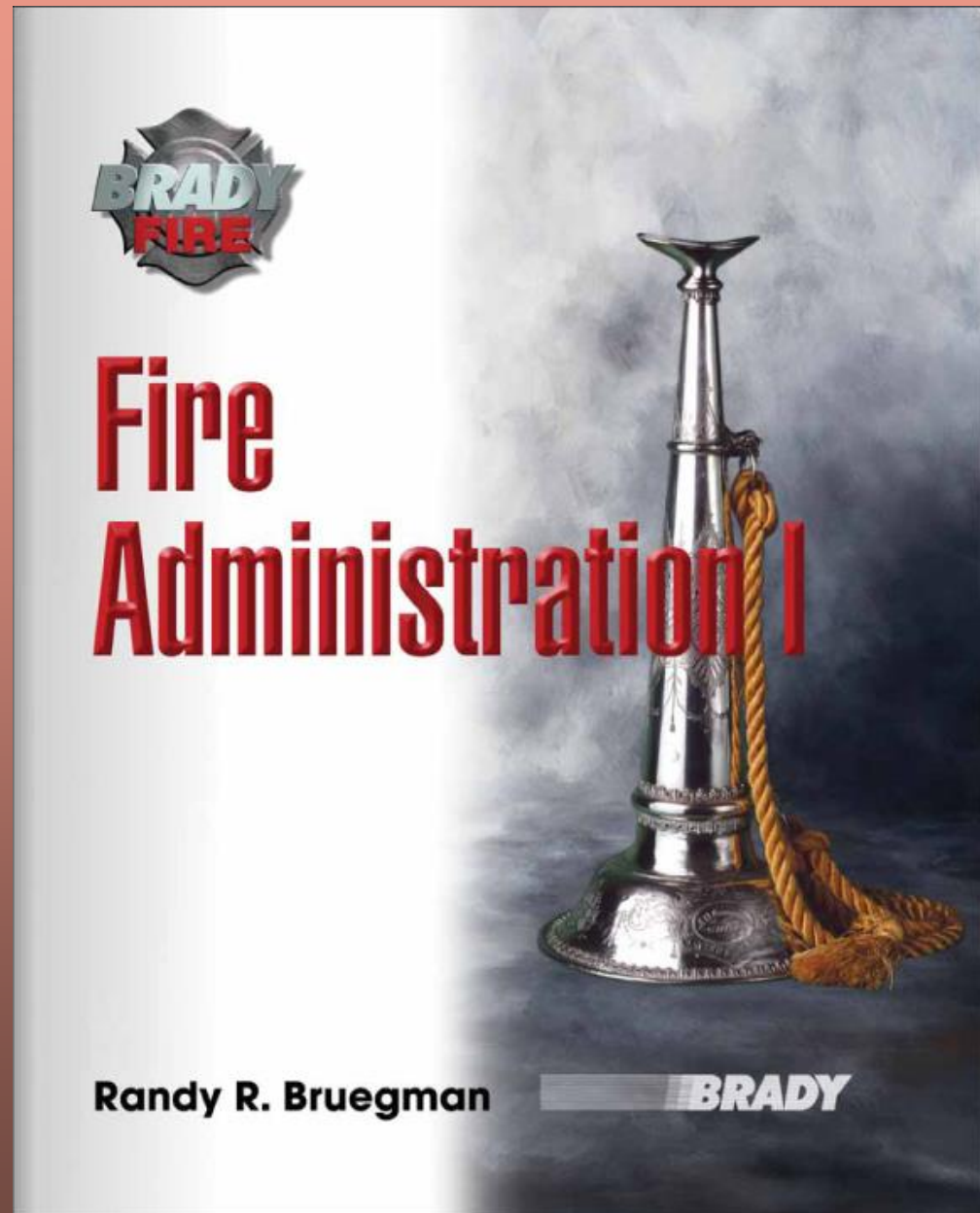# Fire Administration I

Randy R. Bruegman

Chapter 3
Principles of Leadership and Management

Learning Objectives

- Describe the history of management theories
- Explain the differences found between leading and managing
- Explain concepts found in the managerial grid and how they impact organizations and the people in them

Learning Objectives

- Explain modern management theories such as Theory X, Theory Y, Theory Z, Maslow's Hierarchy, Motivation-Hygiene Model and others

- Explain the influence that quality improvement and management by objective have had on modern organizations

Introduction to Leadership and Management

- Terms often used interchangeably
  - Concepts are quite different
  - People follow leaders because they want to
  - Leaders have informal power
  - Managers rely on formal authority

Introduction to Leadership and Management

- Management
  - Decides what needs to be done
  - Creates networks to accomplish an agenda
  - Focuses on months to years time frames
  - Focuses on details
  - Focuses on eliminating risk

Introduction to Leadership and Management

- Management
  - Focuses on specialization and getting the right people in the right jobs
  - Focuses on compliance
  - Focuses on containment, control, predictability
  - Creates orderly results to maintain efficient operations

Introduction to Leadership and Management

- Leadership
  - Decides what needs to be done
  - Creates networks to accomplish an agenda
  - Aligns people to new direction and inspires action
  - Focuses on longer time frames
  - Focuses on strategies that take calculated risks

Introduction to Leadership and Management

- Leadership
  - Focuses on people's values
  - Focuses on integration and getting the group lined up in the right direction
  - Focuses on commitment
  - Focuses on empowerment, expansion and occasional surprises to energize
  - Can produce useful change

