The Human Side of Enterprise

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Douglas McGregor

It has become trite to say that the most significant developments of the next quarter century will take place not in the physical but in the social sciences, that industry—the economic organ of society—has the fundamental know-how to utilize physical science and technology for the material benefit of mankind, and that we must now learn how to utilize the social sciences to make our human organizations truly effective.

Many people agree in principle with such statements; but so far they represent a pious hope—and little else. Consider with me, if you will, something of what may be involved when we attempt to transform the hope into reality.

I

Let me begin with an analogy. A quarter century ago basic conceptions of the nature of matter and energy had changed profoundly from what they had been since Newton's time. The physical scientists were persuaded that under proper conditions new and hitherto unimagined sources of energy could be made available to mankind.

We know what has happened since then. First came the bomb. Then, during the past decade, have come many other attempts to exploit these scientific discoveries—some successful, some not.

The point of my analogy, however, is that the application of theory in this field is a slow and costly matter. We expect it always to be thus. No one is impatient with the scientist because he cannot tell industry how to build a simple, cheap, all-purpose source of atomic energy today. That it will take at least another decade and the investment of billions of dollars to achieve results which are economically competitive with present sources of power is understood and accepted.

It is transparently pretentious to suggest any *direct* similarity between the developments in the physical sciences leading to the harnessing of atomic energy and potential developments in the social sciences. Nevertheless, the analogy is not as absurd as it might appear to be at first glance.

To a lesser degree, and in a much more tentative fashion, we are in a position in the social sciences today like that of the physical sciences with respect to atomic energy in the thirties. We know that past conceptions of the nature of man are inadequate and in many ways incorrect. We are becoming quite certain that, under proper conditions, unimagined resources of creative human energy could become available within the organizational setting.

We cannot tell industrial management how to apply this new knowledge in simple, economic ways. We know it will require years of exploration, much costly development research, and a substantial amount of creative imagination on the part of management to discover how to apply this growing knowledge to the organization of human effort in industry.

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May I ask that you keep this analogy in mind—overdrawn and pretentious though it may be—as a framework for what I have to say this morning.

Management's Task: Conventional View

The conventional conception of management's task in harnessing human energy to organizational requirements can be stated broadly in terms of three propositions. In order to avoid the complications introduced by a label, I shall call this set of propositions "Theory X":

1. Management is responsible for organizing the elements of productive enterprise—money, materials, equipment, people—in the interest of economic ends.
2. With respect to people, this is a process of directing their efforts, motivating them, controlling their actions, modifying their behavior to fit the needs of the organization.
3. Without this active intervention by management, people would be passive—even resistant—to organizational needs. They must therefore be persuaded, rewarded, punished, controlled—their activities must be directed. This is management's task—in managing subordinate managers or workers. We often sum it up by saying that management consists of getting things done through other people.

Behind this conventional theory there are several additional beliefs—less explicit, but widespread:

4. The average man is by nature indolent—he works as little as possible.
5. He lacks ambition, dislikes responsibility, prefers to be led.
6. He is inherently self-centered, indifferent to organizational needs.
7. He is by nature resistant to change.
8. He is gullible, not very bright, the ready dupe of the charlatan and the demagogue.

The human side of economic enterprise today is fashioned from propositions and beliefs such as these. Conventional organization structures, managerial policies, practices, and programs reflect these assumptions.

In accomplishing its task—with these assumptions as guides—management has conceived of a range of possibilities between two extremes.

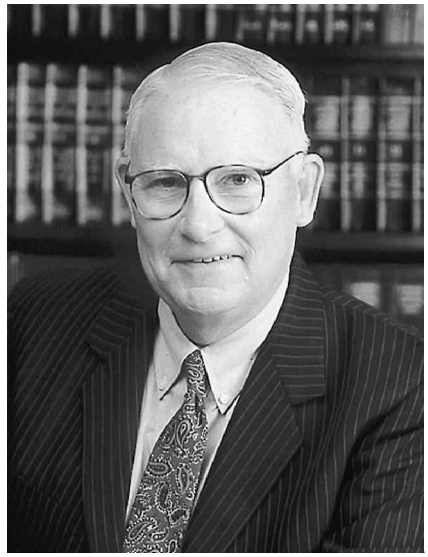
The Hard or the Soft Approach?

