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**THE UNIVERSITY OF MANITOBA
DEPARTMENT OF BUSINESS ADMINISTRATION**

**MANAGERIAL BEHAVIOR
A STUDY OF MANITOBA MANAGERS
BY
RAMESH CHANDRA GUPTA**

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Ramesh Chandra Gupta

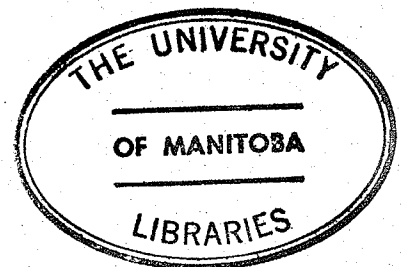
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of the degree of

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CHAPTER I
INTRODUCTION

CHAPTER I
INTRODUCTION

The present study was undertaken to assess and analyze certain aspects of managerial motivation in the private sector industries in the Province of Manitoba. The focus of the study is on a particular type of employee-manager. They are a large and diverse group with one common characteristic that all are held responsible for the job performance of persons other than themselves. In an expanding industrial society such as ours, the managerial role has achieved a level of importance that makes it a key job. The managers are in a position to influence complex enterprises that contain unparalleled human and physical resources. The pervasiveness, importance and complexity of the managerial job demands that we learn as much as possible about it. (Porter and Lawler, 1968)

Managerial studies quite often concentrate on the study of work motivation, primarily because work has always been and continues to be the major non-family activity that is undertaken by most individuals. A study of work motivation is of importance to industry, the community and the individual. The payoff to industry is in terms of increased productivity whereas to the community it is in terms of proper utilization of human resources and reduced psychological casualty.

In an organizational setting there exists an ongoing individual-organization interaction. The activities of the individuals should be directed towards the goals and the objectives of the organization. The organization rewards, for a successful interaction, must be adequate

to meet individuals needs and goals. The individuals expend effort based on their skills and abilities and according to their perception of performance and rewards. The individual needs and goals could be expectations about money in exchange for time at work; social need-satisfaction in exchange for work and loyalty; opportunities for self-actualization and challenging work in exchange for high productivity; quality work and creative effort in the service of organizational goals; or various combinations of these or other variables. The resources of the organization may or may not be adequate to meet all these expectations satisfactorily. The continued membership of an individual is based entirely on the successful interaction with the organization.

This study is concerned with some important aspects of individual-organization interaction. The three specific areas on which the study concentrated are (a) Need Fulfillment and Motivation (b) Job Characteristics and Motivation and (c) Occupational Stress and Manager's General Health. The results of the present study have implications for policy and organizational changes, as well as for the development, selection and training of the human resources. It has further implications for organizational resources, the reward system and organizational innovation.

NEED FULFILLMENT AND MOTIVATION

A well known instrument employed in the various need fulfillment studies is Porter's (1961) need satisfaction instrument. It is based on Maslow's need classification system and has been adopted

by others (Haire, Chiselli and Porter, 1966; Evan, 1966; Miller, 1966; Porter and Mitchell, 1967; Porter and Lawler, 1968; Rhinehart et al, 1969; Ivancevich, 1969; Hackman and Lawler, 1971; Blunt, 1973). The need fulfillment studies suggest that the higher the need discrepancy for any given need category, the higher will be the degree of dissatisfaction. Higher need discrepancy will result from either (a) low levels of existing need fulfillment or (b) high levels of desired need or (c) both.

In this study, five need categories, based on Maslow's hierarchy of needs, were incorporated. These needs, in order of the hierarchy, are security, social, esteem, autonomy and self-actualization. The questionnaire items and instruments used are described in detail in Chapter III. Manager's responses to specified questionnaire items were combined to develop measures of (a) Need Fulfillment (b) Need Discrepancy (c) Need Importance and (d) Higher Order Need Strength. The main focus of the study was on analyzing the need fulfillment or discrepancy levels for the various need categories amongst Manitoba managers. The data was analyzed to see if significant differences exist in manager's perception based on independent variables of the study such as levels of management, size of firm, age, etc. The objective, here, was to establish those areas where high need discrepancy exists for managers. The findings from this area of study were expected to have policy implications for the development, selection and training of human resources and organizational compensation policy.

JOB CHARACTERISTICS AND MOTIVATION

Numerous scholars (Argyris, 1964; Blauner, 1964; Davis, 1957; Friedmann, 1961; Guest, 1955; Herzberg et al, 1957; Walker, 1950) have shown that simple routine jobs often lead to high employee dissatisfaction, to increased absenteeism and turnover, and to substantial difficulties in effectively managing employees who work on simplified jobs. Additional studies (Turner and Lawrence, 1965; Hackman and Lawler, 1971; Brief and Aldag, 1975) indicate that a positive relationship exists between employee work motivation, satisfaction, performance and attendance on one side and some specific job characteristics on the other side. These job characteristics consist of such items as (a) variety - the degree to which a job required employees to perform a wide range of operations in their work (b) autonomy - the extent to which employees have a major say in scheduling their work (c) task identity - the extent to which employees do an entire or whole piece of work and can clearly identify the results of their efforts and (d) feedback - the degree to which employees receive information as they are working which reveals how well they are performing on the job.

