

What is Management? An Outline of a Metatheory

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SUMMARY Drawing on a realist ontology and epistemology, a metatheory of management is outlined in this paper as a way of (a) redescribing the nature of management, and (b) delineating the scope of application of various perspectives on management. Four perspectives are briefly reviewed, and the claim is put forward that each one of them deals with issues arising at a different ontological layer of management. Management is shown to consist of four layers with each one exhibiting its own characteristics and dynamics. Deeper theoretical descriptions penetrate deeper into the nature of management and capture new layers. The metatheoretical outline proposed here moves beyond the 'either/or' polarization that management literature has exhibited so far, namely conceiving management either as a collective institutional necessity or as a set of individual practices. Indeed, it is argued that management is both of these things plus a few more, and that an appreciation of its nature is possible within a realist ontology and epistemology.

1. Introduction

The emergence of managerial hierarchies for the coordination and control of economic activities is one of the most distinguishing features of late capitalism (Chandler, 1977; Williamson, 1975). The importance of managers, therefore, as a distinctive occupational category for organizational decision making has long been recognized (Taylor, 1911; Fayol, 1949; Barnard, 1966). However, despite the increasing centrality of managers in the coordination of complex organizational activities, and the enhanced visibility of their tasks and functions, it has not been easy to answer the question 'What is management?'

Part of the difficulty lies in the ambiguity inherent in the term 'management'. For example, does 'management' designate a collective institutional process or simply a set of individuals distinguished by the activities they carry out? If management is conceived as a collective process then management is an institutional necessity, abstract and anonymous,

much like the concepts of 'class', 'bureaucracy' or 'market'. From such a perspective, what management is cannot be decided by looking into the micro-actions of individuals, but into the logic of management (derived from its embedment into a particular socioeconomic system) which is empirically manifested in its trajectory of development in particular societal contexts (see Heilbroner, 1985 for similar remarks on the logic of capitalism). Understood this way, management (and any other concept indicating an abstract collectivity) can be theorized via the construction of models seeking to explain, on a macro-scale, the context-dependent rise and demise of particular forms of management. Neo-Marxists, for example, are particularly inclined to such a mode of analysis. Braverman (1974), Burawoy (1979) and Littler (1982), to mention only a few, have attempted to conceptualize management in terms of its efforts to control labour, along different periods in the development of particular market economies or industrial sectors (see also Friedman, 1977; Thompson, 1983).

If, on the other hand, management is seen as a particular set of individuals then management is conceptualized in terms of what these individuals regularly do. Consequently, one tends to theorize, at a micro-level of analysis, on the circumstances

An earlier version of this paper was presented at the 9th Annual International Conference on *Organisation and Control of the Labour Process*, 10–12 April 1991, University of Manchester.

that give rise to particular managerial tasks and roles (Hales, 1986; Kotter, 1982; Mintzberg, 1973; Stewart, 1982). Management textbooks have found it particularly difficult to integrate these two perspectives and the result has been a rather fragmented literature on management and managerial work (Carroll and Gillen, 1987; Reed, 1989).

It will be suggested in this paper that the chief source for the polarization between macro- and micro-perspectives on management, and the concomitant fragmentation of the relevant literature, stems from the manner in which management has been conceptualized. More specifically, it will be argued that the ontological and epistemological assumptions that have been implicit in past conceptualizations account for a great deal of the confusion surrounding 'management'. It will be argued here that a realist ontology and epistemology provide a useful set of concepts which allow us to construct a metatheory of management.

A question that may be asked at this point is this: 'Given that there is not a generally acceptable theory of management, why should one bother with a metatheory?' My answer would turn such a hypothetical question on its head: it is precisely because there is not an acceptable theory of management that a metatheory is necessary. We need to sort out the logical inconsistencies and conceptual ambiguities before theoretical progress can be made. Management is a highly complex phenomenon and to hope that a unifying grand theory will explain all its aspects is futile (cf. Morgan, 1986; Poole and Van de Ven, 1989). What, however, can be done is to outline a theory of theories of management, namely a *metatheory*. The latter can do two things. First, it will articulate a set of ontological and epistemological principles that will help clarify the nature of management and our possible knowledge of it (see Turner, 1987). Secondly, it will help bring together, in a logically consistent manner, a number of perspectives on management by specifying their individual domains of application (see Poole and Van de Ven, 1989 for a similar attempt to outline a metatheory of innovation). In this way, the relationships between various perspectives will be clarified and, ideally, the scope of application of these perspectives will be specified.

The paper is organized as follows. First, a brief description of the realist paradigm is sketched highlighting the latter's ontological assumptions and epistemological principles. This epistemological excursion is necessary for it will equip us with a

conceptual vocabulary which will be put to use in the rest of the paper. Second, a brief review of the literature is undertaken in order to identify the claims and assumptions made by the main perspectives on management. Third, drawing on the concepts derived from a realist epistemology, the nature of management as an object of study is redescribed. Management is shown to consist of four layers with each exhibiting its own distinctive characteristics and dynamics. A deeper layer is argued to be a necessary (but not sufficient) condition for the existence of the layer above it. Different perspectives on management are shown to apply at different layers.

