



A. STOLYARENKO

**The Psychology
of Management
of Labour
Collectives**



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A. STOLYARENKO

The Psychology of Management of Labour Collectives



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Chapter I

THE METHODOLOGICAL AND THEORETICAL FOUNDATIONS OF THE PSYCHOLOGY OF MANAGEMENT OF LABOUR COLLECTIVES

I. I. Marxism-Leninism as the Basis for the Solution of Problems of Management

I. I. I. The Science of Society and of Its Management.

The history of mankind provides numerous instances of different theories, concepts and ideas for managing society and its spheres, institutions, and cells. Of the numerous political and scientific movements for transformation of society not a single one failed to put forward its own conception of management. However, a theory can only be regarded as fruitful if it reflects the world correctly, if it reveals the laws inherent in it, if it considers the world in its development (not only the present but also tendencies connecting the past, the present and the future), in its interconnections, taking into account the objective conditions, i. e. those that do not depend on the will of men.

Everything in the world is governed by laws. Both nature and society have their own intrinsic laws. The category of law expressed the existence in nature and society of general, essential, and necessary cause-and-effect links in the mass of phenomena that at first glance seem to be accidental and unmotivated by causes. As long as men are ignorant of the laws which determine the life and development of society, they are blind toys at the mercy of unknowable forces, they are powerless to consciously manage those forces, influence them, or subordinate them to their own will, objectives, and interests. "Active social forces [wrote Engels] work exactly like natural forces: blindly, forcibly, destructively, so long as we do not understand, and reckon with, them. But when once we understand them, when once we grasp their action, their direction, their effects, it depends only upon ourselves to subject them more and more, to our own will, and by means of them to reach our own ends. And this holds quite especially

of the mighty productive forces of today.”¹ The untenability and downfall of many theories, conceptions, and ideas, as well as practical attempts at management, were determined primarily by the fact that they were in the nature of subjective desires, stemming from a lack of understanding of the objective laws of society’s life and development or else from neglect of the latter. An attempt of management that runs counter to the objective laws of society can at best result in temporary successes in isolated areas of endeavour. Management will inevitably end in failure if it is built on a speculative basis, on arbitrarily constructed schemes divorced from reality.

Marx, Engels, and Lenin, who developed *the science of society*, showed that society is governed by objective laws; they discovered these laws and proved that management of the various spheres of society, directions of its activity, and social institutions is effective and progressive insofar as it is based on them. Marxism-Leninism has developed a scientific conception of society as an integral self-governing system. The term “system” is taken to mean an object whose properties are not reducible to a mere sum of the properties of its constituent parts or elements. Not a single property of a single element is manifested as the property of the system.² The elements function and develop within the framework of the system, so that their properties are subordinated to those of the system as a whole. In the absence of interaction between elements, not a single property of any of them can manifest itself, and it is not manifested in pure form in interaction. System properties always have some traits that are different from the properties of the constituent elements, being a result of integral functioning of the system, a qualitatively specific result of its inner phenomena.

The systems approach in science should be distinguished from the “atomistic” or functional approach, which studies system problems in isolation from the conditions and the causes from which they arise. The “atomistic” approach in the theory and practice of management is manifested in the view of management as a phenomenon independent of all others, as well as in isolated consideration of problems and phenomena that are systemic in nature, one that takes into account only individual cause-and-effect dependences (though they may be correct ones) unconnected with their entire ensemble at a systems level.

Implementing the systems approach to society and all social

¹ Frederick Engels. *Anti-Dühring*. Progress Publishers, Moscow, 1977, p. 339.

² For instance, a radio set, as distinct from a pile of parts that is an agglomerative mechanical whole with accidental interaction between the elements, is a technical systems object with qualitatively new properties that none of the parts has. These properties arise from joint interaction of all the elements arranged in a certain manner. The functioning of the set depends on the parts, but each part manifests many of its properties only within the set as a whole.

phenomena, Marxism-Leninism formulated the definition of *socio-economic formation*—the universal form of social wholeness, a unity of productive forces and production relations. Lenin wrote that “just as Darwin put an end to the view of animal and plant species being unconnected, fortuitous, ‘created by God’ and immutable, and was the first to put biology on an absolutely scientific basis by establishing the mutability and the succession of species, so Marx put an end to the view of society being a mechanical aggregation of individuals which allows of all sorts of modification at the will of the authorities”.¹ Society emerged as an integral social organism in which all its parts (components) are mutually connected, interdependent, and mutually conditioned. A socio-economic formation is an integral, dynamic and developing system, whose sources of motion and development are within it, inherent only in it, and cannot be invented or arbitrarily formulated. The basis of development are the economic factors, the development of social production. As production changes, all the other components of society change too. Obsolete ideas and corresponding relations recede into the past, to be replaced by new ones corresponding to the changed economic basis. Evolutional social changes are succeeded by revolutionary, leap-like, qualitative changes in a socio-economic formation.

