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Explanatory Remarks on McGregor's Theory

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A B S T R A C T S

An accessible explanation of McGregor's Theory is provided in this article. For readers who want to use the article for basic knowledge, fundamental ideas are given. The review is meant to provide senior and graduate students studying business management, educational psychology, and educational management with a self-study approach. It might also be used in academia and business as a textbook or reference.

1. INTRODUCTION

Douglas Murray McGregor was an American management professor at the MIT Sloan School of Management and president of Antioch College from 1948 to 1954. McGregor was a student of Abraham Harold Maslow. McGregor offered two hypotheses in The Human Side of Enterprise, published in 1960, that explain how managers should view and deal with employee motivation. These contrasting motivational strategies were referred to by him as Theory X and Theory Y management. Each presupposes that the manager's job is to allocate resources, including people, in a way that is most advantageous to the business (Magayanes, 2022; Shaturaev, 2022; Budiarti *et al.*, 2021). Beyond this relationship, however, their mindsets and presumptions are very dissimilar. His students enjoyed his classes because of his laid-back teaching style. He frequently lectured while resting his feet up on the desk (Carson, 2018).

Here, an accessible explanation of McGregor's Theory is provided in this article. For readers who want to use the article for basic knowledge, fundamental ideas are given. The review is meant to provide senior and graduate students studying business management, educational psychology, and educational management with a self-study approach. It might also be used in academia and business as a textbook or reference.

2. METHODS

This paper was provided from internet source literature, including books and articles in international journals.

3. RESULTS AND DISCUSSION
3.1. Theory X

According to McGregor, Theory X management assumes the following:
(i)   The majority of individuals find labor unpleasant by nature, and they will make every effort to avoid it.
(ii)   Most people like to be led and lack ambition and desire for responsibility.
(iii)   Most people struggle to think creatively while trying to solve organizational difficulties.
(iv)   Only the physiological and security levels of Maslow's hierarchy of needs are conducive to motivation.
(v)   People tend to be self-centered. They must therefore be tightly managed and frequently compelled to accomplish organizational goals.
(vi)   The majority of people oppose change.
(vii)   Most people lack intelligence and are easily duped.

According to Theory X, money is the main driver of employee motivation, with security serving as a potent deterrent. According to Theory X, there are two ways to approach achieving goals: hard or soft. Force, implied threats, micromanagement, and stringent controls—a command and control environment—are all components of the hard approach to motivation. However, the soft approach is to be tolerant and look for harmony in the hopes that, in exchange, staff members will comply when requested.

Both of these extremes are undesirable, though. The aggressive approach produces animosity, deliberately low output, and high union demands. The soft approach causes people to become more eager to accept lower labor productivity in exchange for higher rewards. Both strategies, according to McGregor, are inappropriate since Theory X's fundamental tenets are false. Maslow's hierarchy of requirements serves as the foundation for McGregor's claim that a need that has been met no longer motivates (Maslow, 1943;

Wahba & Bridwell, 1976). The corporation satisfies the lower-level wants of employees via monetary rewards and benefits. When those requirements are met, the incentive vanishes. Because Theory X management denies that these requirements are pertinent in the workplace, it makes it more difficult to satisfy higher-level demands.

Therefore, the only way employees may try to meet higher-level needs at work is to ask for more money, therefore it is only natural that they concentrate on monetary rewards. Money might not be the best means of achieving self-fulfillment, but it might be the only one that is available. People will utilize their jobs to meet their basic requirements and use their free time to try to meet their higher wants. However, when job goals coincide with higher-level demands, employees can be at their most effective. According to McGregor, a command-and-control atmosphere is ineffective because it depends on lower needs for motivation, which are no longer motivating in contemporary society. After all, they are largely satisfied. Employees would be expected to detest their jobs in this circumstance, avoid taking on responsibility, show no interest in company goals, reject change, etc., which would result in a self-fulfilling prophecy.

3.2. Theory Y

McGregor believed that Theory Y management was more likely to produce a consistent flow of motivation. For the majority of humans, the higher-level needs of esteem and self-actualization never fully materialize. As a result, the best way to inspire people is through these higher-level requirements. The following are the presumptions made by Theory Y management:

(i) If the circumstances are right, work can be as natural as play.
(ii) If they are dedicated to them, people will use their initiative and creativity to accomplish their personal and professional goals.
(iii) If rewards are in place that meets higher demands like self-fulfillment, people will be dedicated to their quality and productivity goals.
(iv) Creativity permeates all aspects of businesses.
(v) Because creativity and ingenuity are prevalent in the public, the majority of people are capable of handling responsibility.
(vi) In these circumstances, people will look for accountability.