2. The Realist Paradigm: Ontological Assumptions and Epistemological Principles

1. Causal Powers

Realist philosophers of science, such as Bhaskar (1978), Harré and Madden (1975), Harré and Secord (1972) and Outhwaite (1987), assume that the natural and social worlds alike do not consist of discrete atomistic events whose regular co-occurrences is the task of scientists to record, but of complex structures existing independently of scientists' knowledge of them. For realists, patterns of events are explained in terms of certain generative mechanisms (or causal powers) which are independent of the events they generate. Generative mechanisms reside in structures and endow them with particular causal capabilities. Generative mechanisms endure even when they are not acting, and act in their normal way even when the consequents of the law-like statements they give rise to are not realized, because of countervailing forces or the operation of other intervening mechanisms. For example, the HIV virus in a patient acts in its normal way (i.e. the generative mechanism of the virus is active) but whether or not it will produce results consistent with the AIDS symptoms depends on a variety of circumstances which may or may not be conducive to the development of the virus. A one-to-one relationship between a causal power and the pattern of events it prescribes obtains only under conditions of closure in which all interfering variables are under control (e.g. in experiments) (Bhaskar, 1978; Harré, 1989; Harré and Madden, 1975; Sayer, 1984; Tsoukas, 1989). The significance

of causal powers for management will be demonstrated in the next section.

2. Three Domains of Reality

According to the realist paradigm, reality consists of three domains: the real, the actual and the empirical. *Causal powers* are located in the real domain and their activation may give rise to patterns of *events* in the actual domain, which in turn, when identified, become *experiences* in the empirical domain. The distinction between causal powers and patterns of events implies that the former may be out of phase with the latter. It is up to human agency (typically manifested in experiments) to construct the conditions of closure so that the domains of *real* and *actual* can be fitted together, and thus for the causal powers to give rise to patterns of events. Similarly, when events have not yet been detected, and thus the transition from the actual to the *empirical* domain has not yet been made, human agency is required to identify correctly and transform events into experiences (Bhaskar, 1978). Schematically, the domains of the real, the actual and the empirical are distinct (see Table 1), and the move from the real domain to the actual domain and then to the empirical domain is a *contingent* accomplishment (Outhwaite, 1983, 1987).

Generative mechanisms may lie dormant for a while or they may be counteracted by opposing mechanisms, thus cancelling each other out and leading to no events. For instance, efficiency gains expected to be realized with the introduction of new technology may be neutralized because of managerial obsession with control (see Buchanan and Boddy, 1983). In turn, events, when generated, may fail to be identified and thus turn into experiences. For example, as the analysis of industrial accidents reveals (see Mitroff, 1988; Shrivastava et al., 1988), there have almost always been certain signals (events) presaging a forthcoming industrial accident, without however management having taken proper notice of them (i.e. without events having been transformed into experiences). It is partly because of the contingent nature of the link between the three domains of reality that human action is both necessary and possible.

3. The Nature of Explanation

From the realist viewpoint, causal explanation is not about recording the deterministic or stochastic

Table 1. Ontological assumptions of the realist view of science (based on Bhaskar, 1978, p.13)*

	Domain of Real	Domain of actual	Domain of Empirical
Mechanisms	v		
Events	v	v	
Experiences	v	v	v

*Checkmarks (v) indicate the domain of reality in which mechanisms, events and experiences respectively 'reside', as well as the domains involved for such a 'residence' to be possible. Thus, for instance, experiences are events which have been *identified* in the empirical domain. Experiences presuppose the occurrence of events in the actual domain independently of our observation of them. In turn, events presuppose the existence of mechanisms in the real domain which have been responsible for the generation of events.

association of patterns of events, but the ascription of causal powers to objects. To ascribe a power or potentiality to an object is to specify its necessary ways of acting or, to put it differently, what it is *capable* of doing in the appropriate set of circumstances (Harré and Madden, 1975; Harré and Secord, 1972). For instance, dynamite has the power to explode, birds have the power to fly, or people have the power to work, learn, to speak, etc. Whether a particular causal power is activated, and whether it manifests itself in the actual and/or empirical domains depends on the ambient *contingent* conditions. For instance, the right conditions must be created for a bomb to explode or, by contrast, to avoid breaking a fragile vase while moving house. In other words, causal powers operate as tendencies whose activation, as well as the effect(s) of their activation, are not given but contingent. In the next section, management will be redescribed in terms of a set of causal powers.