The systems approach to social systems facilitates an understanding of the role of management in them, the requirements imposed on management, and the conditions of its effectiveness. Systems are commonly subdivided into *managing and managed sub-systems*. Generally speaking, management is interpreted as impact produced on a system for maintaining it in some given operational mode or for putting it into a new state in accordance with the goals of management. Management is an attribute or an inalienable property of a system, a system-forming and system-optimising factor. There are different forms of management in the technical, biological, and social systems. The specificity of systems is reflected in the specific traits of managing them.

Marx discovered two types or mechanisms of managing impact on a social system, *spontaneous and conscious*. Spontaneous management does not involve the functioning of special social management institutions. The spontaneous mechanism manifests itself in the collision and interweaving of a mass of random events and forces often contradicting one another. This kind of managing action brings about a general tendency in the random play of individual instances, the social acts. Men are obliged to adapt their behaviour to the blind play of accidental forces; being unable to conquer it, they become its

¹ V. I. Lenin. “What the ‘Friends of the People’ Are and How They Fight the Social-Democrats”. *Collected Works*, Vol. 1, Progress Publishers, Moscow, 1960, p. 142.

prisoners. A striking manifestation of the spontaneous mechanism of management is the role of the market in the capitalist system, the effect of the random play of numerous acts of buying and selling in the capitalist market with the underlying tendency represented by the law of value—the ultimate basis of capitalist economy. “Chance and caprice [wrote Marx] have full play in distributing the producers and their means of production among the various branches of ‘industry’.”¹

The conscious mechanism of management involves specific activity of men, the functioning of established institutions (personalities, organs, or organisations) exerting a purposeful impact on the system. “...Regulation and order [wrote Marx] are themselves indispensable elements of any mode of production, if it is to assume social stability and independence from mere chance and arbitrariness.”² Social management is therefore mostly a conscious and purposeful impact on various areas of public life—individual institutions, links and elements—implemented within the framework of society’s political organisation with the goal of preserving its qualitative specificity, its functioning and development. Society cannot fully free itself from the impact of chance on management in a given segment, sphere, or element. But the degree of emancipation of some concrete society from the uncontrolled action of chance, and of its opposition to the action of spontaneous forces vary considerably. Thus the spontaneous uncontrolled play of market forces under capitalism, just as the laws of anarchy and competition, are the principal determining factors not only in production but also in the social relations of men and their conduct. Being objectively conditioned by the capitalist nature of ownership of the implements and means of production, these factors significantly limit the possibilities of conscious management under capitalism and the dominion of the uncontrolled market forces. Under socialism, based on ownership of the whole people, qualitatively new possibilities arise for effective management.

The development of management in social systems is conditioned by the development of the social process of labour, by the growing complexity of the links and dependences between the various sides of the life of society. “All combined labour on a large scale requires, more or less, a directing authority, in order to secure the harmonious working of the individual activities, and to perform the general functions that have their origin in the action of the combined organism... A single violin player is his own conductor; an orchestra requires a separate one.”³ The significance of management grows with the development of productive forces and production relations, with

¹ Karl Marx. *Capital*. Vol. I, Progress Publishers, Moscow, 1974, p. 336.

² Karl Marx. *Capital*. Vol. III, 1977, pp. 792-793.

³ Karl Marx. *Capital*. Vol. I, p. 313.

the growth of the social potential and possibilities for development, and with the rise of new social tasks. Management becomes a relatively independent function not only of the total social production but also of all the areas and elements of public life. All of this objectively gives rise to a new division of labour, making inevitable the emergence of a *new kind of labour—managerial labour*, as well as its development and extension and the growth of the managerial cadre. At the same time, the effectiveness of social production and solution of the social tasks in various spheres of life increasingly depend on management and its characteristics.

The development of management as a special type of activity, its increased role, and continual extension of the network of management organs, constitute a natural tendency in socio-historical development. Organisation of management and its implementation become increasingly complicated. The number of workers engaged in managerial activities is constantly growing, and they now cover not only the sphere of production but also exchange, distribution, consumption, services and finance, as well as the non-productive spheres of society's life: activity of the administration bodies, education, science, health services, legislative and law-enforcing institutions, etc. It has been computed, however, that in the last 100 years labour productivity in industry has grown by 1,500 per cent, on an average, while in the sphere of management it has increased by a factor of two only.