Introduction to Leadership and Management

- Differences create potential for conflict
  - Strong leadership
    - Can disrupt an orderly planning system
    - Can undermine the management hierarchy
  - Strong management
    - Can discourage risk taking and enthusiasm needed for leadership
  - Both roles are needed

Early Thinking about Management

- Large numbers of people have worked together throughout history

- Large factories of the industrial revolution put workforce in one location

- Created the need to study and understand leadership and management

Early Thinking about Management

- Factories created many challenges
  - Structure
  - Management
  - Longer distances
- Created basic framework for research and managerial processes used today

Why Study Management Theory

- Theory
  - Perspectives by which people make sense of their world experiences
  - Coherent group of assumptions to explain relationships between observable facts
- Theories have boundaries

Pre-Classicists of Management

- Robert Owen (1771 – 1858)
  - Entrepreneur and social reformer
  - Cotton mill owner in Scotland
  - Had 400 – 500 child employees
  - Active in improving living conditions
  - Believed that character was a product of circumstances, environment, education

Pre-Classicists of Management

- Charles Babbage (1792 – 1871)
  - English mathematician
  - "Father of the modern computer"
  - Interested in work specialization or degree it could be divided into parts
  - Developed modern profit-sharing plan with bonuses for useful suggestions

Classical School of Management

- Introduction
  - Wanted to improve management effectiveness
  - Focus is on efficiency
    - Bureaucratic
    - Scientific
    - Administrative

Classical School of Management

Bureaucracy

TABLE 3.1 ◆ Bureaucracy

bureau, office; see bureau + =cratie, rule (from Old French; see -cracy)

Bureaucracy defined:

- Administration of a government chiefly through bureaus or departments staffed with non-elected officials.

- The departments and their officials as a group: promised to reorganize the federal bureaucracy.

- Management or administration marked by hierarchical authority among numerous offices and by fixed procedures.

- The administrative structure of a large or complex organization: a mid-level manager in a corporate bureaucracy.

- An administrative system in which the need or inclination to follow rigid or complex procedures impedes effective action: innovative ideas that get bogged down in red tape and bureaucracy.

Classical School of Management

- Bureaucratic Management
  - Max Weber
    - (1864 – 1920)
    - Father of Modern Sociology
    - Most logical and rational structure for large organizations

Classical School of Management

- Bureaucratic Management
  - Characteristics of Bureaucracies
  - Dysfunctional Aspects of Bureaucracies

Classical School of Management

- Bureaucratic Management
  - Robert Merton (1910 – 2003)
    - American sociologist
    - Emphasized red-tape and efficiency aspects
    - Rules become internalized
    - "Goal displacement" occurs

Classical School of Management

- Scientific Management
  - Frederick Taylor (1856 – 1916)
    - Systematically analyzed human behavior at work
    - Soldiering analysis
    - Pig iron experiment
    - Science of shoveling

Classical School of Management

- Scientific Management
  - Basic framework
  - Key results of the movement
  - Taylor's Principles
  - Drawbacks

Classical School of Management

- Scientific Management
  - Frank Gilbreth (1868 – 1924)
    - Father of Time and Motion Studies
  - Lillian Gilbreth (1878 – 1972)
    - Psychologist

Classical School of Management

- Scientific Management

  – The Gilbreths

    - Used cameras and timing devices

    - Cyclographs and chronocycle graphs

    - Motion study

    - Time study

    - One best way to perform a task

Classical School of Management

- Scientific Management
  - Henry Gantt (1861 – 1919)
    - Mechanical engineer
    - Developed the Gantt Chart
    - Reward good work
    - Pay incentives

Classical School of Management

- Scientific Management

  – Charles Bedaux (1861 – 1943)

  - Work measurement

  - "Speed and effort" rating system

Classical School of Management

- Scientific Management
  - Production Assembly Line
    - Streamline production
    - Henry Ford decreased assembly time from 728 minutes to 93 minutes per car
    - Huge gains in productivity

Classical School of Management

- Administrative Management
  - Henri Fayol (1841 – 1925)
    - Father of Modern Management
    - Management theories could be developed and taught to others
    - 14 Principles of Management

Classical School of Management

- Administrative Management
  - Chester Barnard (1886 – 1961)
  - Strategic planning
    - Formulating plans or strategies to pursue major objectives
  - Acceptance theory of authority
    - Managers have as much authority as employees allow them to have

The Behavioral Movement

- Classical theory ignored employee motivation and behavior

- Classical approach did not achieve production efficiency or workplace harmony

- Managers needed help with the "people side" of their organizations

The Behavioral Movement

- Mary Parker Follett (1868 – 1933)
    - Social anthropologist
    - Pioneer in integrative negotiation
    - Human resource management contributions

The Behavioral Movement

"Unity, not uniformity, must be our aim. We attain unity only through variety. Differences must be integrated, not annihilated, not absorbed"

Mary Parker Follett

The Behavioral Movement

- Hawthorne Effect
  - Studies conducted from 1924 to 1933
  - Hawthorne Plant of Western Electric Co.
  - Demonstrated the important influence of human factors on worker production
  - Bias that occurs when people know they are being studied

The Behavioral Movement

- Hawthorne Effect
- Four phases of the studies
    - Relay assembly test room
        - Illumination experiment
    - Relay assembly group experiments
    - Interviewing program
    - Bank wiring group studies

