

Theory Z in School Administration?

Successful management of an American school—like the operation of a Japanese industry—involves long-term development of personnel, trust between workers, participative decision making, and a shared philosophy.

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The Japanese approach to management has been analyzed in a number of books and articles, including the best-seller *Theory Z* by William Ouchi (1981), subtitled "How American Business Can Meet the Japanese Challenge." Ouchi advances Theory Z as a management style that not only yields greater productivity and profitability, but also higher degrees of worker satisfaction, company loyalty, and performance.

Despite appearing to be primarily about Japan, a large portion of Ouchi's book is about American companies—Hewlett-Packard, IBM, Dayton Hudson, and Eli Lilly, for example—that he believes have used the Theory Z approach with success. Theory Z is not really a theory in any strict sense. Instead, it is a model based on four highly interdependent characteristics (Bowen, 1981):

Commitment to an overall philosophy. "The bedrock of any Z company is its philosophy" (Ouchi, 1981, p. 131), which provides the basis for decision making throughout the organization. The philosophy statement includes objectives of the organization, its operating procedures, and the constraints and expectations placed on the organization by its environment.

Much debate is involved in the development of the philosophy so that it will

be accepted by those who will implement it. To underscore the importance of the philosophy, the company's chief executive officer typically writes a book giving his or her interpretation of its meaning and implications. Through the application of its stated philosophy, the company makes certain that it is consistent in its direction and integrated in its activities. Decisions to adopt a new product line, use a certain type of advertising, implement a flextime system for employees, or change relationships with suppliers are all guided by the philosophy.

Emphasis on the long term. Theory Z emphasizes the long-term development of the company's employees as well as its products. Resources are committed to development activities that may not show results for many years. This emphasis is especially strong for managers. Experienced managers are expected to assume a mentoring relationship with younger managerial personnel. Promotions are slow, but opportunities for new experiences and for taking responsibility are deliberately provided. Managers are moved around to different parts of the company so that they will know how each functions and relates to the total company effort. This "wandering around" leads to the understanding that the company can only succeed in the

long run if each part of it works for the common good.

Trust. The basic prerequisite for the successful operation of Z management is trust, which comes from the understanding that everyone in the company shares fundamentally compatible goals. In such a situation, all are free to make their special contributions and to advance their ideas for the solution of problems. Trust is demonstrated in various ways including widespread sharing of information, frequent joint involvement of workers and managers on projects, allowing responsibilities to be assumed on the level where the task is to be completed, managerial support for decisions that have been made after group deliberations, providing lifetime employment, and a continual refining by the staff of the way the organization conducts its work. Basic to Theory Z is the belief that a person treated with trust will perform more efficiently not only on the job but in all other areas of life.

Participative decision making. According to Theory Z, a participative approach to decision making yields more creative decisions and more effective implementation than individual decision making. It "is one of the mechanisms that provides for the broad dissemination of information and of values within the organization, and it also serves the symbolic role of signaling in an unmistakable way the cooperative intent of the firm" (Ouchi, 1981, p. 78).

Can Theory Z Fit?

Might it be possible to adapt Theory Z to schools? One way to find out is by comparing how Japanese Z-type companies and American schools are organized vis-à-vis their staffs. Figure 1 re-

Figure 1. Characteristics of Staff Organization.

Japanese Organizations

1. Lifetime employment
2. Slow evaluation and promotion
3. Nonspecialized career paths
4. Implicit control mechanisms
5. Collective decision making
6. Collective responsibility
7. Holistic concern

Source: Ouchi, 1981, p. 58.

American Schools

1. Short-term employment that may become lifetime employment
2. Slow evaluation and slow, or more likely, no promotion
3. Semi-specialized career paths
4. Explicit control mechanisms
5. Individual decision making
6. Individual responsibility
7. Segmented concern

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veals several significant differences in their functions. Clearly, a number of changes would be required for school management to be conducted in a Z manner.