The development of production, more complex links between the various components of the social system, growing need for conscious management, on the one hand, and more complex organisation of management and its separate processes, development of managerial machinery, and increasing numbers of managerial workers, on the other, sharply increase the role of effective management under modern conditions, requiring its raising to *the level of a science*, correctly reflecting the objective laws of the functioning and development of society.

1. 1. 2. The Class Essence of Social Management; Man in the System of Management.

For Marxism-Leninism, the concept of social system and society has always been a *concrete historical, political, and class one*. This doctrine was the first to reflect correctly social reality and the class nature of all social institutions. Marx, Engels and Lenin showed that management, though forming a specific area of human activity, does not exist by itself, as an absolutely independent phenomenon. Being a phenomenon pertaining to the social system, it forms its part, a special sub-system carrying all the features of the whole. Lenin showed that social management, in its origin, essence, goals, forms, methods, and

other characteristics, cannot be isolated from the specificity of the socio-economic formation in which it is implemented, from the concrete stage in the development of given society, from the political and class tasks that society faces, or from the interests and problems of its development. Management is effective to the extent in which it is prosocial and corresponds to the most essential social factors conditioning it (both existing and future ones). Management relations in class society are of class nature. Thus, in antagonistic society management relations are those of the exploited and the exploiters.

Marxism-Leninism refutes the bourgeois fable of class-neutral goals and methods of management, of "de-ideologisation" of management, of its being essentially administrative and technical, and of the general validity of its principles. Lenin thoroughly demonstrated the untenability of the attempt by some people to create a universal "science of organisation", ignoring the political and economic foundation of society and the class relations, proceeding merely from the "general natural" laws of organisation, and making use of "biological and energeticist terms that contribute nothing, and can contribute nothing, in the sphere of the social sciences..."¹

Marx revealed the dual nature of capitalist management. He indicated that the capitalist's management is not only a special function arising from the special nature of the process of labour—it also performs the function of supervision, compelling the exploited to work, against their own basic interests, for the exploiter, and this function exists in all modes of production based on the antagonism between the worker as direct producer, and the owner of the means of production. The greater the antithesis between the two, the greater the role of supervision, as Marx indicated: "Just as in despotic states, supervision and all-round interference by the government involves both the performance of common activities arising from the nature of all communities, and the specific functions arising from the antithesis between the government and the mass of the people."² These contradictions give rise to class-antagonistic contradictions in the system of management, disregard of labour discipline by the exploited, the individuals' trend towards having private property of their own, egoistic ethics, and neglect for the public interest. Lenin wrote that during centuries of exploitation the working man was opposed to labour, and that "inevitably created a psychology in which public opinion among the working people not only did not frown on poor work or shirkers, but, on the contrary, saw in this an inevitable and legitimate protest against or means of resistance to the excessive

¹ V. I. Lenin. "Materialism and Empirio-Criticism". *Collected Works*, Vol. 14, 1962, p. 327.

² Karl Marx. *Capital*. Vol. III, p. 384.

demands of the exploiters".¹

The special attention paid in Marxism-Leninism to the economic laws of development and functioning of society did not signify at all any underestimating of the subjective factor. Moreover, it was Marxism-Leninism that revealed the role of the masses in history, showing the need and the significance of the spiritual factor in the revolutionary transformation of society, and in its management. The specificity of social systems lies in that their laws are, first and foremost, the laws of human activity. There can be no social system without men that are its integral part, the carrier of its essential properties, to a considerable degree its creator and at the same time product. No social laws, no history or future society exist without men. "History" is not, as it were, a person apart [wrote Marx and Engels], using man as a means to achieve *its own* aims; history is *nothing but* the activity of man pursuing his aims."² Then again no objectified elements of social systems are independent of men or reveal their social function independently of men. "Where the bourgeois economists [noted Lenin] saw a relation between things (the exchange of one commodity for another) Marx revealed a *relation between people*."³ Men as the principal productive force in society cognise and utilise the laws of nature and society in the production, distribution, exchange, and consumption of material wealth.

An important feature of social systems lies in that management in them is implemented by men and depends, to a decisive degree, on them. It primarily influences men, the ultimate social product being determined by the effectiveness of this influence. In the final analysis, management has social relations for its object. This type of management is just as complex as the life of society itself, the mode of life, and the activities of social groups and individuals.

If we were to present a system that is the object of management in the form of a pyramid, management and its problems may be viewed, figuratively speaking, "from above" and "from below", as analysis of the past and present conceptions of management shows. The mechanist, bureaucratic, and despotic conceptions approach social systems with the primitive view that the goals of management may be attained by solving problems "from above", and that the behaviour of all men in social systems is determined by prescriptions

¹ V. I. Lenin. "Original Version of the Article 'The Immediate Tasks of the Soviet Government' ". *Collected Works*, Vol. 42, 1971, p. 83.

