

Contextualising Management in Health and Human Service Organisations

OVERVIEW

This chapter will:

- describe the development of key management theories and approaches
- propose definitions of power applicable to management in organisations
- explore the influence of management approaches developed in the profit sector on contemporary management in health and human services
- discuss organisational structures common to health and human services
- introduce management approaches that are appropriate to health and human services.

The historical background and organisational context of human services management and practice are discussed in this chapter. Key themes are identified and theoretical concepts that are helpful for understanding and addressing contemporary management and practice issues in health and human services are introduced.

KEY TERMS

administrative management
bureaucratic management
ecological systems theory
human relations management
Likert scale
McDonaldization
mechanistic organisations
organic organisations

participatory management
scientific management
situational leadership
Taylorism
Theory X and Theory Y management types
utilitarianism
welfarism

Organisation, management and power

Order and disorder are a matter of organisation. (Sun Tzu, 1991, p.36)

The strategic organisation and mobilisation of people and resources in order to complete seemingly impossible large-scale projects has ancient origins: the giant stone statues of Easter Island, Stonehenge in England, Machu Picchu in Peru, Angkor Wat in Cambodia and the pyramids in Egypt are but a few examples (Bartol et al., 2011). Centuries-old texts, which are still drawn upon today, such as *The Art of War* by Sun Tzu, *The Republic* by Plato and *The Prince* by Machiavelli, espouse philosophies for overpowering opponents, organising people and governing territories. These enduring monoliths and documents are evidence that civilisations across the history of the world have identified principles, instituted systematic approaches and formed operational guidelines for mobilising large numbers of people towards achieving immense accomplishments. A discomfiting antecedent of contemporary management is slavery—used in all of the above-mentioned construction projects. This is because slavery gave rise to the concept of ‘work as a consciously designed set of tasks under the control of an overseer’ (Clegg et al., 2011, p.447).

These examples—and many more that you might identify yourself—illustrate the fundamental role of power and authority in facilitating or obstructing management and practice. From the outset of this text and, more importantly, in reference to your identity as a manager and leader, it is crucial to acknowledge the unavoidable and ever-present interrelationships between organisation, management, position and power. How leaders and managers understand power, their critical awareness of their own and others’ privileges, and how they engage with and use power, determines whether or not they, and their organisations, are practising and performing ethically, effectively and efficiently.

Power

Working with power sits at the centre of the roles of managers and leaders. The way an organisation is structured determines its flow and direction, its operation and exercise and, importantly, the nature of its effects. It is important to be mindful that power has positive *and* negative, formal *and* informal influences. Without the exchange of power, health and human services would be unable to work with people to bring about positive change in their lives. The words of Mary Parker Follett (1868–1933) encourage careful reflection on the concept of power from a management perspective. Although written ninety years ago, they retain their relevance:

No word is used more carelessly by us all than the word ‘power’. I know no conception which needs today more careful analysis. We have not even decided whether power is a ‘good’ word or a ‘bad’ word ... What is power? Is it influence, is it leadership, is it force? (Follett in Fox & Urwick, 1973, p.67)

Power can be understood in a wide variety of ways. It is commonly considered to be almost material, something that is possessed. People have *more* or *less* of it, depending on their structural position; it affords them with authority, and they can put it to use

in constructive and/or destructive ways. Power can also be understood as an action—a drive or energy that impels. Rather than being a commodity that is traded backwards and forwards, power is seen as existing in actions and emerging through relationships (Tremain, 2005, p.4).

From this perspective, power is, in the first instance, a positive force that is evident in things becoming possible, such as freedom of choice. Paradoxically, making a choice is paired with repressive consequences—this is because each option is ultimately constraining, requiring conformity to certain behaviours and identities (Crinall et al., 2010). For example, if we choose to accept a position in an organisation (exercising our power to be self-determining), we make a commitment to behave in specific ways, and to conform to particular rules—of our own volition we make the choice to be constrained, thus power in this instance manifests as a limiting influence (Foucault, 1992).

Whichever meaning you adopt, Mary Parker Follett’s question: ‘What is power?’ remains open. Try to keep these ideas about power in mind while you read about the development of management as a means of organising people and resources in order to achieve particular outcomes and goals. We will frequently return to consider power, and how it pertains to managing and leading health and human service organisations.

REFLECTION EXERCISE

Reflect on the above understandings of power. How do you define power? Can you think of examples of power as an object, and as an action?

We now take an abbreviated tour through some of the ideas and practices that provide the background to contemporary management approaches in the health and human services. Although the development of these management theories cannot be reduced to sole innovators, examples here are mainly limited to individuals. The reason for this is to highlight key concepts that inform these theories and to avoid watering down descriptions by trying to cover too many contributors in a contracted space.

Early theories about organisation and management for social well-being

The change from an agrarian to a factory-based workforce that accompanied the shift from a feudal to a capitalist economy during the industrial revolution across Great Britain, Europe and North America necessitated new approaches and technologies for organising populations, producing goods and supervising labour (Cree, 2010). Management was one of many new bodies of knowledge, along with sociology and psychology, that emerged from these profound changes during the early 1800s. In terms of management theory, this era is known as the pre-classical period, because the management ideas that were developed at this time were specific to particular problems, rather than management being treated as a separate domain of work, as it is now (Bartol et al., 2011).

Linkage

In Chapter 4 we further explore power and authority. Suggested readings at the end of this chapter also address meanings of power in greater detail.