4. Necessary and Contingent Relationships

Within the realist paradigm the world is not only differentiated between the real, the actual and the empirical domains, but it is also *stratified*. That is to say, natural and social structures have *emergent* powers which are irreducible to those of their constituent parts. For instance, the managerial causal powers of control and cooperation cannot be explained by reducing them to the powers of specific individuals, but by conceptualizing the latter in a way that connects them to the wider structure of relations of production from which they derive their existence (more about this later).

Emergent powers are created when some entities

are *necessarily* (or *intrinsically*) related to each other to form a structure (e.g. the relationship between a manager and a worker, or the relationship between a parent and a child). Entities are necessarily linked when their identity depends on their being in a relationship with the rest of the components of the structure (Berger, 1987; Sayer, 1984). A structure is a set of simultaneously constraining and enabling rules and resources which are implemented in human interaction. These rules shape interaction while at the same time being reproduced in this very process of interaction (Giddens, 1976, 1984; Manicas, 1980). For example, my renting a flat is possible via my drawing upon a wider enabling structure, comprising (in addition to myself as a tenant), the landlord, the existence of rent, owners and non-owners of property, as well as the existence of private property (cf. Sayer, 1984). The terms of my tenancy, however, are not determined, though they are constrained, by this structure. I have to pay rent to my landlord – hence I feel constrained – although the amount is contingent upon several factors (e.g. housing market conditions, legal provisions, personal relations, etc). In addition, my role as a tenant simultaneously and unintentionally contributes to the perpetuation of the above structure, independently of my liking or disliking it.

By contrast, when two entities are *contingently* related (e.g. a person's transactions with her/his bank) their powers are not modified. Consequently, an explanation of the aggregate pattern can be done by reducing it to its constituent parts (e.g. the end-of-month current account figure can be explained by reference to the withdrawals and deposits during the month).

3. Four Perspectives on Management: A Brief Overview

Management Functions

There have been three schools of thought that have made use of the concept of management functions: the classical school, the systems approach and the historical approach. The classical school of management has sought to define the essence of management in the form of universal fundamental functions. These, it was hoped, would form the cognitive basis for a set of relevant skills to be acquired by all would-be managers through formal edu-

cation (Fayol, 1949; Koontz and O'Donnell, 1955; Mintzberg, 1973; Simon, 1957; Whitley, 1989).

Management functions were rarely derived from theoretical reflection or empirical research, but were very often based on a codification of work experiences of the individuals concerned or on commonsense descriptions of management practices. Traditionally, it has been accepted, and found its way into virtually all relevant textbooks, that the essence of management can be summarized in terms of the following four functions: planning, organizing, leading and controlling. Extending this list, new functions were later added (e.g. representing) in order to reflect contemporary organizational realities (Mahoney *et al.*, 1965). The classical school has not sought to relate explicitly these functions to particular purposes, requirements or functions of organizational subsystems; personal experience or experience of others were the basis for delineating the necessary management functions.

Building on the classical school, writers in the systems approach have developed the experience-based descriptions of management functions by grounding the latter on certain objective organizational requirements. Organizations have been thought of as consisting of subsystems having their own requirements for survival and effectiveness (Carroll and Gillen, 1987). The systems approach comprises several authors whose contributions range from offering neat and simple frameworks which are essentially based on commonsense categories (*see* Daft, 1988; Robbins, 1991) to putting forward highly abstract models usually derived from organismic analogies (Beer, 1981, 1985; Miller, 1978). As the latter authors are the most theoretically sophisticated, I will briefly illustrate the nature of their arguments with a description of the work of Beer (1981, 1985).

Beer's modelling of the firm on the human nervous system has yielded an elaborate conception of organizations. For him, organizations need to develop management systems for carrying out the functions of coordination, the internal and now, the external and future, and securing the organizational identity and legitimacy. These organizational functions are carried out by separate management systems labelled systems 2, 3, 4 and 5, respectively. In other words, for Beer and other systems theorists (cf. Miller, 1978), organizational survival entails that certain systemic functions need to be carried out in all organizations, which give rise to certain distinctive management functions.

Table 2. Management functions *vis-à-vis* organizational requirements

Management Functions	Co-ordination	Internal and Now	External and Future	Identity and Legitimacy
Organizational Requirements				
Planning			System 4, Innovative function, Administrative function	
Organizing	System 2, Production function	Production function		
Leading				System 5, Institutional function
Controlling		System 3, Production function		

The historical approach traces back the development of management in the context of the evolution of firms in market economies and, thus, seeks to derive the functions of management from such a historical development (Chandler, 1977). Teulings's (1986) analysis will help illustrate this approach. Teulings has argued that following the development of capitalist economies, management has undergone a process of increasing differentiation. Historical analyses show that management has progressively developed from a state marked by an identity of entrepreneurial and labour control functions, through the emergence of an organizational apparatus concerned with the allocation of investments and an active interest in product markets, to the institutional interest in providing a clear course of action in the face of competition and preserving organizational legitimacy. Thus, in modern large-scale corporations, Teulings argues that four functions of management can be identified: the ownership function concerned with the accumulation of capital and the preservation of legitimacy; the administrative function dealing with the allocation of investments; the innovative function concerned with the development of new product markets, and finally the production function exercising control of the direct labour process.