At one extreme, management can be "hard" or "strong." The methods for directing behavior involve coercion and threat (usually disguised), close supervision, tight controls over behavior. At the other extreme, management can be "soft" or "weak." The methods for directing behavior involve being permissive, satisfying people's demands, achieving harmony. Then they will be tractable, accept direction.

This range has been fairly completely explored during the past half century, and management has learned some things from the exploration. There are difficulties in the "hard" approach. Force breeds counterforces: restriction of output, antagonism, militant unionism, subtle but effective sabotage of management objectives. This approach is especially difficult during times of full employment.

There are also difficulties in the "soft" approach. It leads frequently to the abdication of management—to harmony, perhaps, but to indifferent performance. People take advantage of the soft approach. They continually expect more, but they give less and less.

Currently, the popular theme is "firm but fair." This is an attempt to gain the advantages of both the hard and the soft approaches. It is reminiscent of Teddy Roosevelt's "speak softly and carry a big stick."



Bill O'Brien
Retired President and CEO
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Commentary
by Bill O'Brien

It was 1972, 28 years ago. Jim Clunie ambled into my office and said, "You gotta read this," and threw a copy of *The Human Side of Enterprise* on my desk. Jim was a fellow manager at Hanover Insurance, and we often reflected on the diseases produced by the prevailing hierarchical management practices of that time.

The book was a major enlightenment for me. I knew instinctively that McGregor's assessment of the traditional view of management, which he names Theory X, was true because I had worked in X environments for years, trying to run Y divisions. McGregor's six assumptions of Theory Y and his ideas of integrating individual and organization goals are congruent with the main planks in my philosophy of life now and at that time. I believe each human life is special and has a unique purpose, that all work has dignity, and that work and family are the principal platforms for human growth. I felt McGregor had articulated what was etched within my moral nature, but I didn't have the words to express it. He provided me a cohesive theory for what was an assortment of impulses that leaned toward Theory Y. He gave me intellectual nourishment to design and implement a values-based, vision-driven philosophy of governance that was appropriate to the circumstances I found myself in at Hanover.

McGregor's book was published in 1960. It took 12 years for it to come to my attention, and his lingo didn't enter the mainstream of vocabulary until the early eighties. It takes a long time for even seminal ideas to move from conception to widespread acceptance. I see, over time, McGregor's ideas about human motivation, Argyris's ideas about conversation, Forrester's ideas about

the interaction of large-scale systems, and Senge's five disciplines all converging into a comprehensive theory of organizational governance that will replace the worn-out theories of command and control. It will take time.

What might speed up the gestation period of making the rich thought that has emerged in the social sciences during the past 50 years more prevalent in actual corporate practices? I nominate two for consideration. First, raise the level of moral expectation for people who hold positions of power at every level. Why? Humans are moral animals. Unlike lower animals, they pursue truth, think about freedom, strive to create a better future, and seek to love and be loved. As our moral faculties are developed, we become more fully human. It is congruent with our nature to advance morally as it is to learn or mature physically. Thus, in corporate settings, we ought to strive to live out our values at their most advanced level just as we seek best practices in engineering, financial, or marketing functions, not just perceive values as boundaries or limits on our behaviors as is widely the case today.

Second, our whole system of financial certification needs to be overhauled. The process of certifying and attesting to financial performance has to do a better job of sorting the plunderers and quick flippers from those who build enduring economic value.

Is the Conventional View Correct?

The findings which are beginning to emerge from the social sciences challenge this whole set of beliefs about man and human nature and about the task of management. The evidence is far from conclusive, certainly, but it is suggestive. It comes from the laboratory, the clinic, the schoolroom, the home, and even to a limited extent from industry itself.

The social scientist does not deny that human behavior in industrial organization today is approximately what management perceives it to be. He has, in fact, observed it and studied it fairly extensively. But he is pretty sure that this behavior is *not* a consequence of man's inherent nature. It is a consequence rather of the nature of industrial organizations, of management philosophy, policy, and practice. The conventional approach of Theory X is based on mistaken notions of what is cause and what is effect.

"Well," you ask, "what then is the *true* nature of man? What evidence leads the social scientist to deny what is obvious?" And, if I am not mistaken, you are also thinking, "Tell me—simply, and without a lot of scientific verbiage—what you think you know that is so unusual. Give me—without a lot of intellectual claptrap and theoretical nonsense—some practical ideas which will enable me to improve the situation in my organization. And remember, I'm faced with increasing costs and narrowing profit margins. I want proof that such ideas won't result simply in new and costly human relations frills. I want practical results, and I want them now."