Social work, along with many of the health professions, grew out of the social and living conditions that resulted from this intense period of rapid urbanisation. It is also worth noting that these professions represent a form of people management; they provide avenues for the exercise of power by organising people into categories and groups, and by promoting desirable, or normative, behaviours and living conditions.

Jeremy Bentham (1748–1832) is commonly credited with being the father of **utilitarianism**. Clegg et al. (2011) observe that his reform campaign was widespread: arguing for the abolition of slavery, the separation of church and state, equal rights for women, the decriminalisation of homosexual acts, and more humane working conditions (Clegg et al., 2011). He also promoted ideas that contributed to the development of **welfarism**. His reform approach was based on rational calculation and efficient planning; this included factories as efficient workspaces. Bentham designed an architectural management system to enable more effective supervision of workers, known as the Panopticon, which subsequently became a popular model for prisons (Foucault, 1979). The Panopticon enabled a single unseen observer to oversee the activities of many. Most significantly, the Panopticon created the psychological effect of being under constant surveillance, while never being able to see the observer or to know when they are watching.

The Panopticon is based on the principle that those contained within its space are made aware that they are constantly being watched, but cannot see who is watching them, or exactly when they are being observed. Therefore, to avoid reprisal, people are compelled to be self-disciplining, as they must behave at all times as if under surveillance. This form of people management endures in contemporary life, though now the domains in which we live, work and socialise extend beyond bricks and mortar into cyberspace, and our behaviours are monitored by electronic and digital devices, rather than concealed overseers. This is not limited to public or organisational workspaces but now includes what were once considered private domains, such as our homes and cars. Whenever we access the internet (Clegg et al., 2011), or when we use loyalty and reward cards, for example, our actions are being monitored and recorded by ‘invisible’ organisations, with the ultimate purpose of influencing our behaviour. Bentham’s Panopticon and its effect on the way people are organised, and how they organise themselves, is important to keep in mind as we consider management technologies and strategies, and the way they enact power, especially **bureaucratic management** approaches.

Utilitarianism

The belief that the most ethical stance is to achieve the greatest good for the greatest number of people.

Welfarism

Attitudes and policies supporting the establishment of a welfare state.

Bureaucratic management

A theory of management based on the ideas of Max Weber, which proposes that the most effective and efficient way to run an organisation is to have a hierarchical structure, with clear role definitions and rigid lines of accountability.

REFLECTION EXERCISE

When you are next in your own work environment observe how workspaces are arranged, and the various physical structures and technologies that are used to remotely monitor the activity of workers. What effects does this form of power have: is it productive or oppressive? Who has access to the information that is gathered by observing worker activities? What is this information used for?

Robert Owen (1771–1858) was another Victorian-era reformer of working and social conditions. Owen advocated for investing in the well-being of employees, the outlawing of child labour, the regulation of working hours, and the provision of meals during the working day (Robbins et al., 2000). He is credited with having laid the foundations for the human relations management movement (Bartol et al., 2011), which is discussed in greater detail later in this chapter.

Charles Babbage (1792–1871) contributed to contemporary management practices by developing the first functional mechanical computer. Not only did this invention foreground the digital technologies we now use to manage and perform our lives and work, Babbage also observed that highly skilled workers often spend large amounts of time engaged in work requiring lesser expertise. Seeing this as inefficient, he promoted work and task specialisation. The Babbage Principle (a term coined in 1974 by Harry Braverman) was based on Babbage's ideas that skilled and highly paid workers should only be allocated demanding tasks, while those who are lower paid and less skilled should be given easier tasks. The Babbage Principle was influential in the development of **scientific management** (Bartol et al., 2011).

Scientific management

A management approach that is based on the belief that scientific research can aid organisational efficiency and productivity.

Administrative management

The **administrative management** approach was concerned with the development of management principles for the coordination of internal organisational activities (Bartol et al., 2011). Henri Fayol (1841–1925) is often identified as instigating the idea that management was something that could be learnt and should stand alone as a separate profession (Coulshed et al., 2006). He named five functions of management, which, although now modified, retain relevance today: planning, organising, commanding, coordinating and controlling (Clegg et al., 2011; Lewis et al., 2012).

Fayol introduced the notion of allowing workers in different departments to be able to communicate directly with each other, rather than having to observe a chain of command. The current organisational logic of breaking down workplace silos resonates with this innovation (Lewis et al., 2012). Fayol's management training program focused on fourteen principles for 'proper management, efficient organisations and happy employees' (Clegg et al., 2011, p.457). A number of these are particularly relevant for workers in health and human services:

- 1 Unity of direction—top-level positions are responsible for an organisation's vision and direction.
- 2 Specialisation of labour—work teams are divided into smaller groups to carry out particular functions, and build expertise in particular areas.
- 3 Unity of command—each worker reports to one supervisor only.
- 4 Order—all positions have clear job descriptions.
- 5 Span of control—the same person should supervise those who are doing similar work.

Administrative management

A theory of management that proposes that efficiency and effectiveness are achieved through the application of particular principles and practices across the whole organisation.

Linkage

We consider management functions in more detail in Chapter 4.

Source: adapted from Coulshed et al., 2006, p.25; Clegg et al., 2011, p.458

REFLECTION EXERCISE

These are no doubt familiar concepts arising from your own experience as an employee and/or manager. Reflect on whether, and how, these principles are applied in your current practice context. How might this structuring of organisational practices direct the flow of power between employees at various levels?

Taylorism

The principles of scientific management developed by Frederick Taylor, based on the idea that work processes can be completed more efficiently if they are broken into small, specialised tasks. Taylorism resulted in the development of the factory production line.