Thus, the classical, the systems and the historical approaches to management share the assumption that the essence of management can be distilled to a number of functions which need to be carried out in all formal organizations (see Table 2), although how they are carried out may differ. The functions of management can be empirically verified by recording observable management practices and sorting them out in terms of superordinate

organizational functions which they theoretically fulfil.

Management Task Characteristics

The functions of management are carried out in organizations whose distinctive nature as semi-autonomous loci of resource allocation and transformation entails certain requirements for what managers have to do. Following a sociological line of inquiry, Whitley (1987, 1989) has sought to delineate the distinguishing characteristics of the tasks that managers have to do as well as the management skills these tasks imply. The nature of management tasks, he argued, stems from two fundamental premises: first, the organizational nature of management activities, and secondly, the discretionary nature of management in the allocation, control and use of animate and inanimate resources.

The organizational nature of management arises from the inseparability of management functions from systems of coordinated resource allocation and transformation. For organizations to exist at all, human and material resources must be combined in such a way that their integration generates more value than their individual utilization (Whitley, 1987, 1989). This implies, in turn, that managers must have delegated authority and discretionary rights over the integration of resources so that they can make a difference to the resources being combined and transformed. It is the process of 'authoritative communication' (Barnard, 1966) which imparts a distinct, cohesive and relatively continuous character to business organizations.

Based on the above analysis, Whitley (1989) sug-

gested the following five characteristics of managerial tasks:

- (1) managerial tasks are highly interdependent and context-dependent;
- (2) they are relatively unstandardized;
- (3) they are developing and fluid;
- (4) they are oriented towards both the maintenance and innovation of administrative structures, and;
- (5) they are characterized by the lack of visible outputs which can be directly linked to individual inputs.

In such an account of the characteristics of management tasks, there is no reference to *what* these tasks are *in concreto*. Instead, Whitley's analysis is mainly concerned with outlining the nature of these tasks, not their content.

Management Roles

In his well-known study of managerial work, Mintzberg (1973) criticized the classical school of management for offering universal prescriptions of what managers ought to do, but bearing little relationship to what managers actually do. His empirical study sought to redress this imbalance. Mintzberg concluded that managers' jobs can be analysed in terms of ten interrelated roles, namely in terms of ten different sets of behaviours that are attributed to managerial positions. These ten roles were further grouped into three major categories: interpersonal, informational and decisional roles. Similar studies by Stewart (1982) and Kotter (1982) have described various types of roles – not too different from those of Mintzberg – that managers perform in the execution of their tasks.

Mintzberg's study generated some controversy with regard to both the rationale behind his study, and the alleged lack of linkage between observable management practices and broader organizational requirements, as well as for the particular conceptualization of management roles he recommended (Lau *et al.*, 1980; Carroll and Gillen, 1987). Both Mintzberg and his critics, however, have pointed out that more research is needed in clarifying the links between management roles on the one hand and types of jobs, hierarchical position, organizational effectiveness, industry characteristics, national features, etc on the other. Mintzberg's assumption seems to have been that management

is whatever managers do. This has also been criticized not only on the grounds that inductive generalizations are inherently dubious, but also because of the lack of *a priori* theoretical criteria to justify the selection of the individuals who have been studied as 'managers' (Hales, 1986; Willmott, 1984; Whitley, 1988, 1989).

Management Control

The neo-Marxist approach to management has criticized the preceding perspectives for concentrating excessively on the surface of managerial behaviour at the expense of elucidating the structural basis of managers' power in organizations (Armstrong, 1989; Hales, 1986, 1989; Willmott, 1984; Knights and Willmott, 1986; Reed, 1989). Proponents of this approach have argued that traditional approaches do not take into account the institutional context by virtue of which management is made possible. An individualist, asocial and acontextual view of management remains oblivious to the *raison d'être* of management, which is the maintenance of control over employees in the pursuit of capital accumulation.

Arising from the nature of the relations of production in capitalist economies, management is institutionally compelled to create structures of control over labour in order to transform labour power to actual labour (Thompson, 1983). By reducing the study of managers to the study of individual actors on the stage, the script and the setting which enable actors to perform in the first instance are neglected. In short, according to the proponents of the neo-Marxist perspective, the structurally embedded need for managers to be the agents of capital, as well as the processes through which this agency relationship is sustained and reproduced, is what requires theoretical elucidation (Armstrong, 1989).

