
MacGregor Case

- Overview of case study
- Participative Management? What is it and what was MacGregor's view of it?
- What did you learn from?
 - **Initial contact with MacGregor**

Initial Contact with MacGregor

- “I have nothing on the books except to play golf and see you.”
- “I don’t make their decisions for them, I just don’t believe in participating in the decisions they should be making. I used to make all the operating decisions myself, but I quit doing that a few years ago.”
- “Good, that’s what you are being paid to do, solve problems, and he hung up.”

MacGregor Case

- Overview of case study
- Participative Management? What is it and what was MacGregor's view of it?
- What did you learn from?
 - Initial contact with MacGregor
 - **Feedback from corporate management**

Corporate Feedback

- “Isn’t he a gas?”
- “MacGregor has by far the most efficient producing unit. And he has the oldest equipment in the corporation.”
- “Does MacGregor have a lot of turnover? A great deal. Most of them go on to assignments as refinery managers. After all, under MacGregor’s method of supervision, they are used to working on their own.”

MacGregor Case

- Overview of case study
- Participative Management? What is it and what was MacGregor's view of it?
- What did you learn from?
 - Initial contact with MacGregor
 - Feedback from corporate management
 - **Thursday meetings**

Thursday Meetings

- “We go around the table talking about the decisions we’ve made and, if we got help, who helped us.”
- “The other guys occasionally make comments, especially if the particular decision being discussed was like one they had to make...”
- “My subordinates compete with each other in helping anyone with a problem because they know they’ll get credit for their help at the Thursday Meeting.”

Thursday Meetings

- “MacGregor had very little to say at these meetings...”
- Why? What was he observing/learning?

By insisting that he be informed on how decisions were made, including who helped in the process, he was able to judge how well each subordinate was developing on the job

MacGregor Case

- Overview of case study
- Participative Management? What is it and what was MacGregor's view of it?
- What did you learn from?
 - Initial contact with MacGregor
 - Feedback from corporate management
 - Thursday meetings
 - **“Thursday Man”**

Thursday Man

- “I pick the man who is the most often referred to as the one my subordinates turn to for help in dealing with their problems.”
- “He’s the guy who runs the Thursday meetings when MacGregor is away from the plant.”
- “The Thursday man assignment is sought after.”

MacGregor Case

- Overview of case study
- Participative Management? What is it and what was MacGregor's view of it?
- What did you learn from?
 - Initial contact with MacGregor
 - Feedback from corporate management
 - Thursday meetings
 - "Thursday Man"
 - **Wednesday Reports**

Wednesday Reports (control system)

- 2:00 - Output against quota and costs to date against budget reports
- 3:00 – If there is an issue, “Mr. MacGregor, I know I have a problem and this is what I’m going to do about it.”
- If the solution will work, MacGregor authorizes action, if not – try again. If they get stuck, go to Thursday man.

MacGregor's Guidance on How to Make Decisions

- “What conditions have to be satisfied for a solution to be reached?”
- “If you don't know the necessary conditions, how do you know when you've solved the problem?”

Importance of Planning

- Peter Drucker “managers get paid for the futurity and irreversibility of the decisions they make.”
- “Too many managers say they don’t have time to plan, yet that’s what they are being paid to do, not to do their subordinates work.”
- “I plan, listen to Wednesday reports and Thursday decisions, and play golf!”

Three Key Roles of Management

- Be well informed of relevant changes occurring in the environment and determine how to best adjust the organization to benefit from these changes (**developing alternate plans**) .
- Be certain your organization is, in the here-and-now, providing efficient and effective goods/services (**fulfilling mission**).
- Provide a supply of qualified subordinates for the future (**staff development**)!

So, How did MacGregor Perform as a Manager by these Measures?

- **Job Enrichment** – employees were highly motivated by their jobs
- **Training Subordinates** – employees were constantly in line for promotion
- **Efficiency of Operation** – best in corporation and he was in demand by competitors!

Application to Academia?

- Key differences in evaluating organization success?
 - For profit corporations – maximizing return to shareholders (profit)
 - Universities – education, research, service, economic development, knowledge
 - So there are many metrics and there may be disagreement between competing metrics!
- **But even so, what lessons can be applied from MacGregor's approach to Academia?**