Scientific management

The scientific approach to management, also referred to as **Taylorism**, largely derives from the ideas of Frederick W. Taylor (1856–1915). Rather than focusing on establishing rational principles for managing, Taylor was concerned with rationalising specific tasks (Coulshed et al., 2006). He pioneered ‘time-and-motion’ studies, and developed methods for enabling more efficient performance of tasks without increasing effort or workload. Taylor’s methods are famous for increasing factory production rates and profits, while decreasing manufacturing costs. The assembly-line system developed by Taylor continues to be a boon in industry contexts, but even there it is criticised for devaluing workers as people and individuals, increasing absenteeism and causing monotony and boredom (Bartol et al., 2011).

In the contemporary health and human services sector, scientific management is evident in the principles of managerialism and economic rationalism. These principles are incorporated into many organisational processes and practices, for example, the concepts of efficiency and accountability, and the application of work analysis methods, such as logic models, performance indicators and quality audits (Coulshed et al., 2006; Lewis et al., 2012).

A close associate of Taylor’s and a contributor to the development of scientific management whose name may be familiar to you is Henry Gantt, the inventor of the Gantt chart. Developed in the early 1900s, this planning tool is a horizontal bar chart that visually represents the scheduling of a project according to task, time, order of tasks, and key milestones.

Bureaucratic management

Bureaucratic management is frequently discussed in terms of bureaucracies, and identified as an organisational structure, rather than a management approach. It derives from the ideas of Max Weber (1864–1920), a German sociologist, who sought to understand what a functional and just organisational structure might entail. In the early twentieth century Weber conceived the ‘ideal bureaucracy’, and although his goal was directed at organisations, the model has been applied to the development of management practices. Weber’s ideal bureaucracy functioned on processes of applying ‘*rational* means for the achievement of specific ends’ (Clegg et al., 2011).

Linkage

Logic models, performance indicators and quality audits are discussed in greater detail in the chapters to come.

Linkage

We look more closely at the Gantt chart in Chapter 7 when discussing project management tools.

Characteristics of the ideal bureaucracy include the specialisation of labour, formal rules and procedures, impersonality, a clearly defined hierarchy, and career pathways (Bartol et al., 2011). Despite much criticism of bureaucratic management, bureaucracy has sustained as a dominant structure and organisational philosophy in large-scale health and human service organisations, particularly in the government sector (Lewis et al., 2012).

Bureaucratic approaches to management seek to minimise the capacity for individuals to influence organisational processes, relying instead on formal rules, policies and procedures. Promotion is based on merit and the achievement of key performance indicators, which have been *logically* determined and decisions are made according to *objective*, rather than *subjective*, criteria. People are subordinated to rules and processes, and the survival of the organisation is paramount.

Across the duration of a career in health and human services, it is difficult to avoid bureaucracies. Whether you are employed in a government department or a not-for-profit organisation, your work will be shaped by government policy, your organisation will have published standards and procedures, and your success in selection for a position will be based on key selection criteria. You will be expected to work towards achieving the goals and vision of the organisation, and promotion will be merit-based.

Think back to the earlier description of Bentham's Panopticon, and the distanced, disembodied supervision of people and their behaviour: it is apparent that this model of objective observation and organisational structuring was a precursor to bureaucratic design. Ironically, for many of us our job security and sense of safety at work are dependent on the dispassionate operation of the bureaucracy, because as employees we seek clearly established policies and rules to protect us from individual prejudice.

REFLECTION EXERCISE

Reflect on your own workplace context. Do you prefer to have a position description, clear lines of command and clarity of expectation? Does it increase your sense of job security and workplace safety to know who your supervisor is, what your rights and entitlements are, and that there are policies and procedures for guiding conduct within the organisation?

This is an ideal point to meet the first of our practitioners, whose insights as managers and leaders in organisations will help ground the ideas we are discussing. Marie Feeley shares aspects of her work and some of the challenges she faced as a middle manager in a large bureaucracy. Marie's description illustrates the point made above; that the principles of bureaucratic management are strongly embedded in present working conditions in the health and human services. As you read Marie's reflections, consider the features of bureaucratic management that are evident and how these shape her experience within the organisation.

Linkage

In Chapter 5 we discuss the expanding workforce in the health and human services, and the coupling of this with increasing organisational and professional regulations and qualification requirements.

PRACTITIONER PROFILE 1.1

MARIE FEELEY

SENIOR PRACTITIONER, SPECIALIST SERVICES, BEHAVIOUR SUPPORT SERVICES

Position

This would be perceived as a middle management role. Major responsibilities include the coordination, operation and development of a direct service provision program; this may be at a primary, secondary and/or tertiary level. The role also requires the clinical and operational supervision of seven practitioners.

A secondary service provision, or consultation, may involve, for example, supporting a staff group through reflective practice sessions that might resemble a 'group supervision' model. A tertiary service provision may involve the development and delivery of 'educational' programs to a tertiary institution, for example, TAFE, university students, etc.

A typical day

Might involve two supervision sessions with program practitioners, and attendance at a case planning meeting where issues will be related to criminal offending behaviours and/or child protection issues, human rights violations, etc. A day may also include time spent responding to colleagues through direct contact or via phone/email, preparation of documents, reading of documents sent for input and feedback, project planning and development.