The Behavioral Movement

- Herbert Simon (1916 – 2001)
  - Death knell for classical management theory
    - Perform in arena of bounded rationality
    - Approach must be satisficing which accepts satisfactory rather than optimum decisions
    - Satisficing adapts for realistic solutions for limited time and resources

Human Relations Management

- Introduction

  – Describes the interaction between managers and employees

  – Attempted to discover the social and psychological factors to create effective human relations
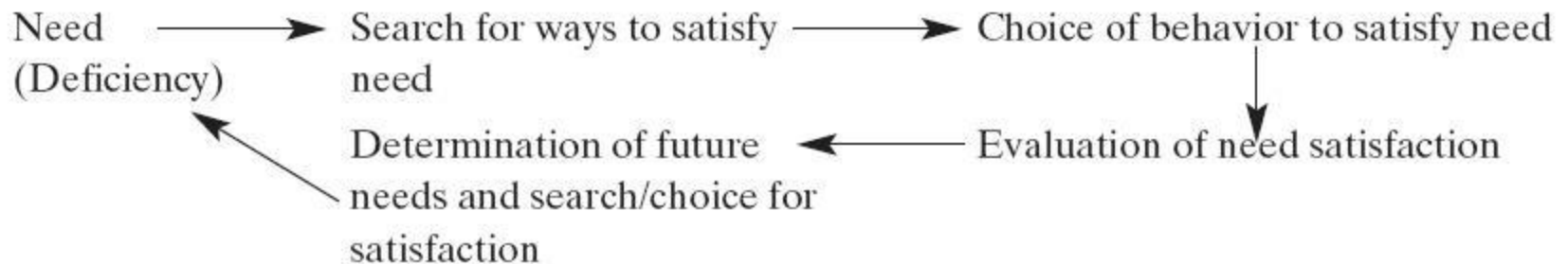
Human Relations Management

- Motivation
  - From Latin *movere* – "to move"
  - Anything causing a person to change behavior
  - Motive is an incentive to act
  - Need to convince workers to improve behavior and productivity

Human Relations Management

The Motivational Framework

TABLE 3.2 ◆ The Motivational Framework

Need (Deficiency) → Search for ways to satisfy need → Choice of behavior to satisfy need

Determination of future needs and search/choice for satisfaction ← Evaluation of need satisfaction
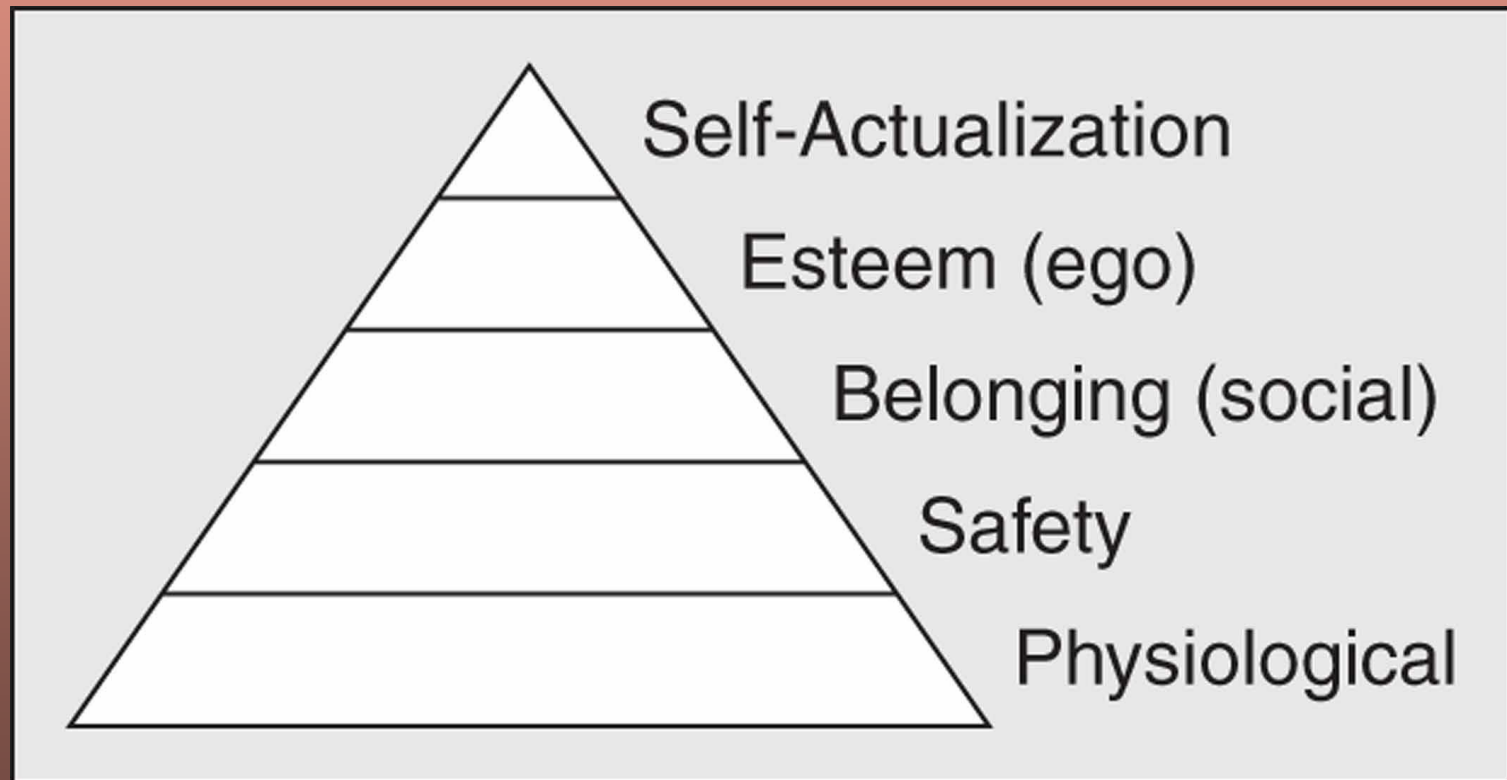
Human Relations Management

