, the manager/leader makes the decision. However, the leader will also explain to the team the rationale for, and the positive benefits of, the decision. The team is likely to perceive the leader more positively because the importance of the team has been recognised by the leader.
- **The manager/leader presents the decision, background information and invites questions.** In this scenario, the manager/leader presents the decision and invites questions from the team, encouraging discussion and enabling the team to consider the rationale behind the decision. This more consultative approach enables the team to fully appreciate the issues and the implications of the options. This approach is likely to be perceived by the team as more motivating.
- **The manager/leader proposes a decision and invites discussion about it.** More consultative than the previous approach, the manager/leader proposes a decision to the team for discussion. Armed with the views of the team, the leader can change the decision if they wish: the final decision, however, still rests with them. This approach acknowledges that the team has something to contribute to the decision-making process, and is perceived as highly motivating by the team because they have a degree of influence over the final decision.
- **The manager/leader presents the issue, gets suggestions and then decides.** The last level of 'consultative' decision-making: the manager/leader outlines the issue and possible options to the team. There is free-ranging discussion about the issue, any proposed solutions, including those put forward by the team. The leader then decides which option to take. At this level of decision-making, team members, who may have a more detailed knowledge or experience of the issue than the leader, are positively encouraged to influence the decision.
- **The manager/leader explains the issue, defines the parameters and asks the team to decide.** Often considered to be the first level (of 2) of delegation. In this scenario, the manager/leader gives significant responsibility to the team for arriving at the best decision. While the manager/leader remains accountable for the decision, the parameters set for the team enable the manager/leader to retain appropriate control of the decision. In other words, the manager/leader can mitigate, for example, some of the risk arising from a poor decision by requiring the team to present their solution to the leader before implementation of their preferred solution.
- **The manager/leader allows the team the freedom to identify the problem, develop the options, and decide on the action.** The second level of delegation, constrained only by the level of responsibility delegated to the manager/ leader, this is the ultimate level of freedom for the team. The team is given full responsibility for identifying and analysing the issue, developing, assessing and evaluating options, before deciding on and implementing their preferred course of action. The manager/leader supports both the decision of the

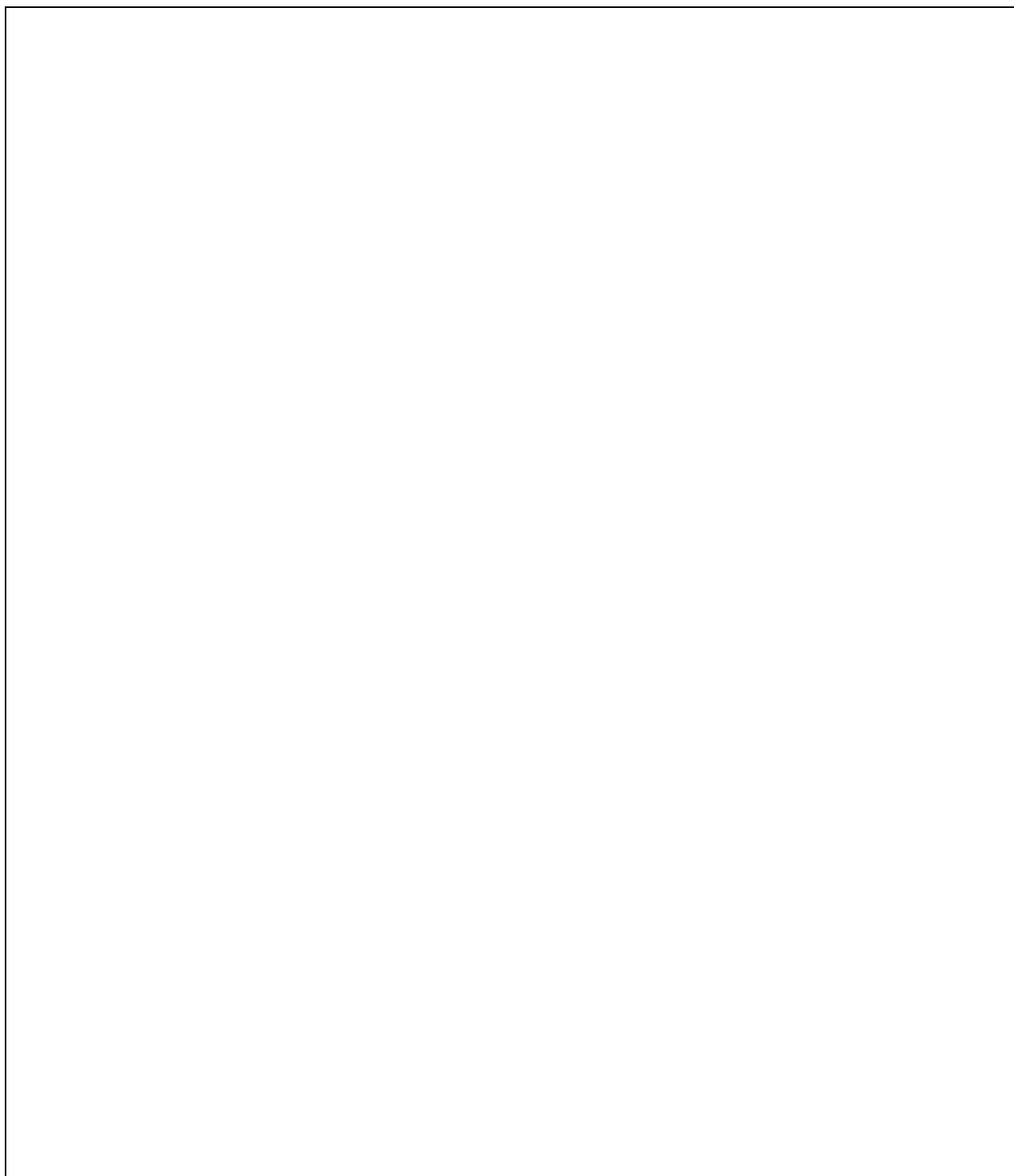
team and implementation of the solution and is accountable for the outcome. Highly motivating for the team, Tannenbaum and Schmidt saw this level of freedom extending only to the most competent and capable of teams.