The neo-Marxist approach has in turn been criticized for making too great a conceptual leap from concrete managerial activities to abstract relations of production. In a more sophisticated version, Hales (1989) has attempted to make up for this weakness by suggesting that managers' work be linked to management divisions of labour which depend, in turn, on broad management strategies. The latter emanate from the structural position of management in the process of capital accumulation and reproduction. His analysis seeks to reconcile a labour process analysis of organizations

with the management functions of the classical school.

A neo-Marxist perspective on management oscillates between a deterministic conception of managers as the bearers of class relations and a contingency view of managerial work that is tied to the specific circumstances facing organizations. If one, however, relaxes the link between the logic of capitalist relations of production and the characteristics of managerial work by introducing a number of mediating contingencies, the question arises as to whether the influences on managerial work are the result of the nature of capitalism, or simply the tentative effects of specific sets of contingencies. In other words, is there a direct link between capitalist production relations and managerial work?

4. Outline of a Metatheory of Management

The preceding cursory review of the literature has served to highlight a tension in the field of management studies: to conceive of managers either in abstract and universal terms, or as simply those individuals who just happened to be wearing the managerial badge. Clearly, the more abstract a conceptualization of management is, the less empirically refutable it becomes (at least directly). Conversely, the more one observes changes in the roles of managers, the more one is inclined to disagree with an abstract conception of management.

The danger with focusing exclusively on what individual managers *do*, without having some *a priori* theoretical conception of the basis on which management roles are founded, is that it neglects the crucial question as to what managers are *capable* of doing. An answer to the latter would presuppose that, ontologically, management is endowed with certain powers or capabilities which are not exhausted in their empirical manifestations. An empiricist view of management is, of necessity, confined to the empirical domain (see Table 1), namely it cannot see beyond observed managerial practices. An empiricist view is informed by an ontology that collapses the domains of real and actual into the domain of empirical and, consequently, it is unable to define an object of study in terms of its causal capabilities. As Hales (1986, p. 110) has aptly remarked, an empiricist approach

[is reluctant] to treat managers' *observable* behaviour as problematic and to ask – or keep asking

– the question: why these behaviours and activities?

Conversely, while a highly abstract conception of management may sketch the latter's causal capabilities (located in the domain of real – see Table 1), it does not make direct links with the empirical manifestations of management at the micro-level of managerial practices. This happens because such an ontology collapses the actual and empirical domains into the real domain.

A metatheory of management would have to provide answers to the following questions: When management changes, what is it that changes? What are those who are invested with managerial authority capable of doing, and why? How are the empirical manifestations of managerial practices linked to the capabilities of management? Or to put it in another way, by virtue of what necessary conditions are management practices what they are?

In Figure 1 an attempt is made to illustrate how these questions might be answered. TD1, TD2, TD3 and TD4 represent the previously reviewed four theoretical descriptions of management found in the literature. They have been arranged in a sedimented manner to make the point that they refer to four distinct ontological layers of management (i.e. OL1, OL2, OL3 and OL4). Different layers exhibit different dynamics (i.e. rate of temporal change): the closer to the surface, the more likely it is that changes occur (depending on changes of various contingencies), hence the different shape of lines in Figure 1. Deeper theoretical descriptions penetrate further down into the object of study and capture new layers. Moving from a phenomenon located at a particular layer to the layer immediately below it reveals the conditions by virtue of which the phenomenon under study is made possible. The ontological core of management is a conceptualization of its nature and is intrinsically related to the causal powers management possesses. Ultimately, changes in the empirical forms manifested in the other layers are traceable to the causally powerful ontological core (Maki, 1985). These claims are now explained in a bit more detail.

1. The study of management roles (TD1, OL1), namely the study of organized sets of behaviour identified with managerial positions (Mintzberg, 1973, 1975), has attempted to deal with the directly observable practices of managers in carrying out their tasks within specific organizations. This type