- Abraham H. Maslow (1908 – 1970)
  - Needs Hierarchy Model
    - Five levels of needs
    - Satisfy lower level needs before upper level needs
    - Top three levels are biggest leadership challenge
    - Employees move up and down the pyramid
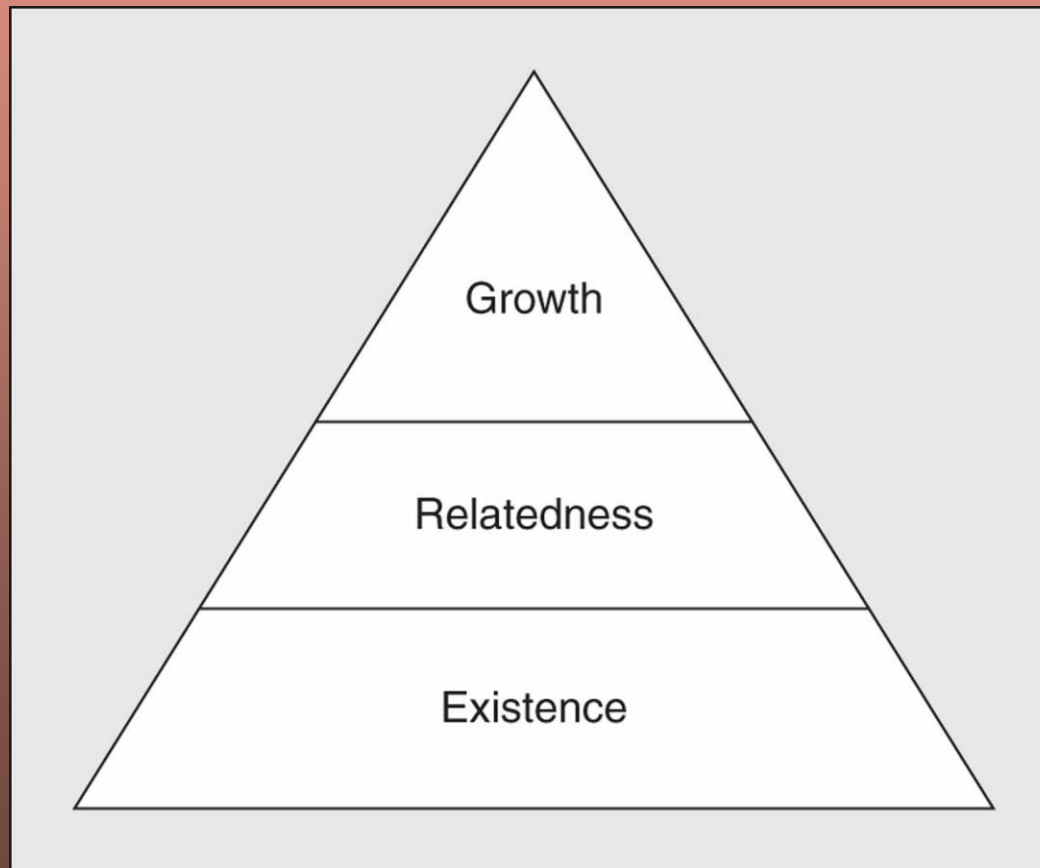
Human Relations Management

Maslow's Pyramid

Self-Actualization

Esteem (ego)

Belonging (social)

Safety

Physiological

Human Relations Management

- Three Levels of Need
  - Reduced Maslow's five levels to three
  - Also called the "ERG" model
  - People often on two or more levels simultaneously
  - Shift quickly from one to another

Human Relations Management

Three Levels of Need

Growth

Relatedness

Existence

Human Relations Management

- Fire Department Application
  - Promoting safety and training provides security under "existence"
  - Diffusing authority and using group skills provides social "relatedness" needs
  - Vested interest in achieving results provides "growth" and self-actualization

Human Relations Management

- • Fire Department Applications
  - – Behavior can be affected by rewards
    - • Extrinsic – working conditions, commendations, promotions given by the department
    - • Intrinsic – sense of worth and accomplishment given by oneself

Human Relations Management

- Douglas McGregor (1906 – 1964)
    - Theory X and Theory Y
    - Grouped Maslow's hierarchy into "lower order" (X) and "higher order" (Y)
    - Suggested either could motivate employees
    - Captured core of how people treat each other in workplace

Human Relations Management

- Theory X
  - Average person prefers to be directed, has little ambition, dislikes responsibilities, and desires security above all else
  - Authoritarian style based on threat of punishment
  - Must control and threaten people to get them to work

Human Relations Management

- Theory Y
  - Assumes people are ambitious, self-motivated, anxious to accept responsibility, exercise self-control and self-direction
  - Remove barriers so workers can fully actualize their potential
  - Work is play that offers satisfaction

