Management
in Extension

THIRD EDITION

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Dedication

"Hitch your wagon to a star."

Ralph Waldo Emerson, 1803–1882
American essayist and poet
Civilization

Agents and specialists are the "stars" in Extension. Management is successful when it creates an environment that facilitates their work. This book is dedicated to the following individuals, stars in their own right, representing all our coworkers with pride in their work and joy in their hearts.

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Part One

Understanding Management

For both students and practitioners, the analysis of knowledge in any subject depends on a logical and clear presentation of that knowledge. The analysis of concepts, theories, and techniques of management is no different. The purpose of Part I is to provide this necessary frame of reference.

Chapter 1 introduces you to the world of professional management. The functions of management are identified and the various levels of the management pyramid are examined. Because it is difficult to understand contemporary management theory and practice without an appreciation for its historical heritage, Chapter 2 focuses on the major movements in the evolution of management thought. Chapter 3 focuses on managerial ethics, social responsibility, and diversity.

1. An Overview of Management

At one time, the world of work was largely composed of individuals working alone, rather than groups of people working together. Farmers produced food for themselves and their families, and, if they were lucky, had a surplus to sell. Potters, silversmiths, and other craftworkers produced their goods independently. Families who needed homes built them alone or with help from their neighbors. Even government was individualized, consisting of a lord or knight who reigned over a relatively small territory. Sometimes cooperatives were formed to build a road or church, or to confront a common enemy, but these only lasted briefly.

The Need for Organizations and Managers

Individualized work patterns still exist in many developing countries. In developed nations, however, few people continue this pattern. Small farmers and independent carpenters may still work alone, but generally, work is more complex. Goods such as automobiles, television sets, and heating and air-conditioning systems could not be produced efficiently by a single individual. Similarly, services such as providing electrical power for homes and offices, cable TV systems, insurance against accidents, and education both in and out of the classroom can rarely be performed single-handedly. Producing modern goods and services call for the joint efforts of many people. Seldom does one person possess the necessary capital, knowledge, abilities, or resources to "go it alone." Skilled people are needed to coordinate the human and material resources required to accomplish desired goals. These people are managers.

Management and the Task of the Manager

The term management has several definitions depending on the context. The **process** of management means the achievement of desired results through the efficient use of human and material resources. Other terms are often used synonymously. In Extension, the term **administration** describes the activities of higher-level managers, such as the director, associate directors, and heads of service departments. Administrators are involved in policy development and are held accountable for results in terms of costs, methods, and personnel. **Supervision** is about leading and influencing. This term is often appropriate when describing the activities of county and district directors and project leaders.

Management is a body of knowledge that has been accumulated through experience, analyzed and developed through scientific inquiry, and organized into a discipline. This discipline underlies the practice of management, the art and skill of using human, financial, and other resources in combination to gain predetermined objectives. Accordingly, management is an academic area of study. An individual can enroll in a number of undergraduate or graduate programs leading to majors or degrees in management. Such programs are located in university schools of business, public administration, and education.

Management is also a profession. Profession is defined in the *Oxford Universal Dictionary* as, "a vocation in which a professed knowledge of some department of learning is used in its application to the affairs of others, or in the practice of an art founded upon it."[2]

The task of all managers is essentially the same, although writers may express it differently. Koontz, O'Donnell, and Weihrich, in the popular management text *Management*, state that, "… it is the task of the manager to establish and maintain an internal environment in which people working together in groups can accomplish preselected missions and objectives."[3] The complexity of the task and its essentially dynamic quality are described by Peter F. Drucker, a widely respected management consultant: "The manager has a task of creating a true whole that is larger than the sum of its parts, a productive entity that turns out more than the sum of resources put into it."[4] An organization managed by any other philosophy merely rearranges money, people, and things. A properly managed organization creates progress—it transforms its inputs into the satisfaction of human

needs. Within Extension, there is no more important, and arguably no more neglected, area of activity.

The Science and Art of Management

The practice of management is both a science and an art. The scientific practice of management is based on application of the scientific method. The scientific method involves the establishing hypotheses to provide a frame reference within which research may be undertaken, and the collection and analysis of data that either support or discredit relationships. Hypotheses that are not discredited are called "principles." Experience has shown that these principles, while subject to further research and analysis, have considerable value in predicting what is likely to happen under a given set of circumstances.

Because principles are based on systematic relationships, they involve a stated or implied "if-then" formulation. For example, consider the well-known scalar principle, which states that *if* a clear line of authority exists from top management to every subordinate position, *then* coordination and communication will likely be more effective.

The scalar principle is one basis for statements such as: "No subordinate should report to more than a single superior," or, "One must go through channels in getting a message to the top." Neither statement applies in all cases. For example, in matrix departmentalization, subordinates report to several superiors, and there are many situations when a message should get to the top by the fastest means available.

Several points should be made concerning principles. First, if-then relationships hold true under the condition "all other things being equal," which often is not the case. Second, management is a social science and, as such, principles are much less exact than those of the physical sciences. Finally, a principle does not necessarily indicate what a person should do. Principles become prescriptive only when they are applied against a particular set of values.

Because no science exists in which everything is known and all relationships are proved, the art of management is the use of these principles to design a desirable, practical solution to a given problem. Managers must have systematic knowledge; however, this will not assure successful action unless they also know how to use this knowl-

edge. For example, in attempting to solve a practical problem, a manager would normally use applicable principles. Sometimes, however, a manager may need to compromise to achieve a desired result. The cost of compromising or disregarding a particular principle must then be weighed against anticipated outcomes. Accordingly, the art and science of management are not mutually exclusive, but complementary.[5]

Functions of Management

Every manager in Extension is involved with management and non-management activities. An Extension director makes a speech to a commodity group; a district director negotiates for financial support from a county governing body; a project leader reviews an Extension publication. Though these tasks are part of a particular job and must be done well, they are separate and apart from the work of a manager. Managerial work can be isolated and divided into five constituent elements or functions: (1) planning, (2) organizing, (3) staffing and human resource management, (4) leading and influencing, and (5) controlling. How these functions interrelate and comprise the management process is shown in Figure 1-1. These functions, as they will be used in this book, are defined below:

Planning is the process of determining organizational objectives and selecting a course of action for their accomplishment. Planning includes: (1) establishing organizational objectives, (2) developing premises about the environment in which they are to be accomplished, (3) selecting a course of action for accomplishing the objectives, (4) initiating activities necessary to translate plans into action, and (5) evaluating the outcome of that planning.

Organizing is the process by which employees and their jobs relate to each other to accomplish organizational objectives. Organizing consists of dividing work among groups and individuals, and coordinating individual and group activities. Organizing also involves establishing managerial authority.

Staffing and human resource management is the process of assuring that competent employees are selected, developed, and rewarded for accomplishing organizational objectives. Effective staffing and human resource management also includes establishing a work climate in which people are satisfied.

Leading and influencing is the process of inducing individuals (peers, superiors, subordinates, and nonsubordinates) or groups to assist willingly and harmoniously in accomplishing organizational objectives.