Challenges

- Marking items off my 'to do' list.
- Sitting within a large open workspace amongst many workers where, in my perception, consistent poor practice is evident that is outside my jurisdiction. How much or how little of this do I address directly? It is a challenge to get support to address this.
- Finding a private space for confidential professional conversations, by telephone and in person.
- Working in a large government bureaucracy with all the processes that this may suggest.
- Extensive travel, within a rural region as well as regular travel to a major city and metropolitan areas.
- Finding time for thinking and reflecting by myself.
- Time for lunch.

Lessons learnt

- There is sometimes extensive and unsurpassable distance between concrete and conceptual thinking.
- Realisation of what I am able to do, and what I am not.
- How to say 'no'.
- The value of clinical supervision.
- I cannot say that I regret any of my learnings; I learnt when I needed to, and when I was ready to.

Necessary skills and qualities

- A liking of people generally.
- Authenticity.
- Critical thinking skills.
- Conceptual thinking that can access concrete thinking.
- Awareness of one's own values, beliefs and prejudices as much as possible. However, there are many prejudices one is not aware of until 'they hit one in the face' so to speak.
- Tolerance.
- Empathy.
- Courtesy, time to listen and hear.
- Courage to speak.
- Courage in hearing other varied perspectives.
- Ability to accept constructive criticism.

Human relations management theory

The rise of the psychological sciences from the mid-nineteenth century focused attention on the reasons behind worker behaviour. With the drive to increase productivity and profit, there was interest in understanding what motivated and demotivated organisational employees. Studies were conducted on the affect of various factors within the organisational environment, such as the arrangement of workspaces, rewards and incentives, and the assignment of meaningful tasks. Behavioural management theories developed in the early 1900s were mainly based on empirical evidence and experiment, and they sat in contrast to the scientific management approach, which saw people as components of a production machine (Bartol et al., 2011; Ginsberg, 2008).

A predominant behavioural theory approach is **human relations management**.

Early behavioural theorists linked with the burgeoning of human relations management are Elton Mayo (1880–1949) and Mary Parker Follett (1868–1933). While these two behaviourists share similar views regarding the importance of group work and relationships between management and workers, their perspectives diverge significantly.

Elton Mayo was an Australian organisational theorist who began his academic career at the University of Queensland before moving to the USA, where he became a professor at Harvard in 1926 (Clegg et al., 2011). Mayo analysed a series of three experimental studies that were conducted for the Western Electric Company in Chicago between 1927 and 1933, known as the Hawthorne studies (Bartol et al., 2011; Gray et al., 2010). These experiments involved observing the behaviour of factory workers when changes were made to their working environments. The research found that productivity increases were not necessarily dependent on environmental factors, such as changes to lighting and workspaces (Lewis et al., 2012), rather workers becoming more motivated and productive was linked with social factors, such as

Human relations management
Human relations management theory asserts that the psychosocial needs of workers must be addressed in order to maximise their performance. It was developed in reaction to the scientific management principles of Taylorism.

identification with an informal work group within the overall organisational structure and the increased sense of value and belonging that this created. This phenomenon became known as the Hawthorne effect (Clegg et al., 2011). But this explanation was not the end of the story.

These conclusions of the Hawthorne studies were criticised because it was later realised that the changes observed in workers' behaviours were in reality linked with their involvement in a research experiment, rather than changes in management practice strategies. Even so, the underlying principle that social factors influence worker motivation endures in contemporary management approaches. The most significant of these is that workers in an organisation perform better when there is a healthy group dynamic and when they receive positive attention from their supervisors (Ozanne & Rose, 2013).

The primary benefit of the Hawthorne experiments has been the redirection of attention away from bureaucratic and scientific management approaches toward the importance of fostering teamwork and meaningful, respectful relationships in organisations. However, it needs to be remembered, although these studies helped establish that motivation is not solely governed by economic reward or fear of punishment, the ultimate aim of Mayo and his colleagues was to maximise profit within a business environment. Their methods also still subscribed to the idea that organisational hierarchy and managerial control were necessary (Childs, 1995, cited in Lewis et al., 2012).

Mary Parker Follett, in contrast, promoted radical ideas about organisational management that are evident today in **participatory management** approaches. She was a social work manager for 25 years before turning her attention to the business sector during the early twentieth century.

Follett argued for group autonomy, and the benefits of communication and power-sharing across all levels of the organisation; utilising power 'with' rather than power 'over' subordinates (Bartol et al., 2011; Follett, 1951; Ginsberg, 2008).

The ideas of Mary Parker Follett and Elton Mayo founded the human relations approach to management, and drew attention to organisations as social environments comprised of human beings, the benefits of encouraging collaboration and cooperation, and the need for supervisors and managers to practise people skills (Bartol et al., 2011; Coulshed et al., 2006). At this time, in the early twentieth century, psychological and sociological theorising promoted reconsideration of the relationship between the individual and society, new understandings about the way people behave in relation to their environment, and the importance of meeting physical and emotional needs.

Abraham Maslow (1908–70) is well known to students in health and human services courses for his theory on human need and human nature, commonly referred to as Maslow's hierarchy of needs. Maslow argued that throughout the life course human beings are driven by the will and necessity to satisfy a series of needs. These progress through five stages: physiological (food, warmth and shelter), safety and security (absence of threats and violence), social (relationships with others), esteem (sense of self-worth),

Participatory management

A management approach that encourages consultation and genuine participation in organisational decision-making across all levels.

Linkage

The concept of participatory approaches to management is a theme that we revisit often throughout this text.

and ultimately a happy and fulfilled life (self-actualisation). Significantly, Maslow claimed that people must have their needs satisfied at each level before progressing to the next. In other words, if a person does not have adequate food, warmth and shelter, they cannot begin to feel safe; if they do not feel safe, they cannot develop functional social relationships; if they are not socially connected, they are not able to feel good about themselves; and if they have a negative self-image, they will not be able to reach their potential and feel satisfied and fulfilled with their life (Clegg et al., 2011).