Human Relations Management

- William Ouchi (1943 -)
  - Theory Z (Japanese management style)
    - Large amount of freedom and trust in workers
    - Assumes worker loyalty and interest in team work and the organization
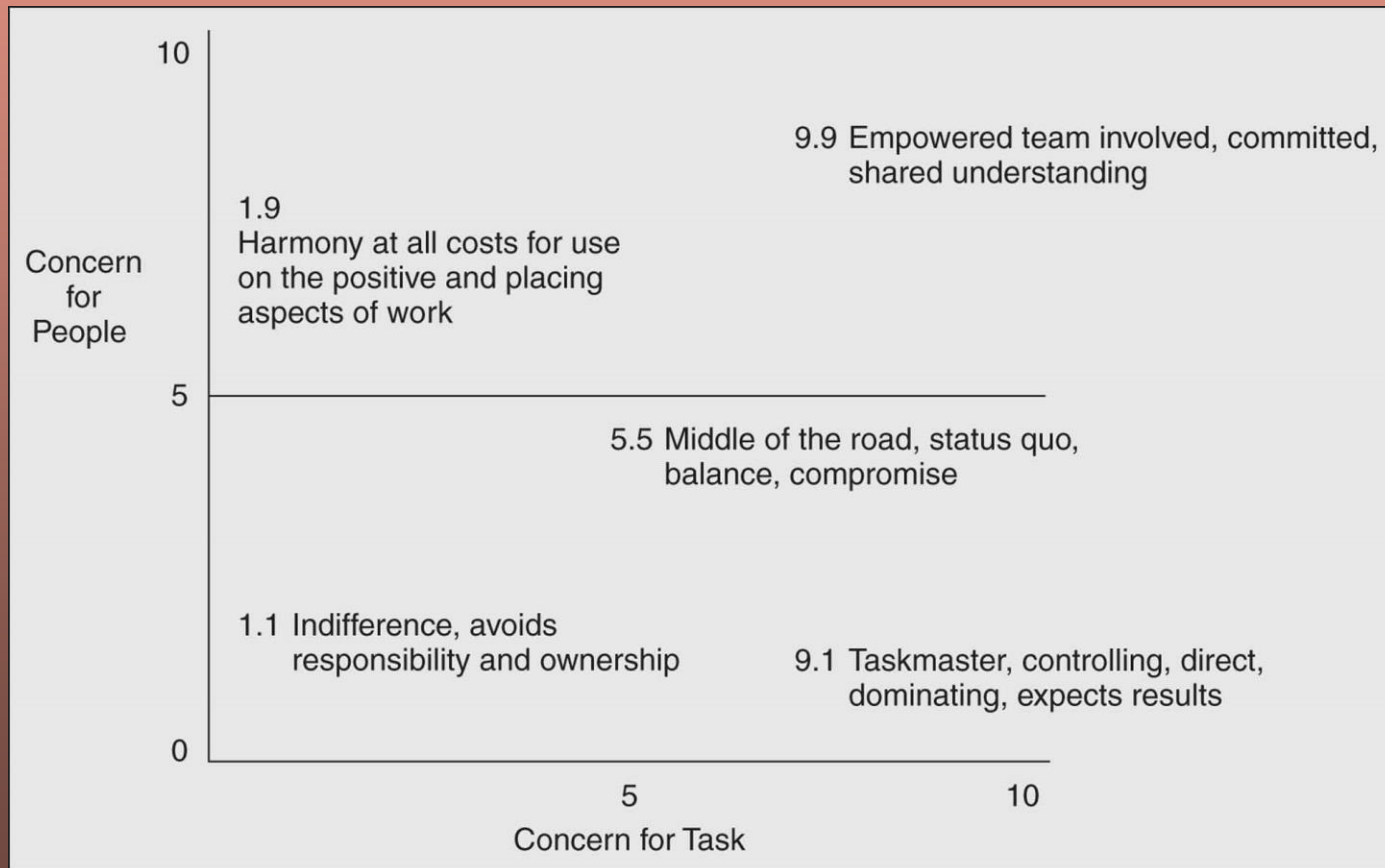   - Places more reliance on attitude and responsibility of workers

Human Relations Management

- Managerial/Leadership Grid
  - Published by Robert R. Blake and Jane S. Mouton in 1964
  - Illustrates the concern for people and the concern for production
  - Compares nine intersections between production and human relationships

Human Relations Management

Managerial/Leadership Grid

Concern for People

10

5

0

1.9 Harmony at all costs for use on the positive and placing aspects of work

9.9 Empowered team involved, committed, shared understanding

5.5 Middle of the road, status quo, balance, compromise

1.1 Indifference, avoids responsibility and ownership

9.1 Taskmaster, controlling, direct, dominating, expects results

5   10

Concern for Task

Human Relations Management

- E. Wright Bakke (1932 – 1971)
  – Conflicts between individual and organizational demands
  – "Fusion process"
    - Goals and aspirations of both are modified over time

Human Relations Management

- Frederick Herzberg (1923 – 2000)
  - Motivation-Hygiene Model
    - Motivators cause job satisfaction
      - Satisfiers
    - Hygiene factors cause job dissatisfaction
      - Dissatisfiers

