

Critique of HROD Theory: A Thai Perspective on Theories X and Y by Douglas McGregor

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Abstract

This article critiques Douglas McGregor's Theory X and Theory Y within the context of Thai human resource and organizational development. It begins by outlining McGregor's theories, which categorize managerial assumptions about employee motivation and behavior. Theory X views employees as inherently lazy and needing control, while Theory Y sees them as self-motivated and capable of self-direction. The analysis highlights the application of these theories in various Thai organizations, demonstrating their relevance despite cultural and economic differences. The document also discusses the limitations of applying a binary model to employee motivation, emphasizing the need for a nuanced understanding of individual motivations and the influence of context. Additionally, it references the concept of Relative Virtue and cultural hierarchies in Thailand, suggesting that effective management must consider these factors. Ultimately, the critique reaffirms the significance of McGregor's theories while advocating for a more flexible application that accommodates diverse workforce needs.

Keywords: HROD Theory, Theories X and Y, Critique Theory

Introduction and Development of Theory

What kind of manager would you like to be? Douglas McGregor (1906 - 1964), was an American professor at the MIT Sloan School of Management and president of Antioch College. He introduced two theories called Theory X and Theory Y. They describe the different organization management styles. These two theories were published in the book named "The human side of the enterprise" in 1960. Theory X and theory Y are assumptions of management about processes controlling and motivating organizational human resources. These two theories can also determine an organization's belief, character, and quality of its succession through generation via management (Cutcher-Gershenfeld & McGregor, 2006). The theory building started from McGregor questioning what motivates people to work. Then he found that people's beliefs shape their behavior. Therefore, what an organization provides to motivate its human resource is the result from the perspectives and beliefs of its manager (McGregor, 1960a)

In 1960, most organizations saw their human resource as a mechanism, so Theory X and Y of McGregor initially looked like the futuristic idea (Kelly, 2000). In more detail, Theory X is a description to represent the beliefs of a manager who assumes that humans are lazy, have low responsibility, and are limited in creativity and innovation therefore, efforts stimulate the economy and security of human and material incentives should be used While the assumptions of the Theory Y see human work

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naturally like game. People are interested in their work, properly motivated, the feeling of inner satisfaction is the best reward for the self-control and more effective methods of control by others (Hersey, Blanchard, & Johnson, 2007), so theory Y manager assume organization as more humanistic. McGregor was fond of pointing out, the Theory X manager will always act mostly in command and control for his human resources, whereas, the Theory Y manager will manage in terms of the requirements of the task, being more likely to delegate work as the situation may require (Yaeger, 2011). One of the interesting purposes of creating these theories is that McGregor convinced the organizations in that time to focus on future inventions with respect to the human side of enterprise rather than minor changes in already obsolete conceptions of organization human effort (McGregor, 1960b).

Lynham (2000) wrote “Theory- building research can help the HRD profession address the call for HRD theory, offer a means for stepping up to the perennial problems in HRD practice”. Therefore, the HRD Theory should easy to apply for HRD practice and explain the organization phenomena. Even Though Theory X and Theory Y are classical and popular in scholar works for more than 60 years, several ideas are needed to be critiqued, i.e., the usefulness of theory in explaining and practicing organization development phenomena. Thus, the definition about theory- building research of Lynham leads us to the following question statements.

1. Are McGregor’s Theories (Theory X and Theory Y) easily applied in Human Resource and Organization Development?

To answer the above question, it is important to understand the root of theoretical ideas and how did McGregor develop such theories to apply in the workplace. McGregor was born in Detroit, Michigan on September 6 in 1906. He volunteered in homeless shelters when he was young. He worked for his family business, the McGregor Institute while he went to high school. The McGregor Institute was known as the Mission for Homeless Men, served the Detroit homeless population with spiritual and career services. He got a B.E. (Mechanical) from Rangoon Institute of Technology, a B. A. (Business Administration) from Wayne State University in 1932, then earned an M.A. (Master of Arts) and Ph.D. in psychology from Harvard University in 1933 and 1935 respectively. After that, he teaches at Harvard University and moved to MIT, where he was one of the first professors in the Sloan School of Management. He also served as president of Antioch College Ohio where now known as Antioch University Midwest, from 1948 to 1954. In 1954, McGregor returned to teach at MIT, where he taught until his death in 1964 at the age of 58 years old. He has been known as a theoretician, moral philosopher and behaviorist. From these backgrounds, Douglas McGregor should be Theory Y manager (Yaeger, 2011).