An understanding of the needs that drive human behaviour strengthened the case against scientific management approaches. Maslow's conceptual framework encourages organisations to recognise that workers have basic human needs that must be met (Bartol et al., 2011; Gray et al., 2010). Today these principles are woven into theorising about effective approaches to health and human services management. This is quite possibly because they provide not only a common-sense model for explaining human motivation and why some people struggle to achieve, but also a level of certainty about how people's needs and associated issues can be addressed.

Douglas McGregor (1906–64) is another humanist psychologist, whose ideas shaped modern management theory, and with whom you may already be familiar. McGregor was concerned with the way managers viewed workers, developing the iconic notion of **Theory X and Theory Y management types**. These oppositional categories classify managers according to their view of human nature.

Theory X managers see people as self-interested, work-avoiding and unwilling to take responsibility. Therefore, the appropriate management style is to be highly directive and authoritarian; lines of accountability need to be clear. People are considered to be organisational resources that are expendable, like all resources, which do not contribute to profit (Clegg et al., 2011; Lewis et al., 2012).

Theory Y managers have a more positive view of human nature. They believe that people like to work and to take responsibility, that they are capable of working autonomously, have creative ability, and are independently aspiring towards self-actualisation (Bartol et al., 2011; Lewis et al., 2012). Management from this perspective assumes worker autonomy and capacity for self-management, and focuses on building worker self-esteem and career development. Delegating responsibility and shared leadership are encouraged. People are valued for their contribution to the organisation, and redundancy is not considered a desirable means of cost cutting (Clegg et al., 2011).

Even though these polarised extremes of management style are in many ways caricatures, the image illustrates the continuity in the influence of scientific management at the Theory X end of the scale, and the trend towards a human relations and participatory approach in the Theory Y orientation. It is reassuring that support for management approaches that adopt a positive view of workers, value the social dimensions of the workplace, foster individual potential and encourage participatory approaches continue into the present.

Rensis Likert (1903–81) was an American organisational psychologist who developed the **Likert scale**, a psychometric measure that is still used in surveys and questionnaires for measuring people's beliefs or feelings about a particular issue or factor. In the 1960s,

Theory X and Theory Y management types

Theory X managers assume workers are fundamentally lazy, only motivated by financial reward, and in need of constant supervision. Theory Y managers believe workers are self-motivated, can be left unsupervised and ultimately strive for self-actualisation in work.

Likert scale

A survey tool that measures opinions about a particular issue. Respondents are provided with a defined range of options, usually five (for example: strongly disagree, disagree, neutral, agree and strongly agree). These are then collated and analysed.

he also developed a framework for classifying organisations according to four types—or systems—of management. These range from highly controlling and disempowering for employees, to genuinely participative (Lewis et al., 2012). The table below outlines and compares the elements that define each system.

TABLE 1.1 Likert's management systems

SYSTEM 1: EXPLOITATIVE AUTHORITATIVE	SYSTEM 2: BENEVOLENT AUTHORITATIVE	SYSTEM 3: CONSULTATIVE	SYSTEM 4: PARTICIPATIVE
Power concentrated at top in hands of a few	Power concentrated at top in hands of a few	Power concentrated at top	Distributed power
Distrust of subordinates	Condescending trust in subordinates	More trust in employees	Complete trust in employees
Punishment to achieve compliance	Punishment and reward	Rewards with some punishment	Rewards and responsibility
Hierarchical decision-making	Limited and highly controlled participation in decision-making	Participation increases at higher levels Employees at bottom consulted, but do not make final decisions	Participation in decision-making across all organisational levels
Top-down communication	Top-down communication	Upwards and downwards communication (more downwards)	Communication in all directions
Employees alienated from organisational goals	Employees alienated from organisational goals	Less alienation	Engagement across all levels in goal formation
Low worker morale	Low to medium morale Competition between workers	Higher levels of morale Employee input, but final decisions made by top level management	Highest levels of morale Widespread responsibility Highest productivity

Source: adapted from Lewis et al., 2012, p.87; Tyson, 1998, p.96

Likert advocated for a System 4 approach: participative management. This involves the organisational structure incorporating group decision-making, and team leaders and managers acting as 'linking-pins' between work groups and other management levels (Coulshed et al., 2006).

Community sector organisations tend towards management approaches that are heavily informed by human relations principles. This includes:

- Valuing the people who work in the organisation.
- Attention to workers' needs.
- Encouraging informal groups and teamwork.
- Fostering multi-directional communication.
- Distributed leadership and participatory decision-making.

You will find that these concepts recur regularly throughout the chapters to follow. However, as encouraging as it is to engage with these ideas about management and to appreciate their fit with the values that underpin health and human service organisations, it is also important to be mindful of criticisms that have arisen regarding human relations ideas.

Coulshed et al. (2006) warn that these theories emerged from studies in the business sector. Despite the contributions of the humanities and social sciences, which illuminated valuing workers as people, and attending to needs and aspirations, their overriding intent is to maximise organisational profits. Therefore, the application of the human relations model in organisations has been oriented towards understanding people and their motivations in order to control and direct their behaviour so that the goals of the organisation can be achieved, rather than to better understand and nurture workers themselves. Coulshed et al. (2006, p.42) observe that: ‘It is almost as if aspects of people’s humanity are being understood only to be used against them, so as to turn them into more compliant workers’. Furthermore, they claim that this focus on the individual detracts from a critique of organisations as entities and of the quality and appropriateness of the services provided. Coulshed et al. observe that knowledge can be used to engage people in behaviours and practices which ultimately result in their own exploitation is supported by the view of power discussed earlier—that it is most effective when people are willing participants.