Controlling is the process of assuring the efficient accomplishment of organizational objectives. Controlling involves: (1) establishing standards, (2) comparing measured performance against established standards, and (3) reinforcing successes and correcting shortcomings.

Management writers have proposed other lists of management functions. Many Extension administrators have undoubtedly studied the set proposed by Gulick and Urwick—planning, organizing, directing, staffing, coordinating, reporting, and budgeting—widely known by the acronym PODSCORB.[6]

This book discusses these functions from a "school of business" point of view. A valid question is whether the functions and principles of management are basically the same in the public and private sectors. There are, of course, fundamental differences between a public organization (e.g., Extension) and a private business. Extension has a different purpose, different values, different objectives, and makes a different contribution to society. Performance is not measured by profits. Accordingly, it is not implied that Extension Services should be "managed like a business"; clearly they should not. But even recognizing the fundamental differences mentioned above, management and the work of the managers are the same in all settings.[7]

The Management Pyramid

The term management also refers to the people who carry out managerial functions at various managerial levels. There are three distinct but overlapping levels of management in Extension, each having a different emphasis. They are **first-line, middle,** and **top management,** and are shown in Figure 1-2 as levels of a management pyramid. The largest group of managers in Extension are county directors or chairs and project leaders, known collectively as **first-line management.** These people are responsible for managing agents, specialists, program assistants, clerical personnel, and other non-managing staff. The first-level manager's job is to ensure that plans approved at higher levels are carried out. These managers spend most

1

Planning—The process of determining organization objectives and selecting a course of action for their accomplishment.

2

Organizing—The process by which employees and their jobs relate to each other to accomplish organizational objectives.

5

Controlling—The process of assuring the efficient accomplishment of organizational objectives.

3

Staffing and Human Resource Management—The process of assuring that competent employees are selected, developed, and rewarded for accomplishing organizational objectives.

4

Leading and Influencing—The process of inducing individuals or groups to assist willingly and harmoniously in accomplishing organizational objectives.
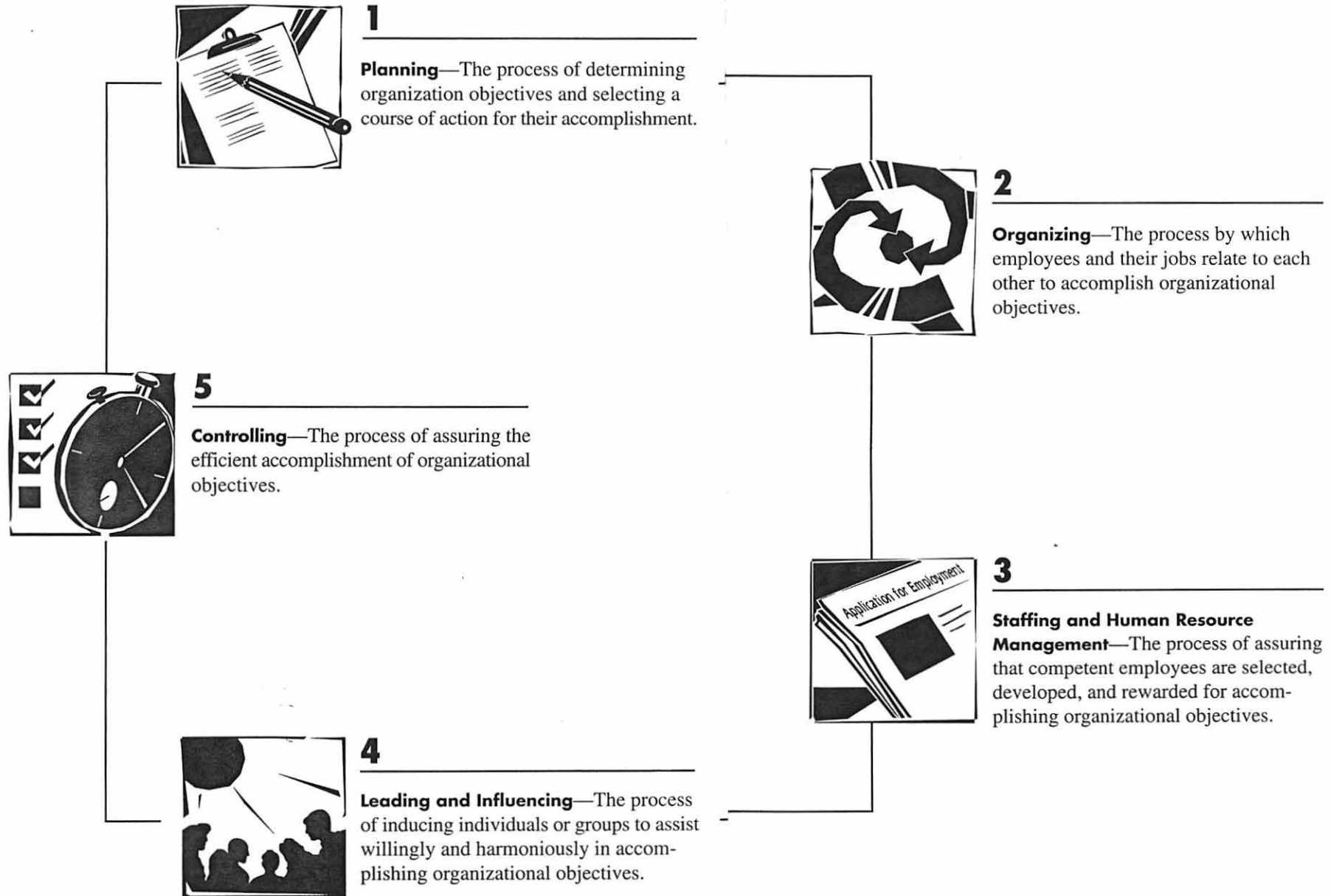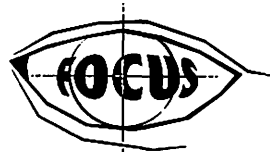
Figure 1-1. The Management Process

Extension Resources

Management takes an organization's available resources and combines and co-ordinates them to attain goals. Nationally, Extension managers are responsible for using a vast amount of human, financial, and physical resources effectively and efficiently.

- The Cooperative Extension System is comprised of Extension Service, United States Department of Agriculture (USDA); the 1862 land-grant universities in 50 states, Puerto Rico, the Virgin Islands, Guam, American Samoa, Micronesia, Northern Marianas, and the District of Columbia, and 16 1890 land-grant universities and Tuskegee University; and more than 3,100 county offices.

- Estimated funding for the total Cooperative Extension System for all sources was $1,393 billion in fiscal year 1993, distributed as follows: federal $410 million; states $643 million; local $269 million; and private contributions of $71 million. Also, over $42 million was allotted for specific projects: Integrated Pest Management, Pesticide Impact Assessment, Food Safety and Quality, Indian Reservation, Youth at Risk, Water Quality, Nutrition Education, Agricultural Telecommunications, and Congressionally earmarked projects.