Human Relations Management

Factors Affecting Job Attitudes

TABLE 3.4 ◆ Factors Affecting Job Attitudes	
Leading to Dissatisfaction	*Leading to Satisfaction*
Company policy	Achievement
Supervision	Recognition
Relationship with boss	Work itself
Work conditions	Responsibility
Salary	Advancement
Relationship with peers	Growth

Human Relations Management

- Motivation-Hygiene Model
    - Job should challenge the employee
    - Give more responsibility as appropriate
    - If a job does not use full ability of employee, automate it or replace with lower skill level employee

Human Relations Management

- Motivation-Hygiene Model
    - Natural to take credit for satisfaction and blame dissatisfaction on external factors
    - Job satisfaction does not indicate a high level of motivation or productivity
    - True motivation comes from within the person and not external factors

Human Relations Management

- David C. McClelland (1917 – 1998)
  - Internal drivers, or social motives
    - Achievement
    - Affiliation
    - Power
      - Personalized
      - Socialized

Human Relations Management

- David C. McClelland

- Charismatic leaders motivated by socialized power

  - Personalized power often associated with exploitation of subordinates

  - Effective leaders are motivated by socialized power and helping others succeed

Human Resources Theory

- Behavioral approach did not always increase productivity
- Employees want
  - Meaningful work
  - To contribute
  - To participate in decision-making and leadership functions

Integrating the Management Theories

- Systems Theory
    - Integrates management theories
    - Systems analysis and quantitative approaches
    - Traditional organizational chart is confining
    - Emphasizes dynamic and interrelated nature of organizations

Integrating the Management Theories

- Contingency View

- Also called the situational approach

  – Questions universal management practices

  – Advocates using traditional, behavioral, or system viewpoints independently or in combination

Integrating the Management Theories

- Contingency View
  - Managerial behavior dependent upon situation
  - Must identify the best technique to achieve goals
  - Portrays each set of relationships in its unique circumstances
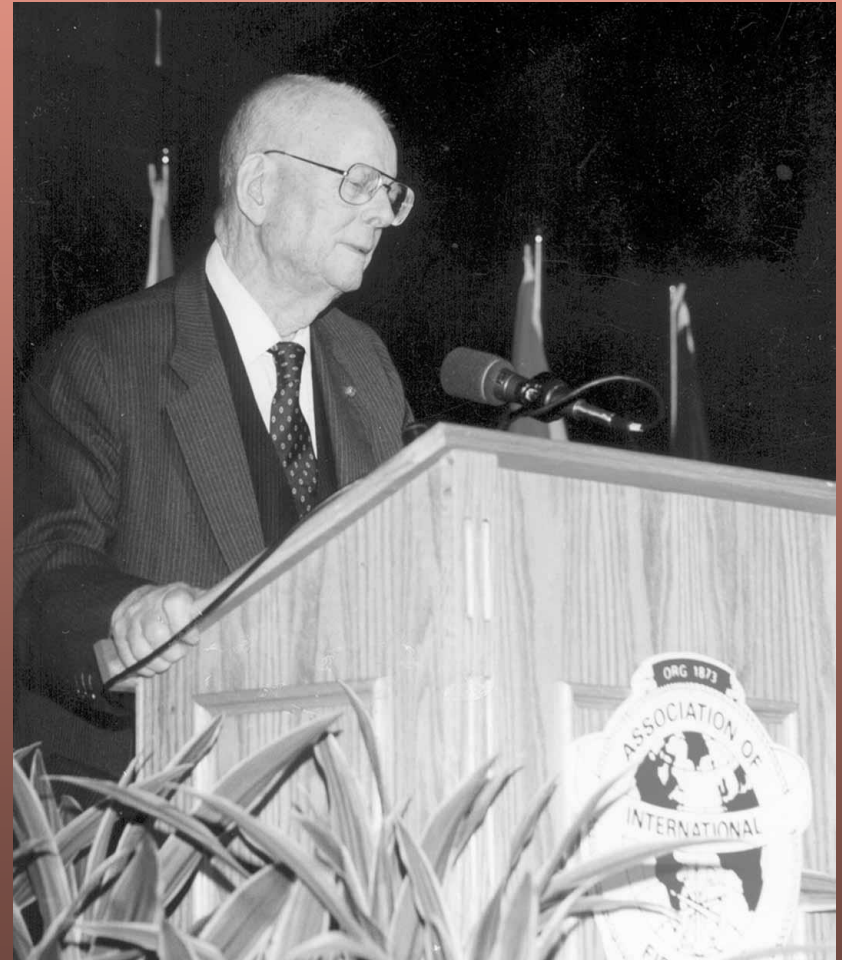
Emerging Management Trends

- Introduction
  - Many new theories since 1900
  - Often overlapped or contradicted previous theories
  - Several paradigms have emerged since the behavioral school

Emerging Management Trends

- W. Edwards Deming
  - (1900 – 1993)
  - Total Quality Leadership

Emerging Management Trends

- W. Edwards Deming
  - Visited Japan in 1950
    - Use sampling methods to test for quality control
    - Lower production costs by quality improvement
  - Father of Japanese post-war industrial revival

Emerging Management Trends

- W. Edwards Deming
  - Deming Prize Medal
   - Awarded for stringent quality-performance criteria

Emerging Management Trends

- Total Quality Leadership
  - Based on Deming's system of profound knowledge
  - Any quality program should better meet the needs of customers by continually improving processes at all levels
  - Requires cooperation and coordination at all levels

