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## ***McGregor's Ideas on Management Leadership: A brief introduction on Theory X and Theory Y, understanding the applicability and relevance***

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### **ABSTRACT:**

In his 1960 book 'The Human Side Of Enterprise,' Douglas McGregor, an American social psychologist, introduced his renowned X-Y hypothesis. While more recent research has cast doubt on the model's robustness, McGregor's X-Y Theory remains a strong foundation from which to construct positive management styles and practices. McGregor's XY Theory is still relevant to organizational growth and cultural improvement. The paper attempts to elaborate on Theory X, Y, and Z and seeks the best possible approach among them in different organizational settings and styles.

**Keywords:** Douglas McGregor, Theory X, Theory Y, Theory Z

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### **I.INTRODUCTION**

The organizations that are built with an aim to stand the test of times would always embrace adaptability. The changing patterns of the industry demand the leadership style that not only helps the organization grow but it also makes sure that the employees working in the organization feel comfortable and connected ceaselessly. The leadership style thus must be dynamic with changing times. The bone of contention always lies within a perfect idea of leadership, that there must be a single way to the apotheosis, albeit the most debated of the ideas. The reality is, a transformational leadership style imbibes within melanges of effective values that sets the base for lasting organizations. The paper is just an attempt to explore the ideas of Douglas McGregor on theory X and theory Y, understand its application in the organizations, and how different management styles have lasting impacts on the employees working in the organization.

Douglas McGregor was a famous professor of management at MIT Sloan School of Management, Boston, USA. His works ranged from the development of motivational theories to experimenting with management leaderships styles. He is most remembered for his Theory X and Theory Y, which defined the two contrasting human natures at work in the organizations. Douglas McGregor emphasized upon the idea that organizations are apparently shaped by the management styles of the employee working for them, the management styles practiced by the executives have a high impact on the functioning of the organization. The book published in 1960 by Douglas McGregor called The Human Side of Enterprise elaborated on Theory X and Theory Y, emergence of the two theories was the watershed moment in the development of management science.

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### **II.THEORY X**

Douglas McGregor's ideas on the Theory X management style emanated from his earlier works on classical management theory. The roots of Theory X lie in the notion that employees are inherently lazy and will dodge their work whenever they find an opportunity. The onus then lies on the reporting managers to keep the employees in momentum, give them direction, continuously motivate them or penalize them according to the requirement. Theory X exponents the proposition that employees are abhorrent to work, lacks the drive and responsibility at work, and will stay in the circle of their comfort zones. Therefore, they require a management system in which they are led and controlled by their supervisors, while being subjected to threats and punishments. Theory X management also tends to promote an authoritarian leadership style within the organization which creates a lack of trust among the peer group.

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### **III.THEORY Y**

Theory Y developed by Douglas McGregor was defined as an alternate management principle to Theory X, deemed as a more optimistic leadership approach than Theory X. Theory Y exponents the proposition that employees working in the organization are not lazy and are always looking for opportunities to elevate themselves in skills and rise up in the corporate hierarchy. It is always for the supervisors to provide the employees with ample freedom and opportunities so that the employees can align themselves with the company's vision and achieve for organizational goals cohesively.

Contrary to what theory X proposes, Theory Y states that employees working in the organization are not abhorrent to their work, they dislike the lack of freedom and controlled decision-making mechanism in the organization which keeps them from performing better. Employees at organizations would always look for meaningful work, they look for ways to take responsibility and If the management provides them with optimum conditions, they excel at work. Theory Y not only builds trust among the employees but also helps build strong decision-making skills. It advocates the idea that every employee is valuable and has their say in the organization's progress, that every employee has the right to exercise their free will and creative independence at work to achieve their maximum potential.

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#### IV. CONCLUSION

Douglas McGregor never expounded upon the two motivational theories with an aim to draw upon a choice between one or another. Both the theories hold their relevance to the ground and must be utilized as and when they are required. There is not a single organization in the world that has modeled its management style choosing either Theory X or Theory Y. It is always up to the management to decide how the teams must be led, what actions necessitates success whether being coercive in some situations is the right choice or being compliant is. Differing styles (Theory X or Theory Y) needs to be tested and the most effective amongst them must be chosen for efficient management. In any situations organization not only must look for increasing productivity but also must ensure that the well-being of the employees is not compromised in the process of achieving the organization's goals. Douglas McGregor never perceived the two theories as canonical laws for the organization but always left it open for improvements and improvisation. In his last days, he started to work on another theory which was an improved version of Theory X & Y and combined the ideas from both theories. He called this motivational theory as Theory Z. It was only after his death that William Ouchi elucidated Theory Z by drawing similarities between the American style of leadership and the Japanese style of leadership. He proposed that organizations should ground their execution in values which is a blend of American and Japanese styles of management. Theory Z promotes not only constant skill refinement of the employees but also advocates fostering long-lasting relationships between them. Employees will only perform better in environments in which they feel secure and safe, organizations that put a lot of trust in their workers and give them the space to assert their opinions, create those environments. Whether it's Theory X or Theory Y or Theory Z, management needs to be extremely cautious as to which management theory to apply. The application of the theories comes with intended results, but which result is apt for the organization is left for the organization to decide.

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