- The fiscal year 1993 staffing level for the federal partner was 218 full-time equivalents (FTE's). Additionally, in the states approximately 13,675 FTE's were expended for professional Extension agents and specialists in developing and delivering educational programs.

- The state of Texas has the largest Extension Service with a total budget of $72 million and 911 FTE agents and specialists. The Virgin Islands has the smallest Extension Service with a $1.5 million in funding and 0.5 FTE employees.

Source: U.S. Department of Agriculture-Extension Service, February, 1994.

of their time on activities dealing with work scheduling and observing how tasks are being performed. First-level managers are also likely to devote a significant portion of their time to operating (non-managerial) activities.

Middle management is positioned above first-level management and below top management. Typical titles are state leader, assistant director, division chair, and district directors or chairs. Above middle managers, Extension and University administrators establish policies

and approve plans, budgets, and programs. Below middle managers, first-level managers deal with staff members in their day-to-day activities. Middle managers are primarily charged with integrating the activities of different work groups, enabling them to operate harmoniously and cope with the demands made upon them. Middle managers typically spend a great deal of time in meetings and on the telephone, giving, receiving, and seeking information.

Top management determines the form of an Extension Service and defines its overall character. Limited only by University policies and legislative mandates, top management defines Extension's mission and direction. Usually called Extension administration, top management consists of a director, associate directors, and heads of service departments. Top managers perform three basic roles: interpersonal (figurehead, leader, liaison); informational (monitor, disseminator, spokesperson); and decisional (entrepreneur, disturbance handler, resource allocator, negotiator). In a typical week, a director might sign retirement letters, stimulate district directors to seek more lo-
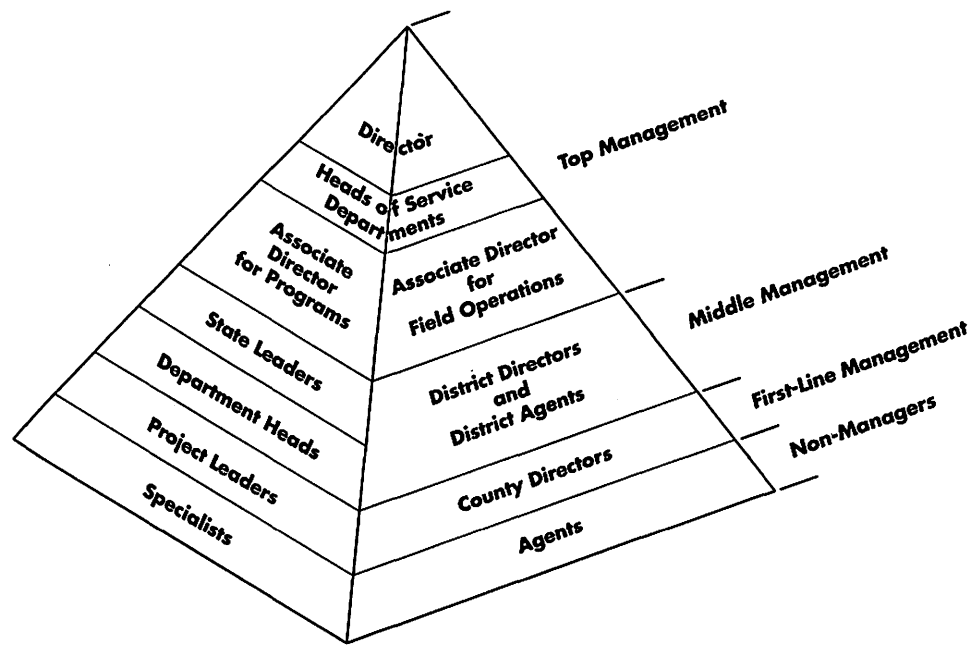

Figure 1-2. A Typical Management Pyramid in Extension

cal funding, and confer with the head of a state agency on a joint endeavor, thus performing the interpersonal role. In performing the informational role, a director might monitor a legislative bill, relay information to staff members, and deliver a speech to a commodity conference. As a decision maker, a director may institute a new staffing policy, hear a dismissal appeal, authorize the purchase of a new computer system, and negotiate with the University business manager for space in a new building.

At this level, managers perform little operating work, except for discretionary activities. For example, a director might author an Extension bulletin in a specialty area, or a head of personnel and staff development might hold a seminar on performance appraisal. Because higher-level management places primary emphasis on the managerial functions, a manager skilled in performance can transfer these skills from one position to another. Though an executive of a major agribusiness firm would be a likely candidate for Extension director, for example, a shop supervisor would not be a likely candidate for a county director.

In Extension, the concept of a management pyramid must be seen in its proper context. In the military, for example, a captain commands a battery, and a lieutenant commands a battalion. In either a command or administrative position, it is clearly "better" to be a lieutenant colonel than a captain. In fact, a career in the military depends on advancement in rank and in the command hierarchy. The same holds true in the business sector.

In some organizations, however, such as a hospital, the management pyramid is quite different. While a hospital administrator occupies the apex of the administrative pyramid, a staff physician would probably have no interest in "advancing" to such a position, nor would he or she view such a position as exercising medical leadership. Physicians would likely be much more concerned with the status hierarchy that exists in their specialty (surgery, internal medicine, obstetrics, etc.).

It is important to remember that Extension is part of the land-grant university system, and its management pyramid functions more like that of a hospital than a military command or corporate organiza-

tion. A dual hierarchy is necessary to develop and advance individuals in their professional fields, rather than forcing them into administrative roles to satisfy their needs for status. In fact, the integrity of the process of creating and transmitting knowledge is so important that it cannot be "managed" in the traditional sense. It is for these reasons that concepts of academic freedom, tenure, and professorial rank have evolved in universities. A management style known as "collegial" (shared authority by colleagues) is appropriate in many situations. The advancement of knowledge through the search for truth and the freedom to communicate information are critical in Extension management.

Summary

The purpose of this chapter has been to introduce the subject of management. Because the intricacies of producing modern goods and services call for the joint efforts of many peoples, managers are needed to coordinate the necessary human and material resources.

The task of the manager is to establish an internal environment in which people working together in groups can accomplish preselected missions and objectives. The practice of management is both a science and an art. While there are accepted "principles" of management, the art of management is the use of these principles to design a desirable, practical solution to a given problem.

The five basic functions of management are: (1) planning, (2) organizing, (3) staffing and human resource management, (4) leading and influencing, and (5) controlling. Taken together, these functions comprise the management process.

The term management also refers to the people who carry out managerial functions at various organizational levels. These people are arranged in a management pyramid. First-line management consists of county directors and project leaders. Middle managers are positioned above first-level management and below top management. Typical titles are state leaders, assistant directors, and district directors. Top management in Extension is usually called Extension administration and consists of the director, associate directors, and heads of service departments.

The management pyramid in Extension contains a second hierarchy that emphasizes status within one's professional field. This professional hierarchy is essential to maintaining the integrity of the process of creating and disseminating knowledge.