Since he had grown and worked with homeless people, he deeply understood the need of them and he therefore developed his own theories based on his perspective and living environment. Homeless people do not need only foods, shelter, cloth, and health treatment, they also consider mental health, safety and secure job (Daiki, 2007). McGregor believed that even though they are homeless, they also need many things to fulfill their needs. In 1960, most of organizations saw people

as a machine and hence they believe that people wanted only physical needs. Whereas, Theory Y explain that people also need motivation, i.e., physiological needs, to support their health.

McGregor's ideas were strongly influenced by Abraham Maslow and his work on motivation. Indeed, he used the hierarchy of needs in his 1957 paper to help explain the short-comings of Theory X as an appropriate management style. From McGregor's standpoint, Theory X and Theory Y represent only assumptions of manager but Maslow's pyramid which represents five stages of needs which can be used for applying in organization management and organization development (Cutcher-Gershenfeld & McGregor, 2006). Hattangadi (2015) studied that Theory X and Theory Y as it relates to Maslow's hierarchy of needs in how human behavior and motivation are main priorities in the workplace to maximize output. The effective output is not the result from providing physical benefit for worker but it come from philosophy, policies, and management practices. The core of McGregor's Theory Y is the ideology that encourages reasonable laws that lead people towards achievement of goals rather than being propelled or forced into following the direction of an administration (Ibrahim & Al Omari, 2020). Theory Y - a human approach is based on the principle that people want and are willing to work. The men have an obligation towards their goals and develop their abilities manifest toward those goals (Karamolla, 2019). As McGregor (1960a) classified managers' attitudes or belief systems into Theory X very different attitudes towards workforce motivation. Managers with Theory X mindsets tend to have a negative, pessimistic view of subordinates and display more coercive, autocratic leadership styles using external means of controls, such as threats and. Managers with Theory Y frame of mind looks at the human being as working for the organization and attaches value to the person (McGregor, 1960a; McGregor & Cutcher-Gershenfeld, 2006).

Therefore, Theory X and Y mostly have been applied with research related to job satisfaction, motivation, and leadership styles. We can't apply McGregor's X and Y theories to adjust in HRD alone, most of the research related to motivation will use Maslow's Hierarchy of desires. Some research will apply them with Herzberg's Motivation/Hygiene (two issue) concept, and McClelland's need for assessment theory to explain, make understand and predict the HRD phenomenon as well.

2. Are Theory X and Y compatible and do they really fit with Thai context?

There are many research papers in Human Resource Management and Human Resource Development used of McGregor's Theory X and Theory Y as theoretical base in Thailand. For example, Nathanicha (2009) used McGregor's Theory X and Theory Y to find the Factors Affecting the Efficiency of Talent Management in State Enterprise Organizations case study in "the Sports Authority of Thailand". One of the results shows that "Getting selected to attend short training or official study abroad more frequently than other officials" was the Rewarding and Motivating Talent. To motivate Talent employees, the Sports Authority of Thailand has to apply McGregor's Theory Y to a strategy to motivate them.

The logistics company named Sankyu Thai Group which was a joint venture of Thai and Japan. Phithakkul (2007) had conducted research on Motivation Affecting Performance Behavior of employees

in Sankyu Thai Group. The motivation factors based on theoretical of McGregor's Theory X and Theory Y related to the performance behaviors in positive direction, except the attempting to work until retirement. According to the results, employees of company had diligence in work, responsibility for work, thinking skills and work characteristics who likes to do a new thing. But the executive did not manage them with McGregor's Theory Y, so most of them did want to attempt to work until retirement.

The research on “Worker motivation on selected construction sites in Bangkok, Thailand” by Ogunlana & Chang in 1998. The result shows that the needs of Thai construction workers (mainly higher pay, better accommodation, good welfare and safety) was in Physiological needs of Maslow hierarchy. This is in line with the initial assumption of workers in Thailand, a developing economy, will tend to concentrate on lower order needs and motivators related to those needs. Therefore, it would be appropriate to give emphasis to lower order needs/motivators when trying to improve the performance of the workers. Since, the workers in construction sites are in lower order needs of Maslow, McGregor's Theory X would be a well strategy that can applied to motivate them as well.

In a study to explore the preferences of employees in the pharmaceutical industry of Thailand regarding the leadership style they want to work under the supervision of Sitthiwarongchai et al, (2020). They found that the preference of all employees was a transactional leadership style as compared to the transformational or laissez-faire leadership style. There should be contingent rewards for the employees as these rewards like pay for performance are highly significant in improving their performance. Similarly, to McGregor's Theory X in which people are more interested in compensations and rewards in their job.