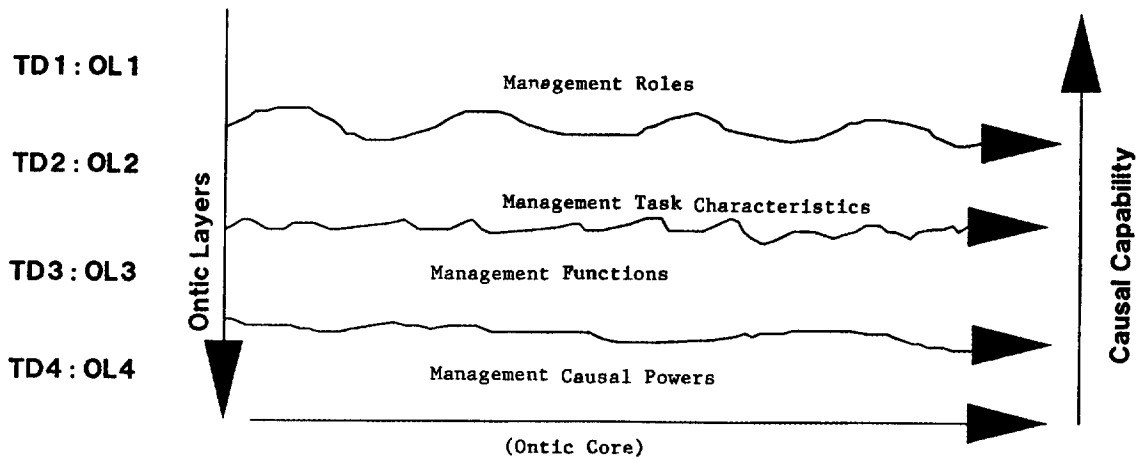


Figure 1. A realist redescription of management

of studies is certainly valuable in offering us a picture of what managers do, and any further research at this layer will have to deal with essentially contingency questions: What are the contingencies (for example, type of job, hierarchical position, management strategy, type of industry, national features, etc) which are systematically associated with how particular managerial roles emerge, demise or gain importance? It seems plausible to assume that it is at this layer that management will be most fluid and context-dependent. However,

'if our descriptions are restricted to the surface level, we are forced to refute or modify them every time a substantial change on that level occurs' (Maki, 1985, p. 128)

—hence the need for deeper theoretical descriptions.

2. Why are management roles what they are? Or, to put it differently, what must the necessary conditions be for management roles to be what they are? To answer this question one needs to look for an explanation at a yet deeper layer of management. The perspective on the nature of management tasks (TD2, OL2) is in a position to yield some answers. For instance, the high interdependence of managerial tasks noted by Whitley (1989) gives rise to certain interpersonal and informational roles observed by Mintzberg (1973) and others. Similarly, the managerial concern with both continuity and innovation that has been emphasized by Whitley, implies the existence of roles such as resource allocating, disturbance handling and entrepreneurship — all of them subsumed by Mintzberg under the rubric of decisional roles. As it will have, hopefully,

become clear by now, the reasoning behind this analysis is that for particular management roles to be possible a certain configuration of management task characteristics must be in place.

3. By virtue of what features of management is a configuration of management task characteristics what it is? Again, to answer this question one needs to move into a deeper layer of management. The existence of specific management functions is a necessary condition for the existence of a configuration of management task characteristics. Indeed, a study of management functions (TD3, OL3) helps explain the derivation of the task characteristics of management. According to Whitley (1989), the particular nature of management tasks emanates from the organizational and discretionary nature of management. Following Penrose's (1959) analysis of the nature of the firm, Whitley (1989, p. 212) argues that

'since managerial activities are constitutive of firms as administrative systems controlling economic resources, they are clearly organisational in nature. It is by establishing, maintaining and improving some system for co-ordinating and controlling resources that they fulfil their economic function, and so managerial work is inherently collective and interdependent'.

In other words, it is by virtue of the fact that managers are organizationally compelled to make a difference to the resources they combine via performing the functions of planning, organizing, leading, controlling, etc that certain characteristics of management tasks are possible.