Questions for Review and Discussion

1) Give your own definition of management. Based on your experience, identify several management positions in Extension and give examples of how each performs the five functions of management.

2) In regard to management success in Extension, discuss how the art and science of management complement each other.

3) Discuss the need for both an administrative and professional hierarchy in Extension.

4) Can you think of any group situation in which the management process is irrelevant?

5) Design a management pyramid for your organization.

Endnotes

1) Peter F. Drucker, *People and Performance*, (New York: Harper's College Press, 1977), 8.

2) *The Oxford Universal Dictionary*, 3rd Edition, (Oxford, England: Oxford University Press, 1955.)

3) Harold Koontz, Cyril O'Donnell, and Heinz Weihrich, *Management*, 9th ed. (New York: McGraw-Hill, 1988).

4) Peter F. Drucker, *People and Performance*, 53.

5) Harold Koontz, "On the Advancement of Management," *S.A.M. Journal of Advanced Management*, 39 (October, 1974), 9–12.

6) Luther Gulick, "Notes on the Theory of Administration," in Luther Gulick and Lyndall F. Urwick, eds. *Papers on the Science of Administration* (New York: Institute of Public Administration, Columbia University, 1937), 3–45.

7) Peter F. Drucker, *People and Performance*, 133.

"... management may be explained, practice may be improved ..."

Harold Koontz[1]

2. The Emergence of Management Thought

Awareness of the historical development of management thought is important to all managers. It would be difficult, if not impossible, to understand contemporary management theory and practice without an appreciation of its historical heritage. Examples of the beginnings of management theory and practice include the building of the pyramids of Egypt, the exodus of the Israelites, the military campaigns of Alexander the Great, and the structure of the Roman Catholic Church. Most historians, however, date the initial attempts at systematically studying the development of management thought to the last two decades of the nineteenth century. The following are several high points of this development.

Prescientific Management (1776–1886)

The beginning of American democracy and the publication of Adam Smith's *The Wealth of Nations* mark the beginning of the prescientific management era. Changes were occurring in the production of goods. Whereas skilled workers had once produced the entire good and sold that good directly to individual consumers, machines, operated by unskilled workers, now produced the same good and additional means were used for the distribution of the product. New inventions promoting automation were introduced into the manufacturing process. Consequently, productivity of goods increased, and the prices of these goods decreased as their consumption increased.

In 1886, Henry R. Towne presented a paper to the American Society of Mechanical Engineers (ASME) that identified an interest in a search for a science of management. Towne believed that management was as important as engineering, but the management of work was unorganized, had no medium for exchange of experience, and possessed no professional association. Towne's "remedy" for this state of affairs involved the accumulation and analysis of all management knowledge and the formulation of laws and principles. This information would be transferred through a structuring of human and mechanical production processes with the cooperation of labor and management.[2]

Scientific Management (1898–Present)

Frederick W. Taylor attended Towne's address before the ASME. Consequently, Taylor began to explore management in the infancy of its recognition as a topic worthy of study. As a result of his studies, Taylor became known as the "Father of Scientific Management." Scientific management is based on scientific decision making, computer applications, and mathematical models. Through study, Taylor determined that improper management needlessly wastes human effort and materials. In addition, Taylor developed four principles of scientific management as shown in Table 2-1.[3] The work of Taylor had a greatly impacted manufacturing industries, and his principles were used to increase worker productivity.

Other individuals known for their contributions to scientific management are Frank B. and Lillian M. Gilbreth. They worked to eliminate waste and find the "one best way" by which individuals' personal potential could be maximized, providing beneficial results to both themselves

Table 2-1 Principles of Scientific Management

1) Development of a true science of managing, complete with clearly stated laws, rules, and principles to replace old rule of thumb methods.

2) Scientific selection, training, and development of workers; whereas in the past workers were randomly chosen and often untrained.

3) Enthusiastic cooperation with workers to ensure that all work performed is done in accordance with scientific principles.

4) Equal division of tasks and responsibilities between worker and management.

and to society. Frank Gilbreth first became prominent by developing procedures for laying bricks more efficiently. In the process of determining the "one best way," the Gilbreths analyzed jobs and eliminated unnecessary motions. The Gilbreths were the first to use the motion picture camera in job analysis. Frank was also noted for his classification of 17 basic hand motions that he called *therbligs* (Gilbreth spelled backward with the "th" transposed). After Frank's death, Lillian continued with their work and pioneered what is now referred to as personnel administration or human resource management. For her contributions, she is known as the "First Lady of Management."

Henry L. Gantt, an associate of Taylor's, developed two techniques for improving labor productivity that are still used today. The first and most noted is the *Gantt Chart*, used for scheduling work over a time span. Gantt also developed one of the first wage-incentive systems to reward both laborers and supervisors for exceeding production standards.

Administrative Management (1916–Present)

Administrative management emphasizes work patterns with the goal of learning the secrets of executive success. This period yielded the thoughts of Henri Fayol, "Father of Modern Management," Max Weber, and Chester Bernard.

Whereas previous management pioneers had perceived management from a worker's perspective, Fayol studied management from the perspective of upper-level administration. The elements of management he outlined are: planning, organizing, command, coordination, and control, which are fundamentally similar to the management functions identified earlier in this book. This marked the first time emphasis had been focused on management as a process. Additionally, Fayol recognized 14 principles of management as shown in Table 2-2.[4]

Fayol did not consider this list to be exhaustive or applicable to all situations, but he is given credit for formalizing the first set of general management principles.

Max Weber was a German sociologist whose work on bureaucracy laid the foundation for contemporary organizational theory. "Bureau-

Table 2-2. Fayol's Principles of Management

1) Division of Labor—Work should be divided to permit specialization.

2) Authority—Authority and responsibility should be equal.

3) Discipline—Discipline is necessary to develop obedience, diligence, energy, and respect.

4) Unity of Command—No subordinate should report to more than one superior.

5) Unity of Direction—All operations with the same objective should have one manager and one plan.

6) Subordination of Individual Interest to General Interest—The interest of one individual or group should not take precedence over the interest of an organization as a whole.

7) Remuneration—Rewards for work should be fair.

8) Centralization—The proper degree of centralization or decentralization for each undertaking is proportionate.

9) Scalar Chain—A clear line of authority should extend from the highest to the lowest level of an organization.

10) Order—"A place for everything and everything in its place."

11) Equity—Employees should be treated with kindness and justice.

12) Stability of Tenure of Personnel—Turnover should be minimized to assure successful goal accomplishment.

13) Initiative—Subordinates should be allowed the freedom to conceive and execute plans in order to develop their capacity to the fullest.

14) Esprit de Corps—Harmony and unity build organizational strength.

cracy" was a descriptive term for an ideal structure of organizations. According the Weber, the main components of the organizing effect include legal authority, procedures and rules, an organizational structure, and interpersonal relations among an organization's members. The rise of bureaucracy coincided with the failure of other types of administrative systems, such as monarchies and dictatorships. Today all organizations are bureaucratic to some degree.