Tannenbaum and Schmidt's Leadership Continuum

Autocratic							Democratic
Leader-centred approach				Team-centred approach			
Leader announces decision	Leader explains decision	Leader invites questions	Leader proposes solution	Leader invites solutions	Team proposes decision	Team decides	
Tell	Sell	Consult			Delegate		

Criticism of Tannenbaum and Schmidt's Leadership Continuum includes its lack of objectivity and clarity in suggesting when to use each of the management/leadership styles. The main advantage of this theory is that it defines a range of choices for levels of involvement.

Activity: Review the management theories examined earlier. Identify the main tenets of each that you agree with and those that you do not. Identify how these elements drive the way you behave as a manager.



You will discover from this activity that you will have developed your own approach to management that is based on your values and beliefs. Possible stemming right back to treatment you have experienced through childhood and more recently. For example, if you were suppressed by an autocratic manager in your early career you may have found that fuelled management behaviours from you that ensure that people are not suppressed. Equally you may have read articles or theory that includes ideas that strike a chord and have stuck with you as a guiding principle and are evident in your behaviour at work.

The Significance of Beliefs, Attitudes and Value Systems in Shaping Human Behaviour

We examined earlier in the Workbook how emotions, attitudes, values and beliefs affect rational discourse. In a similar vein, we will now consider the significance of beliefs, attitudes and value systems in shaping human behaviour.

Previously we stated that values and beliefs and, by association, attitudes sit right at the root of what drives someone to operate and interact. To help differentiate between values and beliefs ask:

'Is this something I aspire to or that I aim to be like?' This reveals a value.

'Is this something I consider to be true and act accordingly?' This reveals a belief.

Attitudes are personal views – an opinion or general feeling about something (Encarta Dictionary).

People pay attention to what they believe to be important and disregard things they consider to be unimportant. Values are essentially standards and conditions that relate to what you consider important and necessary for you to be content and satisfied. In this respect, values and beliefs act as filters and ultimately drive behaviour.

Activity: Think of a person you know well who has strong values and beliefs. How do their values and beliefs show in their behaviour?

The observations you have made will be peculiar to your own examples. But it is relatively easy to connect values and beliefs to behaviour when the values and belief is strong. For example, someone with strong religious beliefs may resent being asked to work on a specific day because they regard that day as a day of rest. Similarly, someone with a passion for green issues may resent and speak out against energy wastage or emissions at work.