Of course, the trajectory of development in management approaches did not stop here. Up to this point, we have considered some of the features and progression of classical, scientific and human relations management. It is worth pausing to reflect that community sector organisations did not follow the same management path as business sector organisations. For the social welfare professional, management was considered a necessary evil, but not their real work. Different conceptualisations of the organisation as an entity contributed to the adoption of other management approaches, and many social and community sector organisations engaged with alternative models, such as collectives and community-based management (Lewis et al., 2012).

We hope it is now clearly evident that management and management theory has a lengthy history of concern with resolving the problem of getting people to do things within an organisational framework. As we saw in the profile provided by Marie Feeley, and will continue to observe in further practitioners’ accounts, contemporary management approaches have not dispensed with this body of knowledge and its strategies and approaches. As management and organisational theory moved towards the twenty-first century, the relationships of organisations with their wider contexts, as well as the worlds contained within their boundaries, was brought into focus by the biological sciences.

Systems theory

While Likert identified four management ‘systems’ within organisations, other theorists were beginning to study organisations as open systems, with a two-way flow of interaction involving people, technologies and other systems. **Ecological systems theory**, which endures as a popular model in social work and human services practice,

Linkage

We discuss some of the alternative organisational formations adopted by community sector organisations later in this chapter and again in Chapter 3, when we explore organisational culture.

Ecological systems theory

Proposes that understanding human development and behaviour requires looking at the person in the context of the interrelated systems within their environment.

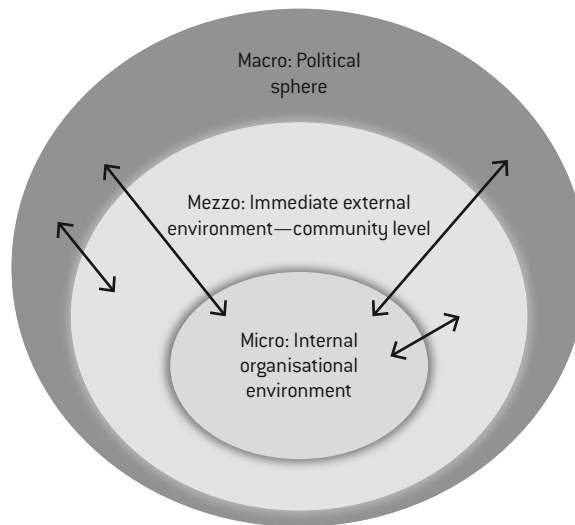
was developed by Urie Bronfenbrenner in the late 1970s. The ecological model seeks to make sense of the interactions between the person and their environment, which is understood as composed of other people and other systems (Morgan, 2006). Political, social, technological, legislative and economic factors in an organisation's environment are recognised as influencing human behaviour, as well as organisational practices and potential (Coulshed et al., 2006, p.43).

In the systems schema, organisations are understood as having internal components, or sub-systems, that dynamically interact with one another (the intra-organisational), as well as external relationships (inter-organisational) that are mediated by flows into and out of the organisation across permeable boundaries (see Figure 1.1). These exchanges between the internal and external domains of the organisation are constantly influencing and affecting both environments and the animate and inanimate elements within them. If we understand power as a form of relational energy, these flows can be seen as evidence of the actions of power.

Linkage

In Chapter 6 we revisit these concepts when looking at methods for analysing the organisational environment in the course of strategic planning.

FIGURE 1.1 Basic ecological system



This concept of the organisation as a system redirects attention from structures toward processes. It also recognises forces beyond the control of management that act on the organisation itself, those employed within it and the people to whom services are provided. An important characteristic of an open system is the ability to exceed its component parts—to produce greater outcomes than are achievable by its individual elements. A common example is working towards the attainment of organisational goals, or resourcing and establishing a new program. You may recall Mary Parker Follett's observation that groups are more productive and effective than individuals working alone. This is described as synergy by ecological systems theorists (Bartol et al., 2011), and refers to the interaction of two or more entities that results in a greater outcome than is achievable by the individual components.

As a way of conceptualising organisations, the systems perspective fits more comfortably with health and human services than the business sector. This is because of the need in the former to be responsive to the multiple variables influencing the lives of clients, the heightened vulnerability of organisations to the socio-political environment, and because of recognition that health and human services are implicated in, and dependent on, networks (Lewis et al., 2012).

Constant tension exists between an organisation's aspiration to a sense of order and stability for internal functioning, and its externally driven need to adapt and change to remain viable. The capacity, willingness and necessity to engage in this dynamic varies across organisations and contexts, although it bears recognition that adaptive systems are more likely to survive and succeed (Page, 2011). Lewis and colleagues observe that 'most of the organisational theories that have emerged over the last half century operate under the assumption that all formal organisations are in fact open systems that respond to the environments around them' (Lewis et al., 2012, p.90).

Seeing organisations as complex, dynamic, open systems highlights the fluidity of the organisational environment; in which change is an inevitable feature of a normal order, rather than evidence of disorder. This notion that organisations are in a constant state of change and adaptation—an essential part of which is the constant flow and action of power—is critical for studying management in health and human services. We will return to this concept as we explore strategies for addressing the challenges presented to managers and leaders by the realities of the contemporary practice climate.