Chester I. Barnard, the former president of the New Jersey Bell Telephone Company, proposed the acceptance theory of authority. This theory asserts that subordinates assess the legitimacy of a superior's orders and then decide whether to obey them. The importance of Barnard's contributions is that the acceptance theory is based on his experience as a top manager.

Human Relations (1927–Present)

The concern for the human element in management and the development of new theories of human behavior became known as the human relations era. This movement had five areas of focus: (1) differences among employees, (2) the influence of informal groups on employee performance and behavior, (3) managers' ability to communicate, (4) managers' sensitivity to employees' needs and feelings, and (5) participative and employee-centered forms of supervision.[5] One of the most important breakthroughs in the evolution of management thought resulted from a series of studies conducted by Elton Mayo at the Hawthorne Works of the Western Electric Company.

The studies spanned an eight-year period and dramatically revealed previously unappreciated patterns of employee behavior. Referred to as the "Hawthorne Studies," the research greatly increased our knowledge of workers and their work.[6]

General findings of these studies include:

- Workers are not motivated solely by money. Personal and social factors motivate and govern employees' attitudes toward every aspect of their work.

- The importance of individual attitudes in determining employee behavior is undeniable.

- The significance of effective supervision in maintaining employee morale and productivity is indisputable.

- Little is known about the character of informal work groups and their influence on employee performance.

The contributions of the Hawthorne Studies to the human relations approach to management can hardly be overstated. These experiments pioneered a course of investigation that is still being carried out today.

Contributions to Extension Management

As management thought has evolved, a number of individuals have contributed to the application of these concepts and techniques in an Extension setting. Perhaps the major figure was Robert C. Clark, Director of the National Agricultural Extension Center for Advanced Study. Clark and his co-workers, which included Extension adminis-
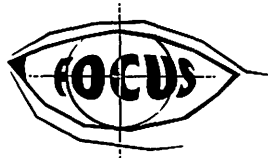
Daniel E. Griffiths on the Meaning of Theory

The following is a condensed excerpt from a paper presented at the Sixth National Cooperative Extension Administrative Seminar held at the University of Wisconsin in 1959. The ideas expressed are still relevant today—more than 30 years later.

What do we mean by theory? What is it? And what is it not? These are pertinent questions for us to investigate if we are to fully understand the meaning of theory. One way of defining a concept is to make perfectly clear what the term is *not*. We can say with little fear of rebuttal that theory is not a personal affair, a dream, a philosophy, a taxonomy, or common sense.

Not Personal. It is apparently believed by many that theory is a rather personal matter. It is true that each administrator does develop a style of operation, but this cannot be called a theory. It is, most likely, a set of rules of thumb which have evolved out of personal experience. Because this experience is of necessity limited, the rules of thumb do not have the breadth, the depth, or the logical deducibility necessary to constitute theory.

Not a Dream. Little space should be devoted to this misconception. This is the belief of those most skeptical of theory. They label any flight of fancy, any daydream, as theory. It is also now fashionable in some quarters to label bull sessions as "theoretical." With this basic attitude, no wonder some have such a low opinion of the value of theory.

Not a Philosophy. The most commonly held belief as regards theory of administration is that it is a set of "oughts," that is a set of rules that tells you how to administer. Now, a well-developed set of values is of crucial importance, but this set of values is not a theory. Possibly the use of an example from the physical sciences will clarify the difference. If a person jumped out of a window in the thirtieth story of a building, we could predict the exact speed at and the force of impact at which his body would hit the sidewalk below. We could predict with a high degree of probability that the person would die upon hitting the sidewalk. All this is in the realm of theory. We can say, "If a person leaps from the thirtieth story of a building, he will die." There is no implication of "oughtness" in this statement. There are no values in the statement. Values can be put in as variables, however. A person might raise the question, "Do I want to die?" If the answer is "yes," (a value judgement), then he might consider leaping from a thirtieth story window. Theory tells him this would be very effective. So theory does not tell us what is "good," but merely what will happen if we do certain things.

Not a Taxonomy. A taxonomy is a classification of data according to their natural relationships, or the principles governing such relationships. Possibly the most widely known administrative taxonomy is PODSCORB, which, when developed, was thought to be the ultimate in administrative thought. Taxonomies are useful, but should result from a theory, not take the place of a theory.

Not Common Sense. Most administrators take great pride in their common sense. They feel that they have learned what they know from their own experience. But, what do we learn from experience? Roethlisberger points out that different people learn differently from the same or similar experiences; some learn the "right" lessons and some do not. Common sense produces criminals as well as businessmen. Argyris sharpens the differences between common sense and theory in this way: proponents of common sense use a personal, private, prejudiced theoretical framework to maintain a happy state with their environment. A scientific framework is public, does not permit prejudice to enter, is systematic rather than random, and is continuously tested not by one case, but by many.

The Nature and Use of Theory

Well, what then is theory? A more or less generally accepted definition of theory is that it is a set of assumptions from which can be derived by logic-mathematical procedures a larger set of empirical laws. If we had "good" theory, how could we use it? Unless a theory can provide guidance for the administrator when he needs to act, it is a poor theory indeed. The help which an administrator gets from theory is not in terms of what he "ought" to do, but in terms of the consequences of action. "If the administrator does this, then this will happen," is, in brief, theory in action.

Source: Excerpted and condensed from "Modern Approaches to Administrative Theory" in Robert C. Clark and Roland H. Abraham, Editors, *Administration in Extension*, National Agricultural Extension Center for Advanced Study, University of Wisconsin, 1959, 31–35.

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trators at the federal and state level and other resource people, provided the leadership for a comprehensive management education program in the 1950's and 1960's. The W. K. Kellogg Foundation funded publications, seminars, and other development activities for Extension supervisors, middle managers, and administrators.

Modern Management

Modern management is characterized by an attempt to integrate aspects of scientific management, administrative management, and human relations. The systems approach and the contingency approach are two means by which modern management attempts to integrate these different perspectives.

Systems Approach

A **system** may be defined as a set of interdependent parts that relate in the accomplishment of some purpose. Drawing on work from many fields, including biology, psychology, sociology, and information theory, the systems approach views organizations as systems that procure and transform inputs into outputs, which are subsequently discharged into their external environment in the form of goods and services. Inputs may take the form of people, materials, money, or information. For example, a lumber mill transforms sawlogs into boards, dimension, and timbers; colleges and universities transform uneducated students into educated graduates; hospitals transform sick patients into healthy individuals. Figure 2-1 illustrates this process.

This cycle of inputs, transformations, and outputs is continuous. The goods and services provided by an organization are exchanged for the energy (feedback) necessary to secure further required inputs. An Extension Service can survive only if it is capable of producing some output that can be exchanged for the resources necessary to obtain new inputs *and* to maintain itself in operating order. For a business, this means making a profit. Profits ensure a favorable ratio of inputs to outputs by attracting funds for new investment and growth. They also stimulate businesses to produce the kinds of goods and services customers want. If an organization cannot maintain a favorable ratio of inputs to outputs, it must receive outside funds to exist. This is why undertakings that do not sell their goods or services (for example, public television, public schools and colleges, free museums, nonsubscription libraries, and Extension Services) rely on external funding (for example, legislative appropriations, contracts, and grants) to endure. Table 2-3 illustrates the universal nature of the input → transformation → output cycle.