If these are your wishes, you are going to be disappointed. Such requests can no more be met by the social scientist today than could comparable ones with respect to atomic energy be met by the physicist fifteen years ago. I can, however, indicate a few of the reasons for asserting that conventional assumptions about the human side of enterprise are inadequate. And I can suggest—tentatively—some of the propositions that will compose a more adequate theory of the management of people. The magnitude of the task that confronts us will then, I think, be apparent.

II

Perhaps the best way to indicate why the conventional approach of management is inadequate is to consider the subject of motivation. In discussing this subject I will draw heavily on the work of my colleague, Abraham Maslow of Brandeis University. His is the most fruitful approach I know. Naturally, what I have to say will be overgeneralized and will ignore important qualifications. In the time at our disposal, this is inevitable.

Physiological and Safety Needs

Man is a wanting animal—as soon as one of his needs is satisfied, another appears in its place. This process is unending. It continues from birth to death.

Man's needs are organized in a series of levels—a hierarchy of importance. At the lowest level, but preeminent in importance when they are thwarted, are his physiological needs. Man lives by bread alone, when there is no bread. Unless the circumstances are unusual, his needs for love, for status, for recognition are inoperative when his stomach has been empty for a while. But when he eats regularly and adequately, hunger ceases to be an important need. The sated man has hunger only in the sense that a full bottle has emptiness. The same is true of the other physiological needs of man—for rest, exercise, shelter, protection from the elements.

A satisfied need is not a motivator of behavior!
This is a fact of profound significance. It is a fact that is regularly ignored in the conventional approach to the management of people. I shall return to it later. For the moment, one example will make my point. Consider your own

need for air. Except as you are deprived of it, it has no appreciable motivating effect upon your behavior.

When the physiological needs are reasonably satisfied, needs at the next higher level begin to dominate man's behavior—to motivate him. These are called safety needs. They are needs for protection against danger, threat, deprivation. Some people mistakenly refer to these as needs for security. However, unless man is in a dependent relationship where he fears arbitrary deprivation, he does not demand security. The need is for the "fairest possible break." When he is confident of this, he is more than willing to take risks. But when he feels threatened or dependent, his greatest need is for guarantees, for protection, for security.

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The fact needs little emphasis that, since every industrial employee is in a dependent relationship, safety needs may assume considerable importance. Arbitrary management actions, behavior that arouses uncertainty with respect to continued employment or which reflects favoritism or discrimination, unpredictable administration of policy—these can be powerful motivators of the safety needs in the employment relationship *at every level* from worker to vice president.

Social Needs

When man's physiological needs are satisfied and he is no longer fearful about his physical welfare, his social needs become important motivators of his behavior—for belonging, for association, for acceptance by his fellows, for giving and receiving friendship and love.

Management knows today of the existence of these needs, but it often assumes quite wrongly that they represent a threat to the organization. Many studies have demonstrated that the tightly knit, cohesive work group may, under proper conditions, be far more effective than an equal number of separate individuals in achieving organizational goals.

Yet management, fearing group hostility to its own objectives, often goes to considerable lengths to control and direct human efforts in ways that are inimical to the natural "groupiness" of human beings. When man's social needs—and perhaps his safety needs, too—are thus thwarted, he behaves in ways which tend to defeat organizational objectives. He becomes resistant, antagonistic, uncooperative. But this behavior is a consequence, not a cause.