In this study, instruments were selected to measure a manager's perceptions about the existing degrees of variety, autonomy, task identity and feedback in their jobs. The data were analyzed to see if a manager's perception is affected by such variables as levels of management, size of firm, age, etc. The questionnaire items and the instruments adopted, are presented in Chapter III. They

provide measures of (a) core-dimensions - variety, autonomy, task-identity and feedback (b) specific satisfaction and (c) job-design. The objective, here, was to establish the job characteristics which could be emphasized to increase managerial motivation. The findings from this area of study were expected to have policy implications for organizational innovation and changes.

Another measure of job satisfaction is the Job Descriptive Index (Smith, Kendall and Hulin, 1969; Herman and Hulin, 1973; Brief and Aldag, 1975; Gillet and Schwab, 1975). JDI measures satisfaction with five areas of a job; the type of work, the pay, the opportunities for promotion, the supervision and the co-workers on the job. In the Manitoba study, JDI was employed to study a manager's perception of these areas of his job. Here again, managerial perceptions were related to the independent variables of the study - levels of management, size of firm, etc. The questionnaire items and the instruments adopted are presented in Chapter III.

OCCUPATIONAL STRESS AND GENERAL HEALTH

In the Manitoba study, questions on occupational stress and general health were included because of the implications that job dissatisfaction may contribute to heart disease. A recent report (Upjohn, 1973) notes that work role, work conditions, and other social factors may contribute about 75% to the risk factor leading to heart disease. In the present study, occupational stress was measured by incorporating the job-related

tension index used by Kahn, Wolfe, Quinn and Snoek (1964). Questions on general health (Dunn and Cobb, 1962; Tannenbaum et al, 1974) were selected to investigate the relationship between hierarchical status and manager's health in the organizations studied. The questionnaire items selected and the instruments adopted are presented in Chapter III.

This area was included in the study with the objective of examining the relationship between job dissatisfaction and occupational stress for a sample of Manitoba managers.

VARIABLES OF THE STUDY AND ANALYSIS

Table I summarizes the proposed area of study. The following independent variables were selected for study. They are described in detail in Chapter III.

- (a) Level of Management - Senior and Intermediate
- (b) Size of Firm - Large or Medium
- (c) Early life - Urban and Rural Background
- (d) Age - Younger or Older
- (e) Level of Education - Low or High

Major propositions, as given in Chapter III, were formulated based on these independent variables to examine differences in manager's perception about dependent variables in the following areas.

- (a) Need Fulfillment, Need Discrepancy and Need Importance
- (b) Higher Order Need Strength
- (c) Core-Dimensions of Variety, Autonomy, Task Identity and Feedback.

- (d) Job-design as a measure of job characteristics
- (e) Job Descriptive Index as a measure of satisfaction
- (f) Specific satisfaction as a measure of satisfaction
- (g) Occupational stress

The differences in manager perceptions were tested for statistical significance at the 0.05 level using either the Mann-Whitney U-Test or two-tailed t-test.

In addition, suggestive inferences were drawn for differences in manager's perception of dependent variables based on four key areas of management - General Management, Marketing and Sales, Finance and Accounting and Production.

The complete questionnaire is given in Appendix A and is discussed in Chapter III. Table 2 gives the nature of the industry and the number of respondents selected for study. The data was analyzed using the computer facilities at the University of Manitoba. The Statistical Package for Social Sciences, 2nd edition (1975) was extensively used. Some programs were run using the Manitoba Statistical Package particularly to perform the Mann-Whitney U-test for specific sets of data. The results of the study are presented in subsequent chapters as follows:

In Chapter II a comprehensive review of the literature is presented to gain an insight into earlier work done in the fields of Need Fulfillment, Job Satisfaction and General Health. Based on the literature review, appropriate questionnaire items were selected for the study and various instruments were designed for the analysis of the data, as

presented in Chapter III. The first part of the questionnaire dealt with assembling personal demographic data from the respondents such as sex, age, levels of education, length of service, income and fringe benefits, etc. Based on the results from this part a typical profile of the Manitoba manager was developed and is presented in Chapter IV. The results from this part also gave the statistics for the independent variables of the study such as the number of managers for each, levels of management, size of firms, age, education level and rural/urban background. The results from the Need Fulfillment and Need Discrepancy area are presented in Chapter V. After analyzing manager's perception about the various need categories the emphasis of the research shifted to job characteristics. These were analyzed using the concepts of core-dimensions and JDI and the results of the analysis are presented in Chapter VI and VII respectively. The area of general health was analyzed last. This was done to see if meaningful relationships or trends were prevalent in terms of managers occupational stress and need discrepancy. The results are given in Chapter VIII. Chapter IX summarizes the conclusions of the study, ties in some of the policy implications and suggestions for future research.