The systems approach analyzes the basic components of operations, with a view toward their improvement. In doing so, systems theorists point out that the performance of an organization is not the sum of the independent performance of its parts, but rather the product of their interactions. Thus, effective management of an organization requires management of the interactions of its parts, not their independent actions. The traditional approach too often deals with the obvious and immediate. For example, in a county unit, the action taken to solve a personnel problem will likely have implications for both the program and budget.
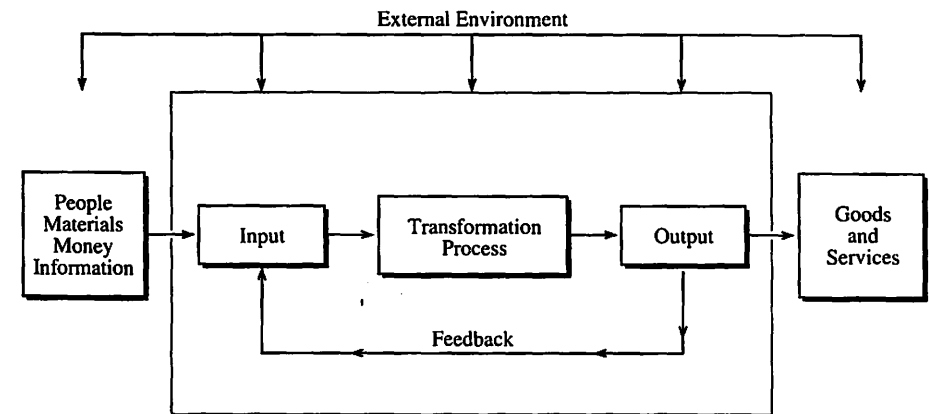
Figure 2-1. Basic Open Systems Model

The systems approach also asserts that most organizations are **open systems,** as opposed to **closed systems.** That is, the system depends on other systems for its inputs (money, material, employees). An Extension Service cannot solve a staffing problem involving a joint research appointment for a specialist without considering whether the experiment station is willing and able to provide the necessary funding. A county agent cannot plan a forestry demonstration on private lands without first considering the willingness of the landowner to cooperate. In addition, an Extension Service (system) markets it outputs (educational services) to other systems (clientele). If it wishes to survive, the organization must respond to systems that supply it and, in turn, those that it supplies. *Most organizations depend on exchange with their external environment.* They exist only as long as they are capable of producing an output that can be exchanged in the larger marketplace. In addition to being influenced by market forces, organizations are influenced by environmental factors, such as societal values, government legislation, and community expectations.

To the extent that Extension objectives are met, the Extension Service is effective. The rising cost of services creates a constant search for alternative means of technology transfer. For example, farmers may consult with dealers at the point of purchase, rather than seek out Extension agents for herbicide and pesticide recommendations.

Table 2-3. Examples of Open Systems

Organization	Inputs	Transformation Process	Outputs
Lumber Mill	Sawlogs Equipment Labor Capital	Saw Edge Trim Dry	Boards Dimension Timbers
Hospital	Patients Physicians Nurses Support Staff Equipment Insurance Payments Fees	Diagnose Ameliorate Cure Prevent	Healthy People
Prison	Convicts State/Federal Funds	Therapy Rehabilitation	Productive Citizens
Church	Communicants Penitents Clergy Tithing	Divine Worship Hymns Prayer Communion	Spiritual Salvation
Land-Grant University	Students Faculty Staff Tuition Contracts Appropriated Funds	Teaching Research Extension	Graduates Articles & Publications Informed Citizens

The frequency with which this happens will be in proportion to the farmers' perception of ineffectiveness in the Extension delivery system. The criterion of efficiency must also be met. Could the information have been disseminated at a lower cost, freeing scarce resources for other important programs? Society expects the Extension Service to use its resources efficiently. The survival of an organization depends on how well it satisfies societal needs. It will stagnate or even cease to exist when it no longer contributes effectively and efficiently to the larger system of which it is one part.

Briefly, the systems approach—by interpreting and integrating management functions (planning, organizing, staffing, human resource management, leading and interpersonal influence, and controlling) and movements (scientific management, administrative management, and human relations)—analyzes how managers marshal their thoughts and actions.

Contingency Approach

A second modern perspective that has integrated the findings of other movements is the **contingency approach.** Advocates of this approach believe that no one way of managing works best in *all* situations. Consequently, contingency theorists attempt to understand the effectiveness of different managerial techniques under varying conditions and in specific circumstances. Their approach is to spell out conditions of a task (scientific management), managerial jobs (administrative management), and people (human relations) as parts of a whole management situation (systems emphasis) and integrate them into an effective, appropriate solution.

Contingency theorists believe there are many effective ways to perform the various managerial functions. For example, a recent study found a disparity between the job factors that motivate managers in nontechnical areas and those that motivate computer specialists. The nontechnical managers rated such traditional rewards as salary and job title as important; the computer specialists, however, valued these factors much less. What they looked for on a job was the "opportunity to learn new skills."

The study's results have important implications for staffing and human resource management in organizations that employ both types of employees. Some organizations have already responded by creating separate, but equally respected, reward systems for technical specialists and nontechnical managers to allow for motivational differences.[7]

The contingency approach is not really new. Writing more than 80 years ago, Taylor stressed "the importance of choosing the general type of management best suited to the *particular* case."[8] Fayol stressed that there was nothing rigid or absolute in management affairs and that one should allow for different changing circumstances.

Similarly writing in the 1920's, Mary P. Follett spoke of the "law of the situation," referring to the necessity of acting in accord with the unique requirements inherent in any situation. She noted that such requirements are constantly changing and demand continual efforts to maintain effective work relationships. Commenting on leadership, she observed that "different situations required different kinds of knowledge, and the man possessing the knowledge demanded by certain situation tends to be in the best managed business, and other things being equal, to become the leader at the moment."[9]

Quality Improvement

Quality improvement and in particular total quality management (TQM) has had a major influence on management philosophy.[10] While not a modern idea, quality improvement has gained an increase in interest in recent years. This increase in interest has caused organizations to change fundamentally the way they operate.

The reason for recent emphasis on quality is simple: neither price, technology, nor quantity is sufficient to differentiate products or services from the competition. What attracts and keeps customers is the "extra value" of quality—quality as defined by the customer.

The reigning demigod of the quality improvement movement is the late Edward Deming.[11] Deming, whose work is the basis for TQM, was not a management scholar, but a statistician. Following World War II, he became a consultant to industries in Japan, where he implemented statistical quality control. The use of these methods was the key factor in Japan becoming the world leader in product quality. These methods work in the service sector as well. Deming promoted a fourteen-point system at all organizational levels. These points are:

1) Create consistency in quality improvements.