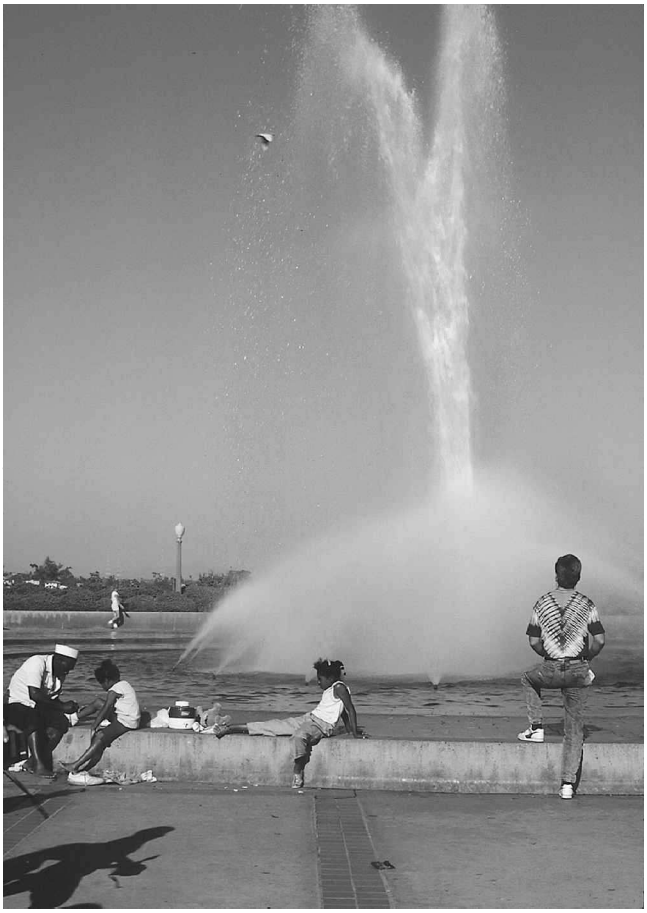
Ego Needs

Above the social needs—in the sense that they do not become motivators until lower needs are reasonably satisfied—are the needs of greatest significance to management and to man himself. They are the egoistic needs, and they are of two kinds:

1. Those needs that relate to one's self-esteem—needs for self-confidence, for independence, for achievement, for competence, for knowledge.
2. Those needs that relate to one's reputation—needs for status, for recognition, for appreciation, for the deserved respect of one's fellows.

Unlike the lower needs, these are rarely satisfied; man seeks indefinitely for more satisfaction of these needs once they have become important to him. But they do not appear in any significant way until physiological, safety, and social needs are all reasonably satisfied.

The typical industrial organization offers few opportunities for the satisfaction of these egoistic needs to people at lower levels in the hierarchy. The conventional methods of organizing work, particularly in mass-production industries, give little heed to these aspects of human motivation. If the practices



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of scientific management were deliberately calculated to thwart these needs—which, of course, they are not—they could hardly accomplish this purpose better than they do.

Self-Fulfillment Needs

Finally—a capstone, as it were, on the hierarchy of man's needs—there are what we may call the needs for self-fulfillment. These are the needs for realizing one's own potentialities, for continued self-development, for being creative in the broadest sense of that term.

It is clear that the conditions of modern life give only limited opportunity for these relatively weak needs to obtain expression. The deprivation most people experience with respect to other lower-level needs diverts their energies into the struggle to satisfy *those* needs, and the needs for self-fulfillment remain dormant.

III

Now, briefly, a few general comments about motivation:

We recognize readily enough that a man suffering from a severe dietary deficiency is sick. The deprivation of physiological needs has behavioral consequences. The same is true—although less well recognized—of deprivation of higher-level needs. The man whose needs for safety, association, independence, or status are thwarted is sick just as surely as is he who has rickets. And his sickness will have behavioral consequences. We will be mistaken if we attribute his resultant passivity, his hostility, his refusal to accept responsibility to his inherent "human nature." These forms of behavior are *symptoms* of illness—of deprivation of his social and egoistic needs.

The man whose lower-level needs are satisfied is not motivated to satisfy those needs any longer. For practical purposes they exist no longer. (Remember my point about your need for air.) Management often asks, "Why aren't people more productive? We pay good wages, provide good working conditions, have excellent fringe benefits and steady employment. Yet people do not seem to be willing to put forth more than minimum effort."

The fact that management has provided for these physiological and safety needs has shifted the motivational emphasis to the social and perhaps to the egoistic needs. Unless there are opportunities *at work* to satisfy these higher-level needs, people will be deprived; and their behavior will reflect this deprivation. Under such conditions, if management continues to focus its attention on physiological needs, its efforts are bound to be ineffective.

People *will* make insistent demands for more money under these conditions. It becomes more important than ever to buy the material goods and services that can provide limited satisfaction of the thwarted needs. Although money has only limited value in satisfying many higher-level needs, it can become the focus of interest if it is the *only* means available.

The Carrot and Stick Approach

The carrot and stick theory of motivation (like Newtonian physical theory) works reasonably well under certain circumstances. The *means* for satisfying man's physiological and (within limits) his safety needs can be provided or withheld by management. Employment itself is such a means, and so are wages, working conditions, and benefits. By these means the individual can be

controlled so long as he is struggling for subsistence. Man lives for bread alone when there is no bread.