3. Can a human character be identified with only one assumption?

Nowadays diversity management is a popular topic. Ivancevich and Gilbert (2000) state that Diversity management is a broad sense in organizations to attract, retain, and promote a heterogeneous mix of productive, motivated, and committed personnel, including people of color, white, females, and physically challenged individuals. However, McGregor's Theory X and Theory Y assumptions cannot explain the phenomenon of diversity and attitude toward one person. As McGregor's Theory X and Theory Y were built in the beginning period of the industrial revolution. Workers worked with one task. For example, in assembly line, each worker would be required to perform the same work content (Ivancevich & Gilbert, 2000).

According to McGregor's Theory X and Theory Y, the attitude of managers toward their subordinates might base on the judgment or consideration of how they handled that one task. Nowadays, technology helps people do their job. The jobs of production workers are being disrupted with the rise of industrial robots and other automated machinery in accounting, sales, logistics, trading, and some managerial occupations are seeing some of the tasks they used to perform being replaced by specialized software and artificial intelligence (Acemoglu & Restrepo, 2018).

Replaced by technology, people must do more than one task to keep self-value and distribute more outcomes. Therefore, to motivate one employee, the manager should use McGregor's Theory X

and Theory Y depending on the task. For example, the manager implements McGregor's Theory Y to an officer who is very successful in marketing strategy. He accepts responsibility and liability and is eagerly seeking admission. Same officer, once he has to do a sale, even if it's quite similar duty, he might feel responsibility elusive and limited in creativity and innovation toward that job because he doesn't like it. In this case, the manager has to use McGregor's Theory X to motivate.

Although this effect is limited to the amount of McGregor released at the time of his life, he still is important. His classic study on the topic and motivated work, reflecting his main concern in the mid and late 1960s, when the one-dimensional organizations were at their peak. Public criticism of the theory of X and Y is that they are very exclusive (Daneshfard & Rad, 2020).

In addition, good managers should realize the differentiation scale of readiness of their subordinates. In this part Hersey-Blanchard Situational Leadership Theory (SLT) is another example of theory in which can prove that there are more than two types of workers. The leader should learn to understand the readiness of the subordinator and adjust the leader's action to fit with the 4 types of subordinator's readiness. Moreover, when they tested the theory, they found that Graeff (1983) "subordinates can sometimes become less committed even though they have the necessary skills". Therefore, it is so complicated for managers to assume organization in the one picture.

Conclusion

Sixty years ago, Douglas McGregor, an influential figure in management theory, and outlines the development of his theories, which were introduced in his book "The Human Side of Enterprise" in 1960. These theories present contrasting views on human motivation and management styles: Theory X assumes that employees are inherently lazy and require strict supervision, while Theory Y posits that employees are self-motivated and thrive under a supportive management style. The study emphasizes McGregor's belief that management assumptions shape organizational behavior and success. Theory X managers typically use command and control, while Theory Y managers focus more on delegation and empowerment. McGregor's theories were revolutionary for their time, encouraging organizations to prioritize human elements in management practices. The critique then addresses the applicability of these theories in Human Resource Development (HRD), questioning whether they can be easily integrated into modern HR practices. It highlights McGregor's background, including his experiences with homeless individuals, which informed his understanding of human needs beyond mere physical sustenance—an idea that resonates with Maslow's hierarchy of needs.

The study examines various research studies conducted in Thailand that utilize McGregor's theories, showing differing results based on economic conditions and workforce demographics. For instance, employees in state enterprises may respond better to Theory Y, while workers in lower-paying jobs, such as in construction, may align more closely with Theory X motivations. Additionally, the cultural context of Thailand, noting that traditional values and the concept of Relative Virtue play significant roles in management practices. The critique asserts that managers must adapt their approach

based on the specific needs and economic conditions of their workforce, rather than applying McGregor's theories uniformly. McGregor's Theory X and Theory Y cannot be generalized according to cultures and contexts. Thus, William Ouchi (Associated Professor of organizational behavior in the Graduate School of Business and (by courtesy) in the Department of Sociology, Stanford University) proposed Theory Z in 1980. Ouchi and Price (1993) stated that "The ideal Type Z organization combines a basic cultural commitment to individual values' with a highly collective nonindividual pattern of interaction. It simultaneously satisfies old norms of independence and present needs for affiliation. Employment is effective (although not officially) for a lifetime; and turnover is low. Decision making is consensual, and there is often a self-conscious attempt to preserve the consensual model."

In conclusion, while McGregor's theories remain relevant and have influenced modern management concepts such as transactional and transformational leadership, the critique emphasizes the need for adaptability across different cultural and economic contexts. However, we suggest that managers should be aware of the limitations of McGregor's framework and consider a broader range of motivational theories to effectively manage diverse workforces.

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