Contingency theory

Contingency theories build on the systems theory perspective by acknowledging that organisations must be responsive to fluctuations and changes in their internal and external environments to enable them to be effective and fulfil their purpose (Lewis et al., 2012). In short, contingency theory argues that organisations change their structures and management approaches to adapt to the unavoidable contingencies of the working environment (Clegg et al., 2011; Lewis et al., 2012).

In 1958 Joan Woodward (1916–71) observed that technologies directly impacted various components of the organisational environment, including lines of authority, and policy, rules and procedures. Subsequently, Burns and Stalker (1961) classified organisational structures as either mechanistic or organic.

Mechanistic organisations adhere to classical, scientific management principles; they are highly formalised, 'machine-like' and hierarchical. **Organic organisations**, on the other hand, are flexible, informal, 'biological' and flat structured. Where the environment is stable and certainty is high, organisations are more likely to be mechanistic. Where the environment is turbulent and uncertain, the greater need for adaptability results in more organic organisational structures (Ozanne & Rose, 2013). Contingency theory argues that neither is better than the other, rather it is context that determines what is appropriate; organisations are not stable entities, so they can adjust as required.

Mechanistic organisations

Organisations, often large, with a hierarchical structure, rigid rules, procedures and lines of accountability, and centralised decision-making.

Organic organisations

In many ways the antithesis of the mechanistic organisation, these are often small and flat structured, with open communication, and flexible decision-making processes to support emergent developments.

These ideas are particularly pertinent in the organisations that we studied in our case study research. Managers described needing to balance and maintain multiple relationships, and hold everything together, while also changing and adapting according to shifts in their environment. The following practice example, from a training and vocational enterprises manager, illustrates this.

PRACTICE EXAMPLE 1.1

The balancing act of managing within a system

The challenge for us as an organisation and as managers is balancing the government's requirements, the funders' requirements and the organisational requirements with what we believe is the best way to deliver services. Have you ever seen the Chinese balancing-plate act? Imagine, we've got government over here and we're trying to keep them happy, we've got the organisation over here and we're trying to keep them happy, we've got the media and the community over here and we're trying to keep them—oops, this one's starting to wobble, now that one is. So that's what it's like, trying to keep the plates in the air, but what matters most is how important has our work been. Not to the government, not to the funders, but to the person who's used it. So it's really about finding that balance.

Situational leadership
Situational leadership argues that to be effective, managers must select a style or strategy according to the presenting situation.

In terms of management approaches, contingency theory informs models such as **situational leadership**. Originally developed by Paul Hersey and Ken Blanchard, the situational leadership model is encapsulated in the popular management text *The One-Minute Manager* (Blanchard & Johnson, 1993). It argues that the most effective managers adapt their style to each situation. For example, novice workers require highly directive and controlling management styles, while experienced workers thrive on autonomy and responsibility, and so for them a *laissez-faire* approach is appropriate. Alternatively, an organisation dealing with mandated clients and highly risky public safety situations will require a more controlling and bureaucratic management approach than a community-based agency, which provides services to clients on a voluntary basis.

One example of organisations responding to contingencies in their environment has been the trajectory of the women's refuge movement. In the 1970s, with the rise in awareness about social problems facing women, such as domestic violence, women's refuges were established throughout Australia. As a resistance to and reaction against the disempowerment of women caused by patriarchal organisational and professional arrangements, women chose to establish feminist collectives. These were largely staffed by volunteer labour, they eschewed the notion of a leader or manager, and one criterion for appointment to a salaried position was *not* having a professional qualification. All paid staff were expected to contribute volunteer time and decisions were made collectively. However, increasing pressure from the governments that funded refuges, and the rise of economic rationalism, impelled these organic agencies to adopt managerial principles and move towards more mechanistic practices (Weeks, 1994).

Alternative approaches

Lewis and colleagues (2012) refer to non-bureaucratic organisations. These emerged as a critique of the unexamined use of power, and the lack of attention to the structural oppression that contributed to the marginalisation of particular individuals and groups. These alternative organisations were often small-scale, community-based, poorly funded, creative and experimental, and deeply committed to their clients and to social change. Disconcertingly, the majority have not survived the managerialist wave of the last decades; many have disappeared due to lack of funding or have been subsumed into larger auspicing agencies or clustered structures, like the present community health service model.

Coulshed et al. (2006) comment that the rate of change has become so fast and organisations so complex, that the management models developed in the nineteenth and twentieth centuries are no longer adequate. In the twenty-first century, health and human service organisations are implicated in a demanding and competitive environment that places more emphasis on management and leadership than ever before.

Emerging perspectives

As discussed at the outset of this chapter, and explored in more detail in Chapter 2, contemporary community services management is characterised by the ideology of managerialism imported from the business sector. In order to ‘survive and thrive’ and to be able to offer effective services to a wide range and significant number of people, health and human services have engaged, sometimes willingly and often reluctantly, with the discourse of scientific management and mechanistic processes. Policy-makers and funders, predominantly government, have instituted escalating levels of control through accreditation standards, and evaluation and accountability processes. Funding dollars must now be utilised *more efficiently* and achieve greater outcomes, and service delivery is being standardised towards predictable outcomes and *consistent* responses to clients. As we explore in the chapters to follow, not all of this is negative, and it is worth remaining mindful of Foucault’s words:

My point is not that everything is bad, but that everything is dangerous, which is not exactly the same as bad. If everything is dangerous, then we always have something to do. So my position leads not to apathy but to a hyper- and pessimistic activism. I think that the ethico-political choice we have to make every day is to determine which is the main danger.

