

# SMALL Business Times

Reprinted from *Small Business Times*, May 24, 2002

## Whats' the best management style?

*Why neither the hard-nosed approach nor the soft approach is just right*

By DANIEL SCHROEDER, *For Small Business Times*

**Question: What's your take on why organizations have changed to a "touchy-feely" style of management vs. the older, hard-nosed approach?**

**Answer:** While I agree with the implication in your question that today's prevailing management model is more people-oriented, I'm not sure that the hard-nosed approach is dead and buried. In fact, in my consulting activities, I run across old-school managers every week. So I don't think there is an easy, cut-and-dried answer to the question that you offer. Yesterday's managers weren't all hard-noses. Today's managers aren't all employee-centered. The truth lies somewhere inbetween.

If we step back for a moment, what's interesting is that these two approaches, touchy-feely vs. hard-nosed, have been the focus of management research for decades

In the 1940s, researchers at Ohio State identified two dimensions as central to managerial effectiveness — consideration and structure. The manager high on consideration was considered to be employee-oriented and concerned with esprit de corps and group process. Conversely, the manager high on structure was perceived to be task-oriented and concerned with production.

The 1960s brought Douglas McGregor's Theory X and Theory Y. From McGregor's perspective, Theory X managers saw employees as inherently lazy and unmotivated. In lieu of this, the Theory X manager adopted a style of coercion and control — employees couldn't be trusted so managers could leave nothing to chance. The Theory Y manager represented the converse of the Theory X. Theory Y managers saw their employees as capable and industrious. What they needed to succeed was not a kick-in-the-butt, but rather a work envi-

ronment that promoted individual responsibility.

The 1980s were boom years for management theories and moved beyond the people vs. task orientation of the earlier models. Several are worth noting.

In 1982, Spencer Johnson wrote *The One Minute Manager*. Johnson's One Minute Manager was an efficient, multi-talented leader who set goals, listened, reprimanded, praised, and was task-directed and results-oriented.

Later, Ken Blanchard emerged on the scene and extended the One Minute model to include a situational element in which the most effective manager was the one who possessed the ability to diagnose the style that was necessary by assessing the maturity (i.e., skill level) of his/her subordinates.

The 1980s also brought us the total-quality-management (TQM) movement that had its roots in work undertaken by theorists such as W. Edwards Deming. At the same time, the Japanese school of management came into vogue through books such as Ouchi's Theory Z. At the foundation of this perspective was the idea that by involving employees at the grass-roots level and by pursuing improvements in quality, long-term gains in productivity were possible. The effective manager within this system was the one who perpetually monitored performance looking for answers to the question, "What went wrong and why?"

The management models that have emerged over the past decade have emphasized innovation and coordination across the organization. Books such as *Reengineering the Corporation* by Michael Hammer and James Champy, *Project Management* by Harold Kerzner, and *The Fifth Discipline* by Peter Senge are representative of the latest thinking about what the effective manager does or does not do. Systems thinking, a strategic perspective, and effective resource utilization are central to these frameworks.

So, where does that leave us on the question of touchy-feely vs. hard-nosed? From where I sit, what is apparent is that we have become more sophisticated in the way that we approach management. Management is now a discipline unto itself. Colleges and universities offer management-related degree programs. Management training has become a cottage industry. Managers are certified

through a plethora of institutes and associations.

All of this is in keeping with living in a technology-driven, information age. Americans, in general, are better educated today than we were fifty years ago. One in four working adults possesses a college degree. Our workforce has also become more mobile and self-sufficient. Today's employee believes that Employment Rule No. 1 is, "Everyone for himself/herself."

Put simply, today's employees expect more of their workplaces and the managers for whom they work. They feel that they don't have to "take it" from a boss who is insensitive and rude. They can go elsewhere. They can take their marketable skills and sell them to some other employer who will value what they bring to the table.

The savvy manager, therefore, is the one who recognizes the trends that are emerging and seeks to broaden his/her managerial repertoire. Today's effective manager possesses skills that cut across the strategic, interpersonal, and technical/subject matter domains. He/she knows where and when to "get cozy" and when to "turn up the heat." He/she recognizes the futility of employing a "one size fits all" approach. By the same token, organizations that study the current business environment are committed to management development and formal succession planning. They spend time and resources investing in ongoing learning and skill building for aspiring and incumbent supervisors and managers.

Has the hard-nosed school been overrun by the touchy-feely school? No, I don't think so — at least not in the sense of an

abrupt switch. In my opinion, what has happened is that the hard-nosed school has evolved. We know that punitive consequences sometimes must be delivered. We also know that they can be overdone and that a constant dose of browbeating will turn off even the most resilient employee. We have learned, too, that permissive managing, like permissive parenting, leads to unruly behavior.

So, which way is best?

The hard-nosed style? No, employees will rebel against a heavy-handed approach.

The touchy-feely style? No, employees will tire of a steady diet of sunshine and sugar.

In the final analysis, a principled approach to management is the prescription for success in the workplace of the 21st century. Respect. Genuineness. Involvement. Fairness. Constructive challenge. These are the foundation for managerial success today.



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