Lifetime employment. The focus of the evaluation and development of teachers is very short-term. Teachers are evaluated annually with minimal attention to planning for growth over a period of years. Inservice programs are based on immediate needs and are generally too brief and poorly financed for any significant impact. Application of the lifetime employment concept requires establishing career paths and supporting greatly increased amounts of inservice education. A long-term development plan should be maintained for each teacher to ensure that he or she will engage in a variety of growth producing activities.

Lortie (1975), in his classic sociological study of teaching, pointed out that the lack of involvement of the school in the continuing development of the teacher has contributed to the weakness of teaching as an occupation. Furthermore, he found that persons who enter teaching do not view it as a lifetime career and thus are less willing to invest in their own long-term development. Dreeben (1970) concluded that neither preservice nor on-the-job training of teachers requires the commitment or produces the expertise that will bind individuals to the profession. If Theory Z management could lessen these problems, it could certainly contribute to more effective schools.

Slow evaluation and promotion. The lack of promotion opportunities for the classroom teacher as a teacher has long been recognized as a serious motivational problem. Theory Z, with its emphasis on giving special responsibilities to individuals regardless of rank and on participative decision making, might provide an important alternative route. Opportunities to work on meaningful tasks with others in the school organization, including top administrators, might also strengthen collegiality within the school and create closer bonds between teachers and their work.

Nonspecialized career paths. Ouchi cites research that "strongly suggests" that workers who continually face new tasks are more vital, productive, and satisfied with their work than those who stay in one job (p. 32). The so-called "wandering around" practiced by managers in Z companies could be realized

in schools by changing teachers' assignments every few years so that they experience the challenge of different grade levels, courses, and even school settings. They also might take on some administrative duties. In addition to stimulating teachers, these varied experiences might encourage the needed holistic concern.

Implicit control mechanisms. The key to implicit control mechanisms is mutual understanding between teachers and administrators. Common commitment can arise only through sharing tasks and joint efforts to support the growth of students. Implementation of the Z idea of "management by walking around"—direct participation by managers as opposed to distant order giving—would require very different priorities for administrators. Perhaps being managed through implicit control mechanisms will produce teachers who view themselves as capable professionals rather than as mere employees.

Collective decision making and responsibility. Dreeben (1970) postulates that "the distinguishing characteristic of school systems is the vague connection between policy formation at both the high and middle levels of the hierarchy and its implementation at the level where instruction takes place—the

classroom" (p. 48). Many top down and even group decisions are carried out only partially, while the teacher operating in his or her own classroom makes hundreds of decisions that may or may not support those made by other teachers. Lortie's analysis of teacher satisfaction raises some doubt as to whether teachers are willing to give up any of their control over decisions in their classrooms. Moving to a truly participative approach would thus be a major change for schools.

The job of educating young people, however, certainly calls for the coordinated efforts of many people. Ouchi concludes that "Productivity is a problem that can be worked out through coordinated individual efforts in a productive manner and of giving employees the incentives to do so by taking a cooperative, long range view" (p. 5). Furthermore, he explains that improved coordination increases production by capturing the emotional and mental energy of workers in analyzing, planning, and decision making.

Holistic concern. The schooling of youth in the United States is very segmented. The seventh grade teacher knows next to nothing about what the sixth grade teacher is doing; the English teacher is uninformed about what the

Figure 2. Steps to Implement Theory Z.

1. Administrative staff studies and debates Theory Z.
2. Administrative staff identifies the school's current, actual management (decision-making) system.
3. The chief administrator defines the characteristics of Theory Z to which he or she can be committed.
4. Administrative staff works with teachers to develop a set of procedures for implementing the characteristics identified in step 3.
5. Administrative staff and teachers work together to develop the interpersonal skills needed to implement Theory Z.
6. Administrative staff conducts a short-term test of the new management procedures and gathers feedback on how they work.
7. Administrative staff involves the school board and teachers' association in their goals relative to Theory Z.
8. The board establishes policies to create the environment necessary to stabilize employment.
9. Administrative staff and teachers establish a system for slow evaluation and promotion.
10. Administrative staff establishes a system for long-term faculty development.
11. Administrative staff initiates implementation of Theory Z starting at top levels of administration.
12. Administrative staff seeks areas to implement participation of faculty, students, and community in decision making.
13. All permit the development of holistic relationships in which those concerned with the school work together to improve it.