Relationship between Beliefs, Attitudes and Value Systems and Culture and Norms

Culture in simple terms comes down to 'the way we do things here'. In the workplace, culture comprises the norms, customs, protocols, values and beliefs that are dominant in the organisation as well as the management styles, priorities, and beliefs along with the type of interaction and behaviours. This combination creates a climate or context that affects how effectively people work together. For example a 'relaxed culture' might be one where the dominant belief is that people perform better when they are relaxed and comfortable with and in the working environment.

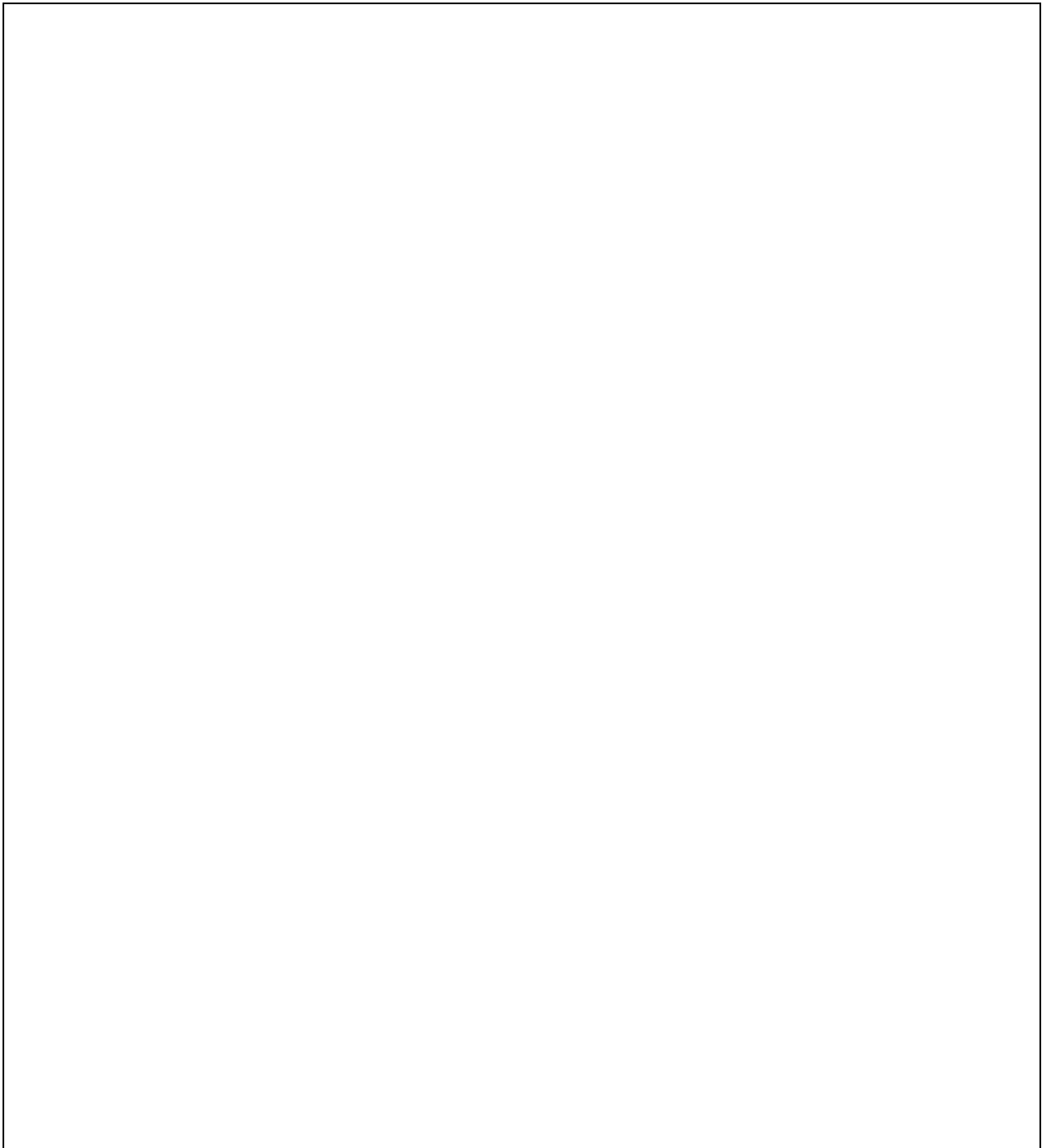
The culture provides a sense of organisational identity and serves to bind individuals together, increasing the levels of commitment and consistency of behaviour. Each company and organisation has an organisational climate or social system that separates it from other organisations. The organisational climate reflects the perception that people have about the organisation.