4. Finally, in the same vein of questioning, by

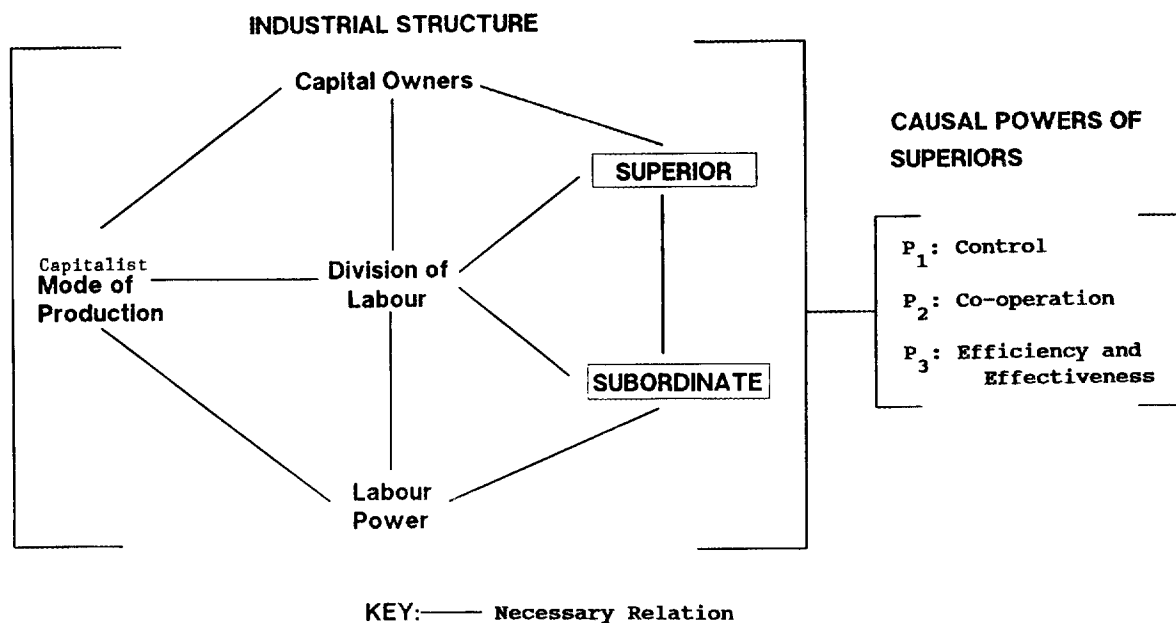


Figure 2. Industrial structure and the causal powers of management

virtue of what conditions are management functions possible? An answer to this question ‘closes’ the argument about the nature of management and its empirical manifestations, by locating management into its wider socioeconomic context and conceptualizing the manner in which this context endows management with a set of causal powers (namely, it imparts to management a necessary way of acting). The causal powers attributed to management ‘reside’ in the domain of real and are not directly observable in the empirical domain (TD4, OL4).

The neo-Marxist perspective on management has emphasized the centrality of management control in securing the transformation of labour power to actual labour in the context of capitalist relations of production. The excessive preoccupation, however, with the substantive issue of control, as well as an ontologically undifferentiated view of reality and our knowledge of it, renders this perspective incapable of focusing on causal powers of management *other* than control, and gives it a deterministic character (see Littler and Salaman, 1982; Kelly, 1985; Storey, 1985). Later, a conceptualization of the causal powers of management will be suggested which makes the existence of certain management functions possible.

Management understood as a collective institutional process is rendered possible by virtue of the

industrial structure that underlies the empirically accessible surface of modern business organizations (Heilbroner, 1985). This industrial structure consists of superiors (i.e. management), subordinates, the division of labour, the existence of capital owners, the existence of labour power and the capitalist mode of production (see Figure 2). Within this structure there are particular positions that endow their holders with a theoretically necessary way of acting. By virtue of being part of the industrial structure, management is vested with a set of causal powers that defines its nature.

It is suggested here that the causal powers of management are the following:

- (1) The ability to *control* the transformation of labour power of their subordinates to actual labour (Braverman, 1974; Burawoy, 1979; Thompson, 1983). In contrast to the inanimate nature of other production factors, the indeterminacy of labour potential compels management to construct suitable regulatory mechanisms for the translation of labour power to actual labour. The problem for management here is twofold. How, on the one hand, to avail themselves of the ‘open’ nature of labour (i.e. human capacity for self-development and learning, as well as for innovative responses to unanticipated stimuli) by increasing its

potential; and on the other hand, how to channel this potential into wider organizational targets which are not necessarily of the subordinates' choosing.

- (2) The ability to elicit the active *cooperation* from subordinate members through the provision of material and symbolic rewards. This again stems from the need to transform labour power to actual labour, and from the 'open' nature of labour. The nature of rewards varies with the superordinate sets of values that are legitimate in different organizations, industries and societies, as well as depending on the individuals involved. As we know from cybernetics (cf. Ashby, 1956; Beer, 1985; Clemson, 1984) no system of regulation is comprehensive enough to achieve complete control over the system to be regulated. This means that labour power must always be, at least in part, self-regulating. Consequently, the active cooperation of subordinates is a *conditio sine qua non* for the operation of an organization (Castoriadis, 1987).
- (3) The drive towards *efficiency and effectiveness* (cf. Lupton, 1986). In the context of competitive product markets and scarcity of resources, managers are organizationally compelled to 'make a difference' to the resources they manage, so that their integrated utilization generates more value than their separate use (Watson, 1986; Whitley, 1989). Also organizational outputs must be at least minimally valued and legitimated in the context of specific societies, if the organization is to have a relatively continuous existence

The preceding set of causal powers is intrinsically related to the nature of management in market economies; it is also a contradictory set. The effects generated through the exercise of these contradictory powers are contingent upon prevailing conditions at the organizational, sectoral and societal levels. Furthermore, causal powers are not immutable: they can be augmented or diminished depending on wider shifts in societal power relations, and/or on contingent organizational or sectoral factors. For instance, labour resistance, or labour market and product market conditions, may favour an emphasis on cooperation rather than on control, or vice versa (Lupton *et al.*, 1981; Friedman, 1977; Kelly, 1985). Additionally, management preferences and value systems may influence the man-

ner in which causal powers are exercised (Watson, 1986).

The exercise of causal powers raises inevitably the issue of *choice*: as causal powers are only tendencies 'residing' in the domain of real, and they may or may not produce a desirable set of effects in the domain of empirical, it follows that it is incumbent upon management to construct those mechanisms which will render the appearance of certain sets of effects possible. In other words, management must create conditions of organizational *quasi-closure* so that certain activities of interest are controlled (e.g. the translation of labour power to actual labour, the smooth function of technology, etc) and particular results are obtained. Thus although the causal powers of management operate in open systems it is only when quasi-closed systems are *constructed* that a set of desirable regularities accrues.