But the carrot and stick theory does not work at all once man has reached an adequate subsistence level and is motivated primarily by higher needs. Management cannot provide a man with self-respect, or with the respect of his fellows, or with the satisfaction of needs for self-fulfillment. It can create conditions such that he is encouraged and enabled to seek such satisfactions *for himself*, or it can thwart him by failing to create those conditions.

But this creation of conditions is not "control." It is not a good device for directing behavior. And so management finds itself in an odd position. The high standard of living created by our modern technological know-how provides quite adequately for the satisfaction of physiological and safety needs. The only significant exception is where management practices have not created confidence in a "fair break"—and thus where safety needs are thwarted. But by making possible the satisfaction of low-level needs, management has deprived itself of the ability to use as motivators the devices on which conventional theory has taught it to rely—rewards, promises, incentives, or threats and other coercive devices.

Neither Hard Nor Soft

The philosophy of management by direction and control—*regardless of whether it is hard or soft*—is inadequate to motivate, because the human needs on which this approach relies are today unimportant motivators of behavior. Direction and control are essentially useless in motivating people whose important needs are social and egoistic. Both the hard and the soft approach fail today because they are simply irrelevant to the situation.

People deprived of opportunities to satisfy at work the needs that are now important to them behave exactly as we might predict—with indolence, passivity, resistance to change, lack of responsibility, willingness to follow the demagogue, unreasonable demands for economic benefits. It would seem that we are caught in a web of our own weaving.

But the carrot and stick theory does not work at all once man has reached an adequate subsistence level and is motivated primarily by higher needs.

In summary, then, of these comments about motivation:

Management by direction and control—whether implemented with the hard, the soft, or the firm but fair approach—fails under today's conditions to provide effective motivation of human effort toward organizational objectives. It fails because direction and control are useless methods of motivating people whose physiological and safety needs are reasonably satisfied and whose social, egoistic, and self-fulfillment needs are predominant.

IV

For these and many other reasons, we require a different theory of the task of managing people based on more adequate assumptions about human nature and human motivation. I am going to be so bold as to suggest the broad dimensions of such a theory. Call it "Theory Y," if you will.

1. Management is responsible for organizing the elements of productive enterprise—money, materials, equipment, people—in the interest of economic ends.
2. People are *not* by nature passive or resistant to organizational needs. They have become so as a result of experience in organizations.
3. The motivation, the potential for development, the capacity for assuming responsibility, the readiness to direct behavior toward organizational goals are all present in people. Management does not put them there. It is a re-

sponsibility of management to make it possible for people to recognize and develop these human characteristics for themselves.

4. The essential task of management is to arrange organizational conditions and methods of operation so that people can achieve their own goals *best* by directing *their own* efforts toward organizational objectives.

This is a process primarily of creating opportunities, releasing potential, removing obstacles, encouraging growth, providing guidance. It is what Peter Drucker has called "management by objectives" in contrast to "management by control."

And I hasten to add that it does *not* involve the abdication of management, the absence of leadership, the lowering of standards, or the other characteristics usually associated with the "soft" approach under Theory X. Much on the contrary. It is no more possible to create an organization today which will be a fully effective application of this theory than it was to build an atomic power plant in 1945. There are many formidable obstacles to overcome.

Some Difficulties

The conditions imposed by conventional organization theory and by the approach of scientific management for the past half century have tied men to limited jobs which do not utilize their capabilities, have discouraged the acceptance of responsibility, have encouraged passivity, have eliminated meaning from work. Man's habits, attitudes, expectations—his whole conception of membership in an industrial organization—have been conditioned by his experience under these circumstances. Change in the direction of Theory Y will be slow, and it will require extensive modification of the attitudes of management and workers alike.

Theory X places exclusive reliance upon external control of human behavior, whereas Theory Y relies heavily on self-control and self-direction.

People today are accustomed to being directed, manipulated, controlled in industrial organizations and to finding satisfaction for their social, egoistic, and self-fulfillment needs away from the job. This is true of much of management as well as of workers. Genuine "industrial citizenship"—to borrow again a term from Drucker—is a remote and unrealistic idea, the meaning of which has not even been considered by most members of industrial organizations.

Another way of saying this is that Theory X places exclusive reliance upon external control of human behavior, whereas Theory Y relies heavily on self-control and self-direction. It is worth noting that this difference is the difference between treating people as children and treating them as mature adults. After generations of the former, we cannot expect to shift to the latter overnight.