2) Adopt a quality philosophy.

3) Stop dependence on inspection to achieve quality.

4) End the practice at choosing supplies based on price.

5) Continually improve.

6) Provide job training.

7) Institute leadership.

8) Drive out fear.

9) Break down barriers between departments.

10) Don't expect productivity improvement unless you provide the method.

11) Eliminate numerical quotas.

12) Remove barriers to pride of workmanship.

13) Provide a vigorous program of education or retraining and self improvement.

14) Include everyone in implementing the above 13 points.

Several award programs have been established worldwide to emphasize quality. Perhaps the most well known are Japan's Deming Prize and Malcolm Baldridge National Quality Award. The criteria for the Baldridge Award are: strategic planning, leadership, quality results, information and analysis, quality assurance, human resource utilization, and customer satisfaction.

The idea of quality improvement is to satisfy customers based on what they say their needs and expectations are, not what we think is best for them. In other words we need to add extra value by delivering true quality. As Federal Express would put it, "absolutely, positively ..."[12]

Summary

Awareness of the historical development of management thought is important to all managers. It is difficult, if not impossible, to understand contemporary management theory and practice without an appreciation of its historical heritage.

Prescientific management (1776–1886) began with the publication of Adam Smith's *The Wealth of Nations* and emphasized the search for a science of management.

Scientific management (1898–present) is generally credited to Frederick W. Taylor. It was concerned with the establishment of principles of management with the goal of using workers more efficiently. While Taylor was the dominant figure, there were other major contributors to scientific management including Frank B. and Lillian M. Gilbreth, and Henry L. Gantt.

Administrative Management (1916–present) emphasizes work patterns with the goal of learning the secrets of executive success. This period yielded the work of Henri Fayol and his famous 14 principles of management, and Max Weber, whose work on bureaucracy laid the foundation for contemporary organizational theory. Chester I. Barnard is credited with the acceptance theory of authority.

Human Relations (1927–present) was introduced by the Hawthorne Studies, led by Elton Mayo. These studies were the catalyst for the human relations movement, and the continuing investigations of individual and social processes that shape human behavior.

A number of individuals have contributed to the application of concepts and theories of management to Extension organizations. The major figure was Robert C. Clark who, along with his colleagues, developed management education programs in the 1950's and 1960's. These programs were supported by the W. K. Kellogg Foundation.

Modern management is characterized by an attempt to integrate aspects of scientific management, administrative management, and human relations. The systems approach and the contingency approach are the two means used to integrate these three perspectives. Quality improvement or Total Quality Management, while not a new idea, has had a major influence on management philosophy.

Questions for Review and Discussion

1) Why is it difficult to understand contemporary management theory and practice without knowing its past?
2) Do the contributions of earlier management theorists have any value in Extension management today?
3) Do you think management theory will ever be as precise as theories from the physical and biological sciences?
4) Is it possible to manage using both systems and contingency approaches simultaneously?
5) What implications does the quality improvement movement have in Extension?

Endnotes

1) Harold Koontz, "The Management Theory Jungle," *Journal of the Academy of Management*, 4 (December 1961), 187.

2) Henry R. Towne, "The Engineer as an Economist," *Transactions of the American Society of Mechanical Engineers* 7 (1986), 428–432. See also Harlow S. Person, "The Origin and Nature of Scientific Management," in *Scientific Management in American Industry*, ed. Harlow S. Person (New York: Harper, 1929), 6.

3) Frederick W. Taylor, *The Principles of Scientific Management* (New York: Harper, 1911), 53.

4) Henri Fayol, *General and Industrial Management*, trans. Constance Storrs (London: Pitman, 1949), 19.

5) Arthur W. Sherman, Jr. and George W. Bohlander, *Managing Human Resources*, 9th ed (Cincinnati: South-Western, 1992), 11.

6) William J. Dickson, "Hawthorne Experiments," in *The Encyclopedia of Management*, 2nd ed. (New York: Van Nostrand Reinhold, 1973), 289–302.

7) "When Money and Rank Are Not Enough," *Business Week* (February 20, 1984), 72.

8) Frederick W. Taylor, *Shop Management* (New York: Harper, 1903), 21.

9) Mary P. Follett, "Some Discrepancies in Leadership Theory and Practice," in *Business Leadership*, ed. Henry C. Metcalf (London: Pitman, 1930), 213.

10) Joel E. Ross, "Total Quality Management: Text, Cases, and Readings," (St. Lucie Press, 1993), 1–8.

11) Stanley J. Modic, "What Makes Deming Run?" *Industrial Week* June 20, 1988, 84–91: Donald R. Katz," Coming Home," *Business Month* 132 (October 1988): 56–62; and Lloyd Dobyns, "Ed Deming Wants Big Changes, and He wants them Fast," *Smithsonian* 21 (August 1990). 74–82.

12) Joan K. Cannie, "Keeping Customers for Life," (New York: American Management Association, 1991), 22–23.

"First there is the law. It must be obeyed. But the law is the minimum. You must act ethically."

IBM[1]

3. Managerial Ethics, Social Responsibility, and Diversity

Today's Extension Service is more socially responsible than in the past. The performance of today's Extension Service, however, must be placed in the context of today's society. Though Extension has improved, society's expectations have increased at an even greater rate. Consequently, a wider gap exists today than in the past between society's expectations and Extension's performance.

Social Performance

Two factors that influence an organization's potential and actual social performance are its *current capacity to act* and the *social responsiveness* of its actions. Current capacity to act refers an organization's ability to deal with or handle changes in its environment.

Social responsiveness refers to individual and organizational processes for fulfilling society's social performance expectations. Which processes are developed and how they are implemented is directly related to an organization's proactive or reactive behavior. Anticipating change and developing social initiatives is proactive. Responding to change and implementing what is required is reactive.

Extension has positioned itself to be proactive on social issues. Programs that address youth at risk and housing needs for low-income families are proactive. However, from time to time, the Extension system is still in a reactive mode. For example, many Extension units

are still reacting to the Americans with Disabilities Act of 1990. This is not meant to suggest that the Extension Service is doing anything socially irresponsible, but to suggest that sometimes Extension will be required to react to social issues.

Managerial ethics is a factor that influences an organization's social behavior. Managerial ethics is a set of moral principles or values that govern the actions of individuals and organizations. Most Extension Services have adopted some form of ethical standards or a code of ethics. Employees are expected, if not required, to conform to these standards. Advocates of ethical standards state that some choices are more ethically correct than others.[2] The ethical standards of an organization's managers will determine the extent to which an organization is proactive or reactive. Proactive stances typically go beyond the legal requirements.