² Karl Marx and Frederick Engels. "The Holy Family, or Critique of Critical Criticism". In Karl Marx, Frederick Engels, *Collected Works*, Vol. 4, Progress Publishers, Moscow, 1975, p. 93.

³ V. I. Lenin. "The Three Sources and Three Component Parts of Marxism". *Collected Works*, Vol. 19, 1973, p. 26.

or diktat "from above". Some adherents of this approach regard the social mechanism of management as a mechanical construction consisting of connected cog-wheels (as in a clockwork), where part of the force is inevitably lost in the transmission of motion. This prompts the conclusion that the initial driving force from the top should be made greater. In that case, even in the presence of inevitable waste, that part of the initial force which will ensure the attainment of the goals of management will reach line personnel—the direct producers. As early as the 1920s, the French scientist Henri Fayol criticised this approach, pointing out that all administrative cog-wheels should be set in motion so that all intermediary managers became "producers of motion and ideas", so that each of these cog-wheels carried its own "force of initiative". He nevertheless remained largely an adherent of the top-to-bottom approach, insisting that although the juices gave life to the branches of a tree, in social organisation only "superior authority" could give life to all the elements of management.

But social systems are solid and stable, and their activity productive, where there is integral unity of the managing and managed sub-systems, a unity of their goals and interests, active involvement on the part of the lower echelons as well as of the upper ones, initiative and efforts towards controlling the system showed not only by the upper echelons but also by the lower ones. This follows from the basic proposition of Marxism-Leninism on the decisive role of the masses in social development. "...The minds of tens of millions of those who are doing things create something infinitely loftier than the greatest genius can foresee,"¹ wrote Lenin. And, on another occasion: "The greater the scope and extent of historical events, the greater is the number of people participating in them, and, contrariwise, the more profound the change we wish to bring about, the more must we rouse an interest and an intelligent attitude towards it, and convince more millions and tens of millions of people that it is necessary".²

Marx's teaching created scientific premises for development of social management that is in keeping with the objective laws and organically combines the interests of the development of society with those of the broad masses of the population. Lenin and the Communist Party of the Soviet Union worked out the principles, forms, and methods of socialist management and of its practical implementation. The more than sixty years of Soviet state development, as well as the development of Soviet economy and management of various spheres of

¹ V. I. Lenin. "Third All-Russia Congress of Soviets of Workers', Soldiers' and Peasants' Deputies". *Collected Works*, Vol. 26, 1964, p. 474.

² V. I. Lenin. "The Eighth All-Russia Congress of Soviets". *Collected Works*, Vol. 31, 1966, p. 498.

society, have confirmed its effectiveness. The experiences of other socialist and developing countries bear testimony to the same fact. The science of management of socialist society has been created and continually develops in connection with the new tasks facing the society of mature socialism and the search for ways of fuller utilisation of the advantages of socialist management as compared to capitalist one.

1. 2. A Psychological Analysis of Bourgeois Theories of Management

1. 2. 1. The State of the Theory of Management.

Lenin wrote: "Tackle the question of management... Learn from your own practical experience. Learn from the bourgeoisie as well. They know how to maintain their class rule; they have the experience we cannot do without..."¹ Problems in scientific management of capitalist production came to be studied at the turn of the century. Contemporary bourgeoisie places great hopes in a scientifically organised system of management, or modern bourgeois administration, regarding it not only as a means of increasing profits but also as an instrument for averting crises, eliminating the radical contradictions of bourgeois society, and settling class conflicts. The science of management is advertised by its adherents as a reliable means of preventing bankruptcy of individual firms and even of the entire capitalist system.

However, a distinctive feature of modern "scientific management" is extreme diversity of views and absence of a single theoretical platform. It is characterised by a great number of different and competing schools, each of which proclaims that its approach is the only correct one.

This situation is not accidental—it is not due to the controversies and debates that are a motive force in scientific progress. The theoretical crisis reflects the crisis of society and of management itself which exhausts itself trying to find a way out of an impasse. At the same time these theories are characterised by ideological orientation, by a desire to provide new arguments for bourgeois propaganda that would substantiate the viability of capitalism.

Recently, American bourgeois theoreticians have also endeavoured to show in a favourable light the activities of international corporations, presenting them as a new stage in the organisation of capitalist

¹ V.I. Lenin "Speech Delivered at the Third All-Russia Congress of Water Transport Workers. March 15, 1920". *Collected Works*, Vol. 30, 1977, p. 42.