V

Before we are overwhelmed by the obstacles, let us remember that the application of theory is always slow. Progress is usually achieved in small steps.

Consider with me a few innovative ideas which are entirely consistent with Theory Y and which are today being applied with some success.

Decentralization and Delegation

These are ways of freeing people from the too-close control of conventional organization, giving them a degree of freedom to direct their own activities, to assume responsibility, and importantly, to satisfy their egoistic needs. In this connection, the flat organization of Sears, Roebuck and Company provides an interesting example. It forces "management by objectives" since it enlarges the number of people reporting to a manager until he cannot direct and control them in the conventional manner.

Job Enlargement

This concept, pioneered by I.B.M. and Detroit Edison, is quite consistent with Theory Y. It encourages the acceptance of responsibility at the bottom of the organization; it provides opportunities for satisfying social and egoistic needs. In fact, the reorganization of work at the factory level offers one of the more challenging opportunities for innovation consistent with Theory Y. The studies by A. T. M. Wilson and his associates of British coal mining and Indian textile manufacture have added appreciably to our understanding of work organization. Moreover, the economic and psychological results achieved by this work have been substantial.

Participation and Consultative Management

Under proper conditions these results provide encouragement to people to direct their creative energies toward organizational objectives, give them some voice in decisions that affect them, provide significant opportunities for the satisfaction of social and egoistic needs. I need only mention the Scanlon Plan as the outstanding embodiment of these ideas in practice.

The not infrequent failure of such ideas as these to work as well as expected is often attributable to the fact that a management has "bought the idea" but applied it within the framework of Theory X and its assumptions.

Delegation is not an effective way of exercising management by control. Participation becomes a farce when it is applied as a sales gimmick or a device for kidding people into thinking they are important. Only the management that has confidence in human capacities and is itself directed toward organizational objectives rather than toward the preservation of personal power can grasp the implications of this emerging theory. Such management will find and apply successfully other innovative ideas as we move slowly toward the full implementation of a theory like Y.

Performance Appraisal

Before I stop, let me mention one other practical application of Theory Y which—though still highly tentative—may well have important consequences. This has to do with performance appraisal within the ranks of management. Even a cursory examination of conventional programs of performance appraisal will reveal how completely consistent they are with Theory X. In fact, most such programs tend to treat the individual as though he were a product under inspection on the assembly line.

Take the typical plan: substitute "product" for "subordinate being appraised," substitute "inspector" for "superior making the appraisal," substitute "rework" for "training or development," and, except for the attributes being judged, the human appraisal process will be virtually indistinguishable from the product-inspection process.

A few companies—among them General Mills, Ansul Chemical, and General Electric—have been experimenting with approaches which involve the individual in setting "targets" or objectives for *himself* and in a *self*-evaluation of performance semiannually or annually. Of course, the superior plays an important leadership role in this process—one, in fact, that demands substantially more competence than the conventional approach. The role is, however, considerably more congenial to many managers than the role of "judge" or "inspector" which is forced upon them by conventional performance. Above all, the individual is encouraged to take a greater responsibility for planning and appraising his own contribution to organiza-

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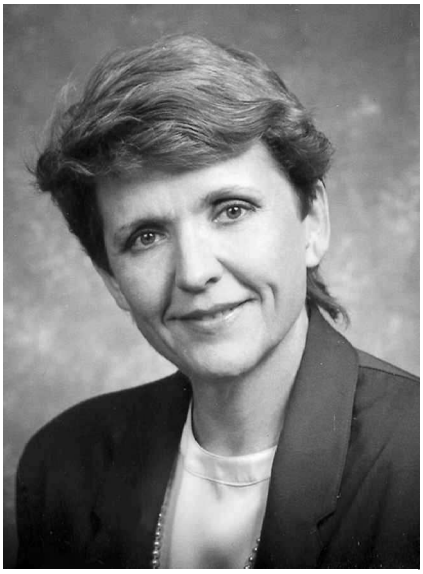
tional objectives; and the accompanying effects on egoistic and self-fulfillment needs are substantial. This approach to performance appraisal represents one more innovative idea being explored by a few managements who are moving toward the implementation of Theory Y.

VI

And now I am back where I began. I share the belief that we could realize substantial improvements in the effectiveness of industrial organizations during the next decade or two. Moreover, I believe the social sciences can contribute much to such developments. We are only beginning to grasp the implications of the growing body of knowledge in these fields. But if this conviction is to become a reality instead of a pious hope, we will need to view the process much as we view the process of releasing the energy of the atom for constructive human ends—as a slow, costly, sometimes discouraging approach toward a goal which would seem to many to be quite unrealistic.