Diversity is an additional factor influencing an organization's social behavior. Diversity is the condition of being different. Age, race, ethnic background, gender, physical abilities/qualities, and sexual orientation are primary dimensions of diversity. Primary dimensions have the most impact on society and within organizations. Parental status, education, experience, wealth, marital status, and religious beliefs are examples of secondary dimensions of diversity. Secondary dimensions can be acquired, modified, and discarded throughout our lives.[3]

Managers must account for and respond to diversity within an organization. Extension managers are no different. Managers can respond proactively or reactively. Again, Extension has taken a proactive position on diversity.

Managing Social Challenges

Should organizations do more than meet their basic legal and economic obligations? In Extension, the answer is yes.

Economic and Legal Responsibilities

Traditional economic theory holds that an organization's only duty is to make as much money as is legally possible.[4] Milton Friedman, Nobel laureate and economist, argues that distribution of profits to benefit society is a tax, and only elected or appointed public officials should

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ᴛʜᴇ Management Experience

Cooperative Extension System National Center for Diversity (NCFD)

According to Dr. Joanne Bankston, director of the NCFD, "Diversity is, perhaps, the biggest challenge confronting institutions today."

Establishing the NCFD affirms the Extension Service's commitment to becoming a diverse, pluralistic organization. The center is located at Kentucky State University and is funded by Extension Service, USDA.

The mission of the Center is to provide leadership, education, training, and support to enhance diversity and pluralism throughout the Cooperative Extension System.

The Center's objectives are to:

* provide training and development to Cooperative Extension institutions within the land-grant system;

* develop a set of diversity training programs for Extension personnel, volunteers, and stakeholders;

* serve as a recruitment and retention consultant for Extension;

* develop a resource inventory provided through a database.

Source: The Cooperative Extension System National Center for Diversity, *Faces of Diversity* (Kentucky State University-Cooperative Extension Program, Spring 1994).

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have the power to tax. Managers should be socially responsible, but with their own money.

Extension managers share the same primary functions as other managers—planning, organizing, staffing, leading, and controlling. They are not, however, motivated by profit. Getting the highest return on an investment (for example, a large number of people educated) is only part of the Extension manager's job. Ensuring equal access and participation by minorities and diverse groups within the community is equally, if not more, important. Extension managers are expected to be socially responsible and are held accountable for their actions.
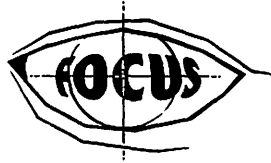
Serving Diverse Communities

In Extension can we adapt our traditional programming to meet the needs of diverse individuals and communities? Shirley Barber, an Extension educator and home economist in Ramsey County, Minnesota, adapted the Expanded Food and Nutrition Education Program (EFNEP) model to serve limited-income residents of St. Paul, including Hmong refugees from Indochina.

Ramsey County has the second largest concentration of Hmong in the United States—17,000. Many live in public housing and receive public assistance.

Barber, with support from her county chair and other colleagues, developed a program that includes workshops on nutrition, gardening, freezing and canning, food safety, food buying, housekeeping, household pest control, and a program called "Job Sense."

Program Successes: Ability to secure scarce funds based on results and effectiveness of program, recruitment and training of bilingual program assistants, creation of culture-specific material and teaching tools, participation in this and subsequent programs, acceptance as a role model for self-sufficiency, collaboration with other agencies, and the program's growing momentum.

Barber cites the following skills as necessary in adapting programs: academic preparation; experiences that orient Extension personnel to a community and its diversity; inquiry into cultures new to Extension and the host community; recognition of cultural groups' experiences, values, feelings, ideas, aspirations, and patterns of communication and decision making; administrative support and freedom to experiment and reflect; and an attitude that Extension educators can learn to adapt established programs to meet the needs of diverse groups.

Source: James S. Long and Shirley Barber, "Adapting the EFNEP Model to Serve Hmong Immigrants," USDA, 3/93.

Ethical and Discretionary Responsibilities

Ethical responsibilities involve behavior that exceeds legal requirements and responsibilities on the part of the organization. Discretionary responsibilities involve proactive behavior taken to include and protect key constituencies. Ralph Nader, consumer advocate, urges that organizations have not only legal and economic responsibilities, but also social responsibilities. Diversion of funds to social causes in the short run will result in improvements in society that makes it easier for organizations to survive in the long run. The following points defend Nader's position:

1) Times have changed. Institutions are expected to be socially responsible and are held accountable by their customers.

2) By responding to social issues, organizations can prevent government regulation.

3) The visibility of an organization is directly related to its social responsiveness. By alienating classes of people or ignoring social pressure, organizations will lose a valuable customer base.

4) Organizational managers have resources and expertise not available to many individuals and groups.

5) Short-run maximization must be tempered by social responsibility.

Social responsiveness must be tempered with legal constraints and economic limitations. The Extension Service cannot solve all of society's problems. Solving all the world's problems is beyond the scope of any one organization.

Guidelines for Social Responsibility

No set guidelines exist for making socially responsible decisions. The following three criteria, however, serve as guidelines for Extension.[5]

1) "Above all, do no harm!" This maxim was put forward by the Greek physician Hippocrates (460–377 B.C.).

2) Maintain accountability and minimize negative consequences of actions.

3) Enhance society's long-term welfare. The survival of the Cooperative Extension Service depends on a healthy society.

Forces Affecting Managerial Ethics

External and internal forces affect managerial ethics. External forces include: family, religion, friends, societal culture, professional association, law, and external competitors. Internal forces include: supe-

riors, peers/colleagues, subordinates, goals, codes of ethics, evaluation and reward systems, internal competitors, and organizational culture. Together these external and internal forces affect managers (see Figure 3-1).

Figure 3-1. Forces Affecting Managerial Ethics

Summary

Today's Extension Service is more socially responsible than in the past. However, this must be placed in the context of society's increased expectations. Current capacity to act and social responsiveness influence Extension's potential and actual social performance. Managerial ethics is a set of moral principles and values that govern the actions of organizations and their employees.

The Extension Service should do more than meet its basic legal and economic obligations. Ensuring equal access and participation by minorities and diverse groups of clientele is equally, if not more, important than increasing the number of clientele participation. However, Extension cannot solve all of society's problems.

Questions for Review and Discussion

1) Explain how society's increasingly demanding attitude that management be socially responsive would affect you as a manager in Extension.

2) Explain how your attitude toward social responsiveness affects Extension programming.

3) Identify ethical standards within your organization. How do these standards affect you as a manager?

4) Identify your clientele. What social challenges are you likely to encounter? How will you deal with these challenges?

Endnotes

1) IBM, *Business Guidelines for Employees.*

2) Kenneth L. Woodward, "What is Virtue," *Newsweek*, June 13, 1994, 38–39.

3) Logen and Rosener, "Workforce America," Homewood, Illinois: Business One Irwin, 1991.

4) Milton Friedman, *Capitalism and Freedom* (Chicago: University of Chicago Press, 1963); Milton Friedman, "The Social Responsibility of Business Is to Increase Its Profits," *New York Times Magazine*, September 13, 1970, 11, 122–126.

5) Based on Thomas Donaldson, *The Ethics of International Business* (New York: Oxford University Press, 1989), 54.