Emerging Management Trends

Dr. Deming's System of Profound Knowledge
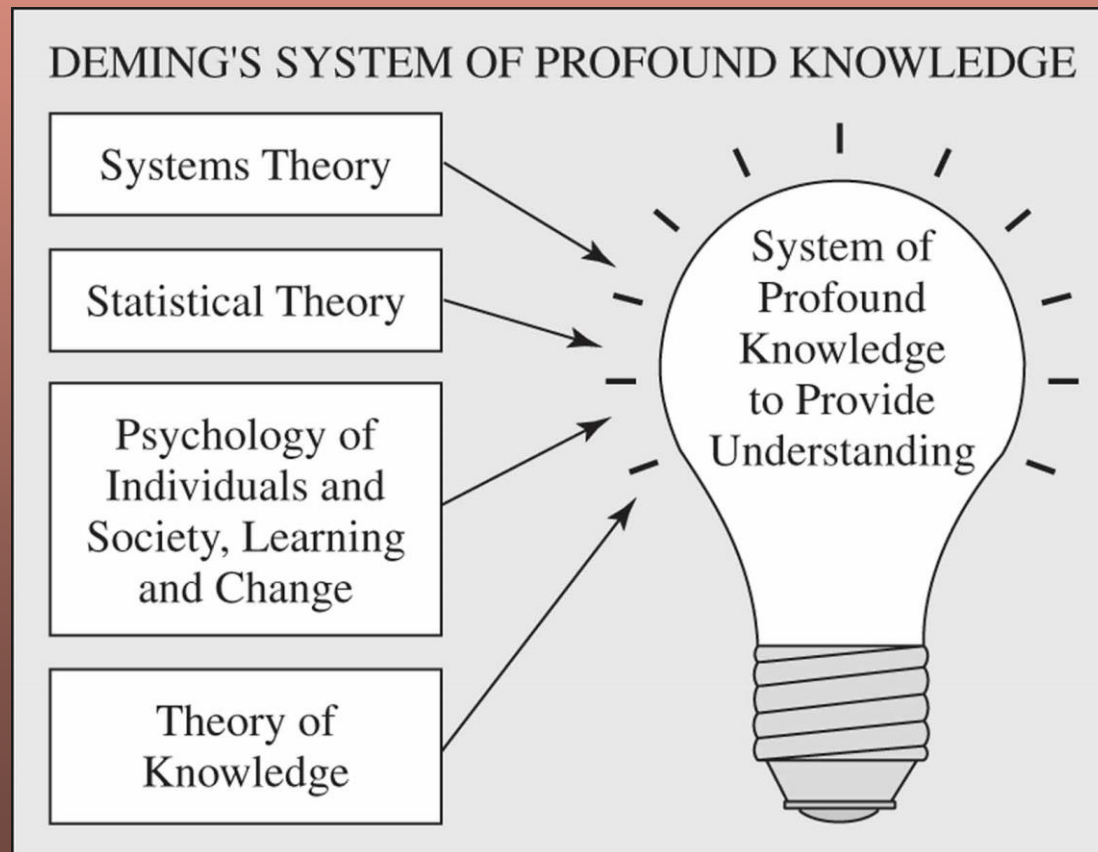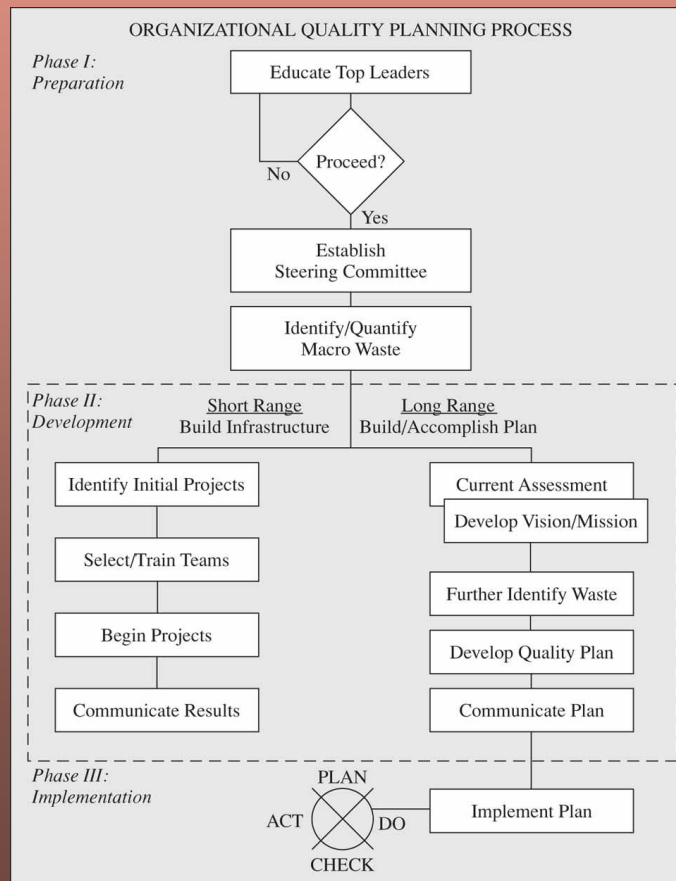
Emerging Management Trends

- Organizational Quality Planning Process
  - Process improvement includes
    - Take a "picture of the process"
    - Analyze the "picture"
    - Make improvements and monitor results
  - Deming's philosophy is his "14 Points"