Thus, to summarize the argument, the nature of management stems from the incorporation of superiors into the industrial structure. The latter endows management with a set of causal powers which are intrinsically related to its nature. Causal powers reside in the domain of real and the effects of their contradictory composition are contingent upon prevailing contingencies. It is by virtue of management's causal powers of control, cooperation, and efficiency and effectiveness that the carrying out of the previously outlined management functions is possible. Management causal powers *and* their contingent exercise compel managers to plan, organize, lead and regulate. Research at this layer of management ought to outline the crucial contingencies facing organizations or populations of organizations in particular societal contexts (e.g. labour and product markets, technological developments, etc) and the relevant management strategies in response to those contingencies, and link management strategies with the empirical exercise of management causal powers (cf. Friedman, 1977). For example, as Friedman (1977), Kelly (1985), and Littler (1982), among others, have shown, particular shifts in product and labour markets may give rise to distinctive management strategies regarding the management of the employment relationship, which emphasize either cooperation or control. Thus the activation of the causal power of control or cooperation depends on the particular circumstances an organization finds itself in, and this is an empirical matter.

5. Conclusions

In this paper, it has been argued that a metatheory of management is necessary in order to (a) elucidate the nature of management, and (b) to delineate the scope of applicability of various perspectives on management. By adopting the ontological assumptions and the epistemological principles of the realist paradigm, the initial steps towards constructing such a metatheory have been taken in this paper. Four distinctive perspectives on management have been briefly presented. Each one of them refers to only certain aspects of management. The management roles perspective focuses on the observable practices of managers and attempts to offer a typology of the various management roles, as well as to link the latter to various job, organizational and environmental contingencies. The management-task characteristics perspective outlines the dominant features of management tasks, while the management functions perspective delineates the functions managers need to carry out in response to given organizational requirements. Finally, the neo-Marxist perspective locates management in its wider socioeconomic context, and argues that management control is the most salient characteristic of management in market economies.

All the preceding perspectives deal with different aspects of management in a manner that may appear too heterogeneous to synthesize. However, drawing on the realist paradigm, it has been suggested here that these perspectives can be conceived as dealing with four different, yet logically connected, ontological layers of management. Each layer constitutes a relatively autonomous area of study, and the transition from one layer to the one below it denotes an interest in penetrating deeper into the object of study and investigating the conditions that render the preceding layer possible. Different layers exhibit different rates of change depending on how various contingencies influence a particular layer.

The rationale behind the conceptualization of management as a sedimented structure has been the following. For a particular set of management *roles* (i.e. what managers actually do) to be possible, management *tasks* (i.e. what managers have to do given the organizational nature of their activities) must possess certain characteristics. Similarly, for management tasks to have the features that they do, certain management *functions* (i.e. what has to happen for an organization to be managed) need

to be carried out. Finally, for management functions to be what they are, management must have a certain nature (described here as a set of *causal powers*) which endows management with a theoretically necessary way of acting. The causal powers of management derive their existence from management's incorporation into the industrial structure. They 'reside' in the real domain and, taken together, their logics are contradictory. The concrete effects of the exercise of management causal powers are dependent on prevailing contingencies at the organizational or interorganisational levels.

This metatheoretical conceptualization of management presents three advantages. First, it gets away from the atheoretical, empiricist view of management which, as we saw, confines itself to the observable management practices only. Empiricists are unable to offer explanations of the *possibility* of these practices as well as outlining what managers are *capable* of doing, instead of merely noting what they are doing.

Secondly, the various perspectives on management have been logically related to each other, thus, defining their individual scope of reference. At the same time, while the analysis presented here is avowedly structuralist in orientation it is not deterministic: the existence of particular features of management at a particular layer is only a *necessary* (but not sufficient) condition for the existence of features at the preceding layer. It is worth noting that the conceptualization adopted here leaves room for other causal influences on management (e.g. ethnicity, gender, etc) to be analogously conceptualized (see Whittington, 1992).

Finally, the metatheoretical outline proposed here moves beyond the 'either/or' polarization that management literature has hitherto exhibited, namely conceiving of management either as a collective institutional necessity or as a set of individual practices. Indeed, as argued above, management is both of these things plus a few more – hence its inherent ambiguity in being conceived in impersonal institutional terms *and* as personalized practices. As one moves from the ontological core to the empirically observable layers (see Figure 1), management increasingly becomes more personalized – that is 'management' is identified with managers. Conversely, in moving from the empirically observable management roles to the causal powers that have been imputed to management (see Figure 1), the latter acquires the features of abstract institutional necessity, removed from the concrete

practices of managers. Thus, depending on the level of analysis chosen, management can be legitimately approached differently, and in that respect I hope to have shown the scope of application of otherwise diverse theoretical perspectives.

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