The ingenuity and the perseverance of industrial management in the pursuit of economic ends have changed many scientific and technological dreams into commonplace realities. It is now becoming clear that the application of these same talents to the human side of enterprise will not only enhance substantially these materialistic achievements but will bring us one step closer to "the good society." Shall we get on with the job?



Iva M. Wilson
Retired President, Philips Display Components
Philips North America

Commentary

by Iva M. Wilson

When McGregor wrote this article in 1957, I was in a college of engineering in Yugoslavia. While in Germany finishing my doctorate and hoping to get to America, my focus was on engineering sciences, specifically, control systems. Twenty-five years later, I got hooked on the "fifth discipline" because I identified the concept of systems thinking with my training and experience in systems engineering. From then until now, I have focused on better understanding what is required to create a new context for leadership.

I had never read this McGregor paper until now, but always viewed McGregor as having made a major contribution to our understanding of how leaders should be, think, and act so they can motivate others. I consider myself a leader who was influenced by his ideas. McGregor wrote about Theory X and Y by thinking about industrial management. His work, as well as his references to Maslow's work from 1957, resonate with many experiences I had as a manager and leader that helped me both create desired outcomes and experience disappointments. I base my commentary on the following beliefs:

- Theory Y was appropriate when it was created and remains so today.
- Maslow's approach offers as much now as in 1957.

McGregor said that the changes suggested by Theory Y would be slow, with many formidable obstacles to overcome. The question is: What are those obstacles? Are we any closer to overcoming them? I agree wholeheartedly with McGregor's views on social sciences and the insights to gain by integrating them with management theories. The field of organizational development has been greatly informed by the work of social scientists and continues to provide the insights needed to change how people are managed. How are those ideas penetrating mainstream businesses? How effectively are they used to improve the outcomes businesses are to create? Business organizations are still considered mostly economical constructs, machines producing profits. Where do OD ideas fit into those machines?

Reflecting on my own experiences with the then innovative ideas of "decentralization and delegation," "job enlargement," "participation and consultative management," and in particular, "performance appraisal," I would say that the application of those

ideas met with mixed success. While there are many examples of positive financial results, the satisfaction of people in organizations remains low. Since McGregor's first writings, we have also introduced "total quality," "reengineering," "process management," and recently, "organizational learning." The quality movement in the late eighties had a major impact on many industrial enterprises and yielded positive financial results. Given the widespread popularity of the cartoon strip, "Dilbert," it appears that the satisfaction of human needs has not shown commensurate positive change.

In the early nineties, the concept of the "learning organization" came to the attention of leaders like me. The tools and methods underlying this concept gave me great hope for the espoused Theory Y. The tools and methods of organizational learning can help us become better leaders, but each of us has to practice the tools based on our individual needs. More importantly, we as leaders have to accept that the most effective work we can do is with ourselves. The ultimate control anyone has is over himself or herself; trying to change others by preaching, teaching, and reforming is the recipe for failure. The most we can do is to learn and, as a result, change our thinking along with our actions and behaviors so we influence others to change themselves. It all comes back to understanding the self and others and continuing to learn from all experiences.

At present, researchers create new theories. Consultants bring tools and methods based on those theories to business people who use them and expect better results. As researchers and consultants write about their ideas and experiences, they analyze what we in business do and draw conclusions about why certain things work. Most books on organizational learning are written by academics and consultants. They see the experiences of practitioners through their lenses. Although they tell practitioners' stories, they do not always include the deep learning that can be obtained only through the reflection and learning of practitioners. Unfortunately, business people often think that they do not have the time to reflect.

Business people need to reflect more on their practices and share their experiences, especially those that did not create the expected results. We need to be more involved in the process of testing and improving theory. To speed up the realization of Theory Y and overcome the obstacles, business people responsible for the results need to be more active in this process.

There is no "one size fits all" theory or practice; there are no Ten Commandments for motivating people. It is easy to *talk* about how to create a workplace where people can fulfill their aspirations. Without learning in the context of practice, very little can be accomplished. We can send people to courses and engage the best consultants and researchers, but it will not be enough. We business people need to realize that while doing and learning we will sometimes fail, and the best hope we have is to learn from our mistakes by first admitting them.