Emerging Management Trends

Organizational Quality Planning Process

ORGANIZATIONAL QUALITY PLANNING PROCESS

Phase I: Preparation

Educate Top Leaders

Proceed? — No / Yes

Establish Steering Committee

Identify/Quantify Macro Waste

Phase II: Development

Short Range
Build Infrastructure

Identify Initial Projects

Select/Train Teams

Begin Projects

Communicate Results

Long Range
Build/Accomplish Plan

Current Assessment

Develop Vision/Mission

Further Identify Waste

Develop Quality Plan

Communicate Plan

Phase III: Implementation

PLAN — ACT — DO — CHECK

Implement Plan

Emerging Management Trends

Deming's 14 Points of Management

1. Constancy of purpose
2. The new philosophy
3. Cease dependence on mass inspection
4. End lowest tender contracts
5. Improve every process
6. Institute training on the job
7. Institute leadership

Emerging Management Trends

Deming's 14 Points of Management
  8. Drive out fear
  9. Break down barriers
  10. Eliminate exhortations
  11. Eliminate arbitrary numerical targets
  12. Permit pride of workmanship
  13. Encourage education
  14. Top management commitment and management

Emerging Management Trends

Deming's 7 Deadly Diseases (Obstacles)

1. Lack of constancy of purpose

2. Emphasis on short-term profits

3. Evaluations of performance, merit ratings, or annual reviews

4. Mobility of management and job hopping

Emerging Management Trends

Deming's 7 Deadly Diseases (Obstacles)

5. Management using visible numbers with no consideration of the human aspects of the organization

6. Excessive medical costs

7. Excessive costs of liability and lawyers' fees

Emerging Management Trends

- Peter Drucker (1909 – 2005)
  - Management by Objectives
    - Supervisors and employees agree on goals
    - Requires reliable management information systems to monitor progress
    - More collaborative effort between management and labor

Leadership Changes for the 21ˢᵗ Century

- Warren Bennis
  - Where have all the leaders gone?
  - Why can't the remaining leaders lead?

Leadership Changes for the 21ˢᵗ Century

- Changing Nature of Expectations
  - Move away from authoritarian and towards collaborative leadership styles
  - Must nurture, develop, and directly reward employee's intellectual capital
  - Change is required at all levels

Leadership Changes for the 21ˢᵗ Century

- Leadership
  - Must transform to address opportunities and challenges
    - Brings instability, chaos, and doubt
  - Appears frequently at all levels
  - Practices must migrate to where they do the most good

Leadership Changes for the 21ˢᵗ Century

- Leadership
  - Transformational leadership has resulted in "self-directed" teams
  - Becoming more inclusive to empower employees and customers
  - Mentoring and succession planning are crucial elements

Leadership Changes for the 21ˢᵗ Century

- Leadership
  - Culture makes behavior change difficult
  - New forms have emerged
  - Work must be more significant
  - Still "them vs. us" mentality
  - Greater need for interdependencies

Leadership Changes for the 21ˢᵗ Century

- Building the Bridge to the Future
  - Many organizations caught between past and future
  - Present may look like the past
  - Control shifts are seen as threats to stability and harmony

Leadership Changes for the 21ˢᵗ Century

- In Search of Successful Transformations
  - Articulate hopes and expectations
  - Realize need to replace old systems
  - Consider needs of the individual
  - Made change worthwhile
  - Provide necessary education
  - Demonstrate courage to stay on course

Management Challenges for the 21ˢᵗ Century

- Introduction
  - Peter Drucker's **_Management Challenges for the 21ˢᵗ Century_**
  - Difference between a natural science and social discipline
  - Old assumptions may become invalid

Management Challenges for the 21ˢᵗ Century

- Old Assumptions for the Discipline of Management

  - Management is business management

  - There is, or must be, one right organization structure

  - There is, or must be, one right way to manage people

Management Challenges for the 21ˢᵗ Century

- Old Assumptions for the Practice of Management
  - Technologies, markets, end-users are given
  - Management's scope is legally defined
  - Management is internally focused
  - Economy as defined by national boundaries is "ecology" of enterprise and management

Management Challenges for the 21ˢᵗ Century

Eight New Management Assumptions

1. Management is not only for profit-making businesses

2. There is not only one right organization

3. There is not one right way to manage people

4. Technologies and end-users are not fixed and given

Management Challenges for the 21ˢᵗ Century

Eight New Management Assumptions

5. Management's scope is not only legally defined

6. Management's scope is not only politically defined

7. The inside is not the only management domain

Management Challenges for the 21ˢᵗ Century

Eight New Management Assumptions

8. Management's concern and responsibility are everything that affects the performance of the institution and its results

Management Challenges for the 21ˢᵗ Century

- Manual-Worker Productivity Factors
  - Common in manufacturing in the 20ᵗʰ century
  - Taylor research revolutionize efficiency
  - Productivity increased nearly fifty-fold

Management Challenges for the 21st Century

- Knowledge-Worker Productivity Factors
  - Asks "What is the task?"
  - Have to manage themselves and have autonomy
  - Continuing innovations have to be part of the work, task, and responsibility

Management Challenges for the 21ˢᵗ Century

- Knowledge-Worker Productivity Factors
  - Requires continuous learning and teaching by the worker
  - Productivity is not primarily a matter of quantity output
  - Must be treated as "assets" rather than "costs"