

# Book Reviews

Samuel B. Magill, *Editor*

## **The Human Organization**

by Rensis Likert

McGraw-Hill Book Company  
\$7.95                      258 pp.

This book is chiefly a restatement of ideas from the author's earlier book, *New Patterns of Management*,\* with additional documentation. Likert's thesis is that management can maximize productivity, increase return on investment, and create excellent labor relations by adopting a style which he calls *System Four*. This is his term for participative group management, with interrelationships conducted in complete confidence and trust at all levels of the organization.

Likert also restates even more strongly than before a proposal to revise the standard corporate accounting procedure by adding dollar values for the worth of human resources—internal, of the work force, and external, of the customers, suppliers, and shareholders of the business.

The study method consisted of a profile of organizational characteristics consisting of over forty items in the areas of motivation, communication-interaction, decision-making, goal setting, control, and performance; and then correlating expectations with actualities in each of the organizations

studied. The book is studded with charts. Several alternative versions of the linking-pin plan are pictured and described. A great deal of emphasis is placed on the factor of time and how it affects various parts of the process while an organization is being turned around from another management style to *System Four*.

Although very few companies are mentioned by name, and of these no claim is made that they are using *System Four*, the book leaves the impression that a plan which is so clearly superior should be in almost universal use. It is with a feeling of surprise, therefore, that one reads that it will take several years and millions of dollars for an organization to convert over. The promotional text on the dust cover indicates that the book will be of immediate use to owners, shareholders, managers, employees, bankers, investment houses—and so on.

One can expect to hear a lot about this book from social scientists and it will probably become a supplementary text in many graduate courses, but its chief use to training people will be to identify a sort of far right terminal point at which many current ideas of psychologists, sociologists, advocates of the Scanlon Plan, and labor philosophers might reach their ultimate expression.

S. B. M.

## **The Professional Manager**

by Douglas McGregor

Edited by Warren G. Bennis and  
Caroline McGregor  
McGraw-Hill Book Company  
\$6.95                      202 pp.

One of the last acts of his vacation was to place the manuscript safely

\*McGraw Hill; 1961

away. Douglas McGregor knew that his teaching load at M.I.T. would leave little time to polish up the words and sentences, and mature his thesis. This would be a pleasant task to look forward to during another lazy summer. But the fates decreed otherwise, and Doug McGregor died in the Fall of 1964.

His devoted friend and disciple, Warren Bennis, helped Caroline McGregor finish the manuscript and prepare it for publication. They also supplied the title, and much of the final chapter, on "The Management of Differences Within the Managerial Team." This was to be the most important section of the book, and McGregor had intended to talk over his germinal ideas with many colleagues and students before finally setting them down in paper.

This book adds nothing fundamentally new to what McGregor wrote in his *Human Side of Enterprise*,<sup>1</sup> but it sharpens the references to behavioral science theory and gives specific examples from industry. It may even seem a bit disjointed to a reader who is unfamiliar with the earlier work, or it carries on his thesis that influence can be "transactional," and that, in smoothly running organizations, two plus two often equals more than four when judicious use is made of Theory Y.

Critics have accused the behavioral scientists of myopia, or worse, in their constructs of management models. They point out that few, if any, indications are given that these consultants recognize the realities of the labor-management situation. They claim that the behaviorists advocate soft and easy approaches to management problems. There is never a hint, they say,

that a possible solution to the case of the problem worker is to fire him. Worst cut of all, they claim that this is no way to run a competitive business.

Those who knew McGregor and worked with him remember him as a "cautious optimist." There was a basic toughness in his fiber which came out in his personal contacts with students and clients. He had been President of Antioch College before going to Massachusetts Tech. His advice was continually courted by industry. He was well aware of other phases of management—but in these books he was concerned with the organization and its mission.

McGregor advocated openness in business relationships and believed that a problem-solving discussion could best be held in the atmosphere of the "two-way street." While acknowledging that Theory Y would be difficult to implement in an already established organization, he felt that highly directive management, in today's affluent society, is not the way to get maximum output from members of the team. In his view, people can be more easily persuaded than pushed.

The significance of this book therefore will vary from company to company, depending on such variables as their degree of sophistication with training techniques, and the existing climates: among managers, between management and labor, and with competitors.

McGregor, himself, would not deny that its chief applicability would be with organizations at the upper part of the spectrum where the weather forecast is "sunny and continued mild."

S. B. M.