TABLE 1

MANAGERIAL BEHAVIOR: A STUDY OF MANAGERS IN MANITOBA

<u>SETTING</u>	<u>ATTRIBUTES</u>	<u>POSITION</u>	<u>STUDY AREA</u>	<u>IMPLICATIONS FOR POLICY</u>
<u>Bureaucracies</u>	<u>Personal attributes</u>	<u>Organizational hierarchy and size</u>	<u>Need fulfillment and Satisfaction</u>	<u>Assessment of Managers Interest for</u>
	Sex	<u>Level of Management</u>	security	self
<u>Private Industry</u>	Age	senior	social	organization
(a) <u>Medium Size</u>	Marital Status	intermediate	esteem	large public
(b) <u>Large Size</u>	Education	<u>Annual sales/budget</u>	autonomy	interest
	Years in service	<u>Salary</u>	self-actualization	<u>Need discrepancy and</u>
	<u>Socialization</u>	basic	<u>Job Design</u>	<u>Job dissatisfaction</u>
	1. Early residence	incentive plans	<u>Job Description Index(JDI)</u>	importance of
	2. Regional affiliation	fringe benefits	work	certain needs
	3. Personal attributes	<u>Career</u>	pay	possible moti-
	4. Club Association	seniority	promotion	vational strategies
	5. Media Exposure	job mobility	supervision	<u>Areas of concern for</u>
	#magazines read	specialization or	co-workers	<u>the Organization</u>
		professionalization	<u>Occupational Values</u>	organizational
		<u>Areas of management</u>	<u>Occupational Stress and</u>	stress
		general management	<u>General Health</u>	general health
		marketing and sales	<u>Extrinsic Rewards and Job</u>	
		financial and	<u>Performance</u>	
		accounting	basic-salary	
		production	monetary compensation	
			fringe benefits	

TABLE 2

MEDIUM & LARGE SIZE FIRMS
NATURE OF INDUSTRY AND DISTRIBUTION OF RESPONDENTS

<u>Nature of Industry</u>	<u>Medium Size Firms</u> (51-100)	<u>Large Size Firms</u> (201-500)
Agricultural Implements, Heavy Machines and Equipment (302, 303, 304, 309, 311, 315, 321, 333, 372, 393).*	56	36
Clothing and Textiles (175, 186, 189, 243, 244).	32	20
Construction Materials (353, 354, 359).	13	19
Electronics, Scientific and Professional Equipment (268, 324, 325, 335, 375, 391).	28	19
Food and Beverages (101, 104, 108, 109).	26	39
Furniture (261, 266).	29	4
Lumber, Pulp and Paper (251, 254, 256, 273, 274, 328, 373).	13	22
Printing (286, 289).	<u>27</u>	<u>-</u>
TOTALS	<u>224</u>	<u>159</u>
		<u>383</u>
	GRAND TOTAL	383

* Numbers in parenthesis are the Standard Industrial Classification.

CHAPTER II
LITERATURE REVIEW

CHAPTER II
LITERATURE REVIEW

One has to organize in order to manage an enterprise, so as to produce with increasing efficiency goods and services for the society at large. The dominant form of human organization employed throughout the industrial world is a unique and extremely durable social arrangement called 'bureaucracy' - a social invention perfected during the industrial revolution to organize and direct the activities of a business firm. Today it is the most prevailing type of organization where people direct concerted efforts towards the achievement of some goal. This holds for university systems, for hospitals, for large voluntary organizations, business and for governments.

According to Weberian theory of bureaucracy (Weber, 1947) bureaucracies are organized hierarchically with a strict chain of command from top to bottom. They create an elaborate division of labor, by assigning specialized roles to their personnel to an extent that often seems to reduce the individual to the status of a small cog in the vast machinery of the whole organization. In addition there are detailed general rules and regulations which govern all conduct in the pursuit of official duties, and personnel are selected primarily on the basis of competence and specialized training rather than according to prerogatives of birth and privilege. Office-holding in a bureaucracy, tends to be a life-long vocation (Thompson, 1956; Blau and Scott, 1962).

The bureaucratic 'machine-model' was developed as a reaction

against the personal nepotism, subjugation and cruelty and the subjective and capricious judgements which passed for managerial practices during the early days of the industrial revolution. Bureaucracy emerged out of the need for order for the organizations and worker's demand for fair treatment. It came as an organizational system ideally suited to the values and demands of the victorian era.

Four major changes have occurred in our society which challenge both the production and social sub-systems of organizations (a) a break, at first gradual and now pronounced, with traditional authority and the growth of democratic ideology (b) economic growth and affluence (c) the resultant changes in needs and motivation patterns and (d) the accelerated rate of change (Katz and Georgopoulos, 1971).

Bennis (1966) considered the bureaucratic pyramid as obsolete. He suggested a more flexible structure for the future to meet the demands of our changing society. The core problems facing an organization were considered as (a) integration (b) social-influence (c) collaboration (d) adoption and (e) revitalization. He considered bureaucracy was (in some sense it still is) a suitable social arrangement for routine tasks of the 19th and 20th century but not for today's uncertain and dynamic environment. It is suggested that the conditions which will govern the organization life in the next two or three decades are (a) the environment (b) population characteristics (c) work values and (d) tasks and goals. The social structure of the organizations will have some unique characteristics. The key word will be 'temporary'. There will be rapidly changing, adaptive, temporary systems. These