Activity: What functions are served through organisation culture?

Functions performed by organisational culture include:

- Creating the boundaries for organisational behaviour;
- Providing stability and consistency in people's expectations, ways of working and their interaction;
- Moderation of attitudes and behaviour of employees; and,
- Guiding and controlling employees.

Activity: Set out the values and beliefs that combine to form the organisational culture in your workplace. What behaviours do those values and beliefs engender?



Reality and Perceptions of Reality

'Everything you see or hear or experience in any way at all is specific to you. You create a universe by perceiving it, so everything in the universe you perceive is specific to you.'

Douglas Adams

The above quote endorses the view that people will all see things differently. We all have different experiences, different levels of knowledge, abilities, preferences, likes and dislikes, etc., despite the common ground reflected in the culture of an organisation. These differences cause us to perceive situations and ideas differently, which is not a bad thing necessarily. Indeed, it is diversity and differing perceptions that drive much of the creativity and innovation in organisations.

Just because we see something a particular way not make right or necessarily wrong; our way of seeing something is no more right than someone else's way. Each individual is entitled to their view and a view is always valuable to its owner.

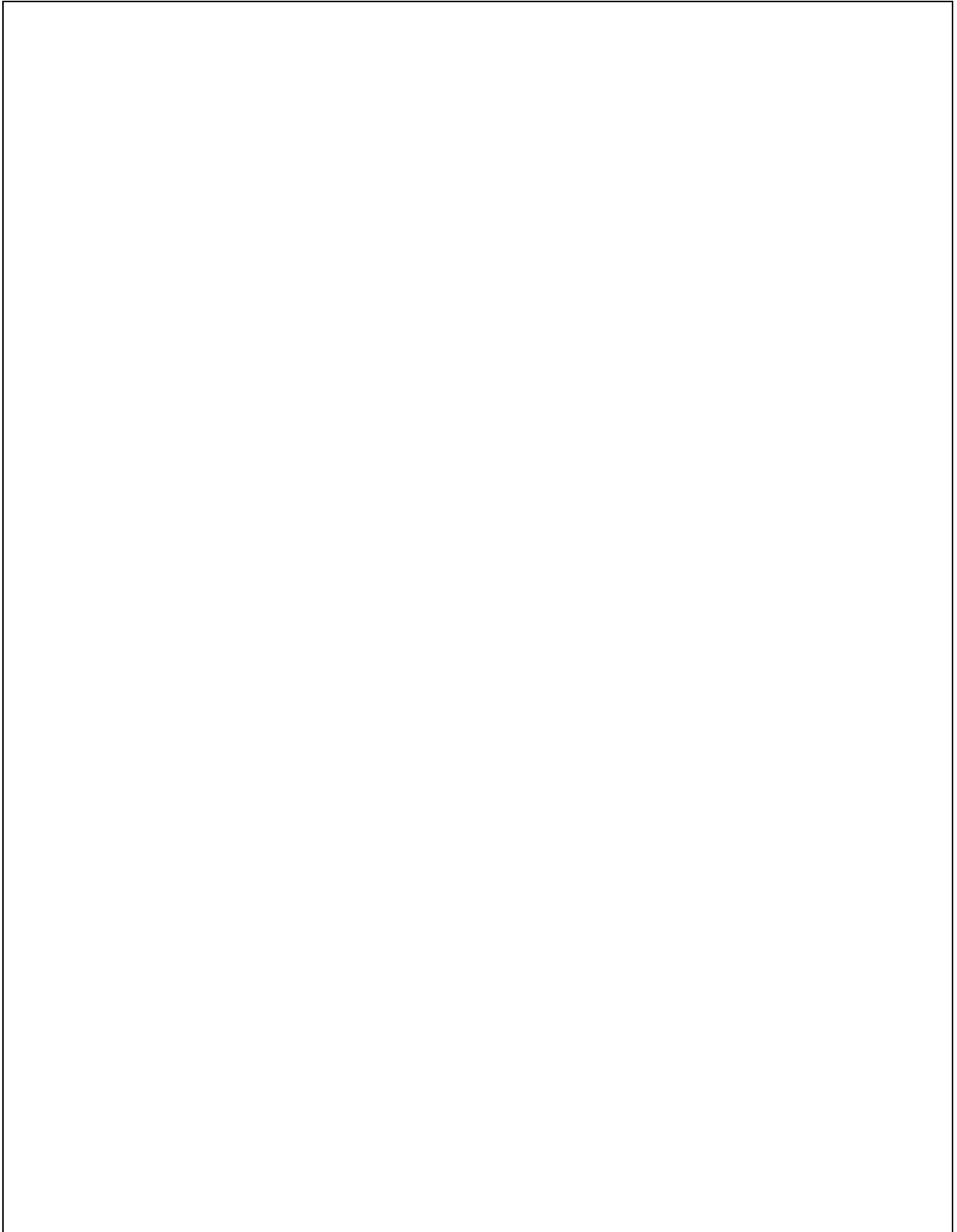
Taking the example of war, there are some people who believe that war is necessary sometimes to get and maintain peace and stability. Others believe that war should never be entered into no matter what; people who take this perspective might be against say a decision by a company they work for to bid for work that supports the weapons industry. Of course neither stance is wrong, the views just represent different perceptions. What is evident is that it is our belief structure that defines what each of sees as appropriate.