Source: Foucault, 1983, pp.231–2

In discussing current management practice, Clegg and colleagues (Clegg et al., 2011) lament the lack of attention to contemporary management theory. They observe the ‘fast track’ mentality of management literature, trapped as it is within a culture of short time lines and pressure to succeed ‘yesterday!’ Scientific management principles are applied because they are expedient and achieve quick results, rather than because they are effective in the long term, well informed or just. Clegg et al. point to George Ritzer’s concept of **McDonaldization** to describe contemporary approaches to business management.

McDonaldization
A concept that identifies four dominant mechanisms current in organisational management, based on fast-food industry principles: efficiency, calculability, predictability and control.

Ritzer identifies four dominant mechanisms that are based on fast-food industry principles. These are: efficiency—the smallest input for the largest gain; calculability—minimising production costs; predictability—standardising products so that the same service is delivered at all outlets; and control—regulating labour through machinery or, where people must provide the service, instituting rigid, prescriptive codes of conduct. The McDonaldization phenomenon has not only infiltrated the business sector but, according to Ritzer, this routinisation pervades contemporary life (Ritzer, 1993, cited in Clegg et al., 2011).

The consequences for the health and human services of this pervasive approach to managing organisations and everyday life take effect at a number of levels. At the dire extreme, management principles are imposed on organisations that contravene ethics of social justice, equity and the valuing of human (and all living) beings and the natural environment; placing the future well-being of people and communities at risk. On the other hand, increased accountability for public funding spending, the ability to provide immediate responses to increasingly complex client groups, and service system integration, impels the need to coordinate and standardise responses, and to find faster, more efficient ways of working. A critical issue for health and human services is identifying what these ‘fast-food’ approaches to organisational management do have to offer, while being alert and resistant to their pitfalls.

REFLECTION EXERCISE

Reflect on an organisation that you are familiar with. Have you seen any of the effects of McDonaldization taking place?

Into the future: Postmodern paradoxes

Lawler and Bilson (2010) also lament the popularity of simplified management models, commenting on the preference in social work management for approaches that promise concrete and pragmatic solutions in an increasingly unpredictable practice environment. They make the observation that many of these models are left wanting because they attempt to simplify complex theoretical ideas, and in so doing, depth of understanding, nuance and the importance of variable and unique contextual factors are overlooked. The paradox, they argue, is that the crushing demands in our ever more complex social world cannot be addressed with simple, one-size-fits-all solutions. And yet, time and resource limitations, and escalating external demands for responsiveness mean there is no time to engage with complicated theoretical frameworks, much less apply them to practice. Thus, organisational leaders are compelled to find quick fixes and ‘simple’ strategies, which can only offer inadequate, short-term solutions (Lawler & Bilson, 2010).

Somewhat ironically, one of the primary paradigm shifts in the transition from modernity to postmodernity was the rejection of the belief that one set of ideas could be found that would explain everything. Pluralism was embraced, and notions of hierarchy

and elitism were disrupted. Postmodernism focused attention on how power operates within organisations in a web-like way, through discourses of ‘expert’ knowledge. Rather than a uni-directional flow from the top, power is understood as dispersed and diffuse, pervading all organisational levels. All of the people associated with an organisation—workers, clients and community members—are seen as constantly negotiating their position within, and in relation to, the organisation, through opposing interplays of power. At the same time, this constant tug and pull between demand to comply and resistance to compliance constructs the organisation and, in turn, this shapes and defines the workers’ identities.

It can be a struggle to realise the implications of these ideas for health and human services management in a practical way. On one extreme, the values of the organisation and the professions that it supports are in danger of being undermined, and overridden by policy-makers and funders. On the other hand, these concepts lend support to the necessity for perpetual critical dialogue, the dismantling of hierarchical structures, the promotion of distributed leadership, the fostering of participatory practices, and the undoing of privilege in organisational relationships. Throughout this text, we encourage you to reflect on how to work with these paradoxes and challenges, as we explore the various dimensions of organisational management and practice in health and human services.

SUMMARY OF KEY ISSUES

In this chapter we traced the trajectory of the development of management into a specialised field from pre-classical to contemporary times. We considered some of the most influential thinkers arising from scientific and humanist schools of thought, and looked at how these two paradigms have contributed to knowledge about, and approaches to, management in the health and human services. We also reflected on various meanings and effects of power, and why—as managers and leaders—it is important to be aware of the way power operates, and how we can use this understanding productively, rather than oppressively. The intensifying complexity of the practice environment, the specialisation of management, and the need to find different ways of working effectively and successfully towards improved client outcomes, is impelling exploration of approaches and ideas capable of guiding us in new directions. This requires knowing what to select and retain from past practices, while fostering and engaging with new and emergent approaches. Next we look more closely at the factors that shape the practice environment.

PRACTICE ACTIVITIES

1 Management approaches

Identify whether elements of the management concepts listed below are evident in the organisation where you work, or one with which you are familiar. Specify the elements that you have observed.

- 1 Bureaucratic management
- 2 Human relations
- 3 McDonaldization
- 4 Panopticism
- 5 Participatory management
- 6 Scientific management/Taylorism

2 Organisational forms

Would you describe the organisation you have just analysed as mechanistic or organic? In what ways?

3 Managing now and into the future

List up to ten challenges that you see confronting management in health and human services as we move into the next decade. Identify strategies for addressing them.

FURTHER READING

The history of management theory

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