Under these presumptions, there is a chance to use the employee's own need for fulfillment as a motivation to match personal aspirations with organizational aims (Kenrick *et al., 2010).* That Theory Y management does not entail a soft approach was emphasized by McGregor. According to McGregor, some individuals may not have attained the level of maturity posited by Theory Y and may initially require stricter controls that can be loosened as the employee matures. If Theory Y is correct, a business can boost employee motivation by using the following scientific management principles:

(i) Decentralization and delegation: Managers will need to outsource some responsibility and decision-making to their subordinates if organizations decentralize power and lower the number of layers of management.
(ii) Job enlargement: A job's scope being expanded gives an employee more diversity and chances to fulfill their ego requirements.
(iii) Participative management: Employee input into decision-making encourages creativity and gives workers some degree of influence over their working environment.
(iv) Performance appraisals: Engagement and dedication are raised when the employee sets goals and takes part in the self-evaluation process.
(v) Theory X assumptions are negative.

Employees generally detest their jobs and will make every effort to avoid them. Employees must be coerced, managed, or threatened with penalty since they detest working. When possible, workers will avoid obligations and look for formal guidance. The majority of workers prioritize security above all else and lack ambition (Wulff & Maslow, 1965).

Managers that subscribe to theory-X assumptions are more likely to structure, control, and constantly monitor their staff. These managers believe that dealing with unreliable, irresponsible, and immature individuals calls for the use of external control. Maslow's hierarchy of needs was a major source of inspiration for McGregor as he concluded that theory-X assumptions about the nature of man are generally incorrect and that management practices based on these assumptions frequently fall short of inspiring employees to work toward organizational goals. Management by direction and control may not be effective since it is a dubious method of motivating people whose social, esteem, and self-actualization needs are starting to take precedence and whose physiological and safety demands are being adequately met (Tay & Diener, 2011).

Theory Y assumptions are positive. The assumptions are:
(i)   Work might seem as natural to employees as leisure or play.
(ii)   If people are dedicated to their goals, they will exert self-control and self-direction.
(iii)   The normal individual may learn to take responsibility and even seek it out.
(iv)   The population as a whole has a very diverse range of decision-making skills.

Managers who subscribe to theory Y's presumptions about human nature do not make an effort to structure, control, or closely monitor the staff. Instead, by gradually reducing external control and increasing their ability to exercise self-discipline, these managers aid in the development of their staff members. Within this type of setting, employees find their social, esteem, and self-actualization requirements met.

3.3. Theory Y Assumptions

The authoritarian and control-focused beliefs about people in Theory X are opposed by Theory Y. According to Theory Y, a good organizational environment can greatly improve and maximize the development of human resources. Premises include:
(i)   Work-related physical and mental strain is as natural as leisure time or downtime.
(ii)   There are other ways than external control and disciplinary threats to motivate employees to work toward corporate objectives. The person will put himself at the service of the objectives he worked to attain within the organization, driven by self-orientation and self-control.
(iii)   The incentives associated with task success influence how motivated people are to stick with their goals.
(iv)   The normal human being tends to not only accept but even look for obligations when the circumstances are right.
(v)   There is a fair amount of distribution and not a lack of people who can use their vision, talent, and creative spirit to solve organizational challenges.
(vi)   It is conceivable to see a strong relationship between Theory Y and enabling leadership, a corporate culture that attracts talent, and teams that work well together.

4. CONCLUSION

According to McGregor, Theory X is consistent with satisfying basic wants like those for physical well-being and safety, whereas Theory Y is consistent with satisfying higher-level needs like those for self-actualization and love. McGregor's theories X and Y are still very applicable to help us think about how our leadership style and organizational culture are

shaped by presumptions about people and their relationship to work. The Theory X approach frequently employs numerous levels of administration and little delegation (Vecchio, 1983; McClelland & Boyatzis, 1982). In the workplace, there is very little self-sufficiency and frequent micromanagement. Managers frequently operate within a centralized authority structure and exercise authoritative leadership. These presumptions result in a better managing strategy and more job satisfaction. McGregor urged businesses to use more Theory Y leadership techniques. Although it is significantly more decentralized and calls for greater manager involvement, it also assumes that employees will be dedicated to the company's long-term objectives. He thought that managers may inspire their staff to reach their full potential by applying Theory Y. Theory Y was created as a result of McGregor's idea that companies would be more successful if they concentrated on gratifying interpersonal needs.

5. AUTHORS' NOTE

The authors declare that there is no conflict of interest regarding the publication of this article. The authors confirmed that the paper was free of plagiarism.

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