Perspective Taking

The essence of perspective taking, as described earlier, is to imagine what a particular person might say in a particular situation. It encourages us (and gives us freedom) to think in the manner that another person might think. For example if you were undertaking a review of a recent major task you might identify a person who, if they had been doing the task, would have done the task to an extremely high standard. Then the next question becomes 'what would you imagine that person (i.e. the person you have just identified) would have said, had they observed the situation, and why?'

The issue of perception and perspective plays out in individuals' acceptance or otherwise of management theories. The theory that a person adopts and applies will be affected by their beliefs, attitudes and values. In reality many people will plunder ideas from numerous different theories to create their own way of managing.

Activity: Revisit the management theories you looked at earlier. Identify 3 people you know well who have different values and beliefs to yourself. Critically review 2 of the theories to evaluate how these people might interpret the theory differently to you.

A large, empty rectangular box with a thin black border, occupying most of the page below the activity instructions. It is intended for the student to write their response to the activity.

Conclusion

There are many dimensions to being, and becoming, an effective leader and manager. Increasing your understanding of management theory and being able to apply critical thinking to the theory enables you to quickly hone your approach to leadership and management. Moreover, your daily management practice will benefit enormously from having good critical thinking skills.

By completing this Unit, you will have learned a lot about what 'makes you tick'. Be prepared to explore and experiment with the different techniques and approaches you have uncovered, and remember that *'to try and fail is at least to learn; to fail to try is to suffer the inestimable loss of what might have been'*. This quote attributed to Chester Barnard, an American industrialist and management theorist, sums up the importance of learning and learning some more.

Bibliography/Further Reading

Author	Title	Publisher
K Popper	<i>Objective Knowledge; An Evolutionary Approach</i>	Oxford: Clarendon Press
D Walton	<i>Informal Logic A Handbook for Critical Argumentation</i>	Cambridge
L Stebbing	<i>A Modern Introduction to Logic</i>	Methuen and Co
S Covey	<i>The 7 Habits of Highly Effective People</i>	Simon and Schuster UK
D Goleman	<i>The New Leaders</i>	Sphere 2007 (previously Harvard Business School Press)
C Handy	<i>Understanding Organisations</i>	Penguin Press
Hersey and Blanchard	<i>Management of Organizational Behavior 3rd Edition – Utilizing Human Resources</i>	New Jersey/Prentice Hall
Tannenbaum and Schmitt	<i>How to choose a leadership pattern</i>	Harvard Business Review, 36, March-April, 95-101
R Templar	<i>The Rules of Management</i>	Pearson/Prentice Hall

Note: Every effort has been made to ensure the accuracy of this workbook. However, no liability can be accepted for misapplication of the content. In particular the legislative elements are subject to frequent change and readers are advised to check the latest legal situation before taking action in the workplace.

We are fully committed to preserving the copyright owners' rights and any 3rd party references are extracted for comment and review in accordance with 'fair rights' use. We obtain all relevant permissions for any exceptional use beyond fair use. Any individual who believes that we may have overlooked the necessary courtesies in use of material is requested to contact us as we would do not wish to have any oversights in our learning resources in relation to rights issues.

[Intentionally Blank]



Ultimate Learning Resources

www.ultimatelearningresources.co.uk

enquiries@ultimatelearningresources.co.uk

01529 304402