Adapted from Ouchi, 1981, pp. 99-127.

math teacher is doing, and so on. Questions of how educational experiences fit together and how they lead to students' overall development do not receive much attention. Moving away from the traditional, highly segmented school would be difficult. A Z company focuses its concern on its long-term business success. Such a focus of concern in the schools is easy to identify—the learner.

Implementing Theory Z

Ouchi has suggested a series of steps for implementing Theory Z as a management scheme. These steps, reformulated to fit the school situation, are presented in Figure 2. While they are to be carried out by administrators and faculty members working together, the chief administrator is the key to success. Implementation of Theory Z must begin at the top and work its way down through the organization. The entire implementation process is slow, taking several years to complete.

Commitment to Theory Z, while absolutely necessary, will not be enough for successful implementation. Administrators and teachers alike will need to learn the skills of participative decision making. These skills cannot be assumed to exist; definitive activities for their development must be undertaken. Furthermore, strategies for collecting feedback on the attempts to change the management style need to be identified and established to guide the Theory Z implementation. These strategies may be similar to those used later to evaluate the effectiveness of decisions made in the participative process.

Should Theory Z Be Applied in Schools?

Ouchi's conclusions about what makes for effective management are not without their critics. Bruce-Briggs (1982) has charged that Ouchi has totally misinterpreted the Japanese situation. To him, the essential ingredient in Japanese economic success is the discipline of the work force, which is a product of Japanese traditions. Bruce-Briggs states that not only would it be silly, but also dangerous to try to apply Japanese methods out of the context of a "labor force disciplined by a social hierarchy controlled by an oligarchy."

Many would probably agree with Bruce-Briggs that Theory Z is simply a "new brand name to peddle an old ideological package," fit only for a utopian situation. Some will undoubtedly

view the Z ideas as too "soft" and not authority-oriented enough to be effective. If these ideas really have been effective for major corporations, however, perhaps they do have some power to produce results. A decision about whether these concepts are useful for management in education, moreover, should depend on an analysis of the school situation.

The Theory Z ideas may have potential for addressing two long time problems in American education. Lortie's excellent analysis describes the weakness of teaching as a subculture. Prominent among the factors contributing to this condition are the lack of a common language among teachers, the failure of teachers to establish adequate supporting relationships with each other, and the stagelessness of teaching as a career, which depresses teacher motivation. The emphasis in Z on the development of the worker-teacher through broader participation and work experiences and on the exercising of collective responsibility for decision making and implementation may have promise for dealing with this weakness.

The second problem is that of the segmented nature of the school. Individual teacher entrepreneurship may provide the basis for much of what teachers enjoy about their jobs, but it is inconsistent with the development of the student. Learning is a long-term, multifaceted process. According to Lortie's study, teachers desire to "reach" every student, develop a positive attitude to learning on the part of their students, and produce moral students. These ends will not be accomplished through a group of isolated efforts. Again Theory Z may provide a basis for coordinating the efforts of the school.

Would it be worth our while to study the application of Theory Z management to schools? I'll think about that some more as I drive home from work in my Honda. □

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Successful in Japan and
involve staff members in

Quality

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If educators are to have some leverage in increasing productivity and quality in America's schools in the next few years, we must focus our energies on the most potent and expensive resources under our control—the people who work in our schools.

There are many methods school administrators can use to accomplish this goal. One possible approach—the quality circle—has been credited by observers of Japanese industry as being a key component in increasing employee productivity. In the United States, the concept has already moved from industrial settings to banks, hospitals, government, and service organizations. By spring 1983 over 4,000 organizations will be implementing quality circles.

The quality circle is a participative management tool designed to systematically harness the brain power of employees to solve an organization's problems of productivity and quality. While there are certainly many differences in the ways industry and education operate, they do share one attribute: the public distrusts the quality of their products. Whether it is American cars or American high school graduates, both are perceived as not as good as they used to be.

As yet, few school systems have used the quality circle concept. However, a growing number of school administrators are tentatively examining its tech-

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