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MANAGEMENT BY OBJECTIVES: THE PROCESS AND
STATUS OF IMPLEMENTATION IN STATE DEPARTMENTS
OF EDUCATION AND SELECTED SCHOOL DISTRICTS.

EAST TENNESSEE STATE UNIVERSITY, ED.D., 1978

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IMPLEMENTATION IN STATE DEPARTMENTS OF EDUCATION
AND SELECTED SCHOOL DISTRICTS**

**A Dissertation
Presented to the Faculty
of the Department of Education
East Tennessee State University**

**In Partial Fulfillment
of the Requirements for the Degree
Doctor of Education**

**by
James Baisden Osborne, Sr.**

August 1978

APPROVAL

This is to certify that the Advanced Graduate Committee of

JAMES BAISDEN OSBORNE, SR.

met on the

4th day of August, 19 78.

The committee read and examined his dissertation, supervised his defense of it in an oral examination, and decided to recommend that his study be submitted to the Graduate Council and the Dean of the School of Graduate Studies in partial fulfillment of the requirements for the degree Doctor of Education.

Charles Beckett
Chairman, Advanced Graduate Committee

Ted Coburn

Stacy H. Edwards

Clyde L. Orr

Jack Mayers

Elizabeth L. McMahon
Dean, School of Graduate Studies

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August 1978

James Baisden Osborne, B.A., Morehead State University, June 1965.
M.A., Morehead State University, August, 1969.
Ed.D., East Tennessee State University, August, 1978.

MANAGEMENT BY OBJECTIVES: THE PROCESS AND STATUS OF
IMPLEMENTATION IN STATE DEPARTMENTS OF EDUCATION
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Purpose. The problem of this study was: (1) to determine which of the fifty state departments of education in the United States were participating in a Management by Objectives (MBO) system of management; (2) to determine which of the public school districts identified by their respective state departments of education were utilizing an MBO system of management; (3) to determine how such a system was installed in each agency; and (4) to determine if the concepts and techniques of MBO, as practiced in selected educational agencies, favorably compared to the standards established for this study.

Method. The descriptive-survey method of research investigation was utilized to collect data from the managerial offices of the fifty state departments of education and selected school districts throughout the United States. Data were gathered using a two-part questionnaire which was completed and returned by selected educational administrators at state and local levels who had implemented MBO in their educational agencies.

Summary. MBO had been implemented in a majority of the state departments of education in the United States. Officials from state departments of education and various MBO consultants assisted in locating ninety-nine school districts that were involved with an MBO system.

Officials from state departments of education and selected school districts provided responses relative to demographic data and information relative to the methods of MBO implementation (Part I of the questionnaire) and responses pertaining to MBO concepts and techniques (Part II of the questionnaire). Data from the questionnaire were reported, and a narrative was written describing the findings.

Conclusions. Twelve hypotheses, which were related to questions in Part I and Part II of the questionnaire, were tested. Significant differences were found by testing the hypotheses using the Student's t test. There were significant differences in mean scores relating to seven of the twelve hypotheses.

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Dissertation prepared under the guidance of Dr. Charles W. Burkett, Dr. Clyde L. Orr, Dr. Ted C. Cobun, Dr. Floyd H. Edwards, and Dr. Jack A. Maxey.

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Chapter 1

INTRODUCTION

The term accountability, when applied to public education, has increasingly become identified with demands for more effective and efficient operation. George Gallup's nation-wide poll printed in the 1976 issue of Phi Delta Kappan reflected the public's attitude toward public schools. The survey was the eighth in a series conducted in order to discover the views of American citizens toward their public schools. The results of the study revealed a continued widespread dissatisfaction with public schools and the need for some proof that schools are adequate and the public is getting its money's worth.¹

Throughout the country, educators are experiencing demands associated with their ability to lead and manage schools. There is nothing especially new in the concept of educational responsibility, because parents and communities, as well as educators, have always been concerned with the results of education. What is new is the means by which educational leaders must satisfy a heightened awareness of responsibility for performance.²

¹George Gallup, "The Eighth Annual Survey of the Public's Attitude Toward the Public Schools," Phi Delta Kappan, LVIII (October, 1976), 187-200.

²Leon Lessinger, "Engineering Accountability for Results in Public Education," Phi Delta Kappan, LII (December, 1970), 38.

The essential questions about accountability would seem to be quite reasonable and acceptable in light of the need for definite standards upon which to base educational accountability. The questions raised include establishing goals, setting specific objectives, devising programs to meet the objectives, carrying out the programs, measuring the degree of success, comparing costs and performance under alternate programs, and revising and trying again.

Some state departments of education have already developed models for local school districts to follow as they move toward results-oriented management. For example, Michigan's model for educational accountability can be utilized, adopted, or modified to meet the needs of any of its many school districts. It has six basic steps and aims, which include: (1) the identification of common goals, (2) the development of performance objectives, (3) the assessment of needs, (4) the analysis of delivery systems, (5) the evaluation of programs, and (6) recommendations for improvement.³

Writing about the subject, Dale D. McConkey implied that accountability demands will continue to shape the actions of managers of public schools, as well as all other organizations that are supported by the public, well into the foreseeable future:

Management of nonprofit organizations has no landed right to be ineffective, to ignore managerial productivity, to ignore the 'profit' motive, or to fail to evaluate new or revised approaches to management. Nor should the managers of these organizations be immune from strict accountability

³ John W. Porter, "The Accountability Story in Michigan," Phi Delta Kappan, LIV (October, 1972), 98-9.

to those they serve, those upon whom they depend for their funds and support.⁴

In a speech to a state school administrators' meeting, T. H. Bell, a former U.S. Commissioner of Education, said that school systems need to move toward institution-wide performance accountability when he stated:

Many of us in leadership positions in education have for some time been concerned about how we might devise a means that would make school management more results-oriented with the outputs becoming a prime source of concentration and concern on the part of school managers.⁵

The current concept of accountability, as defined to emphasize educational results, the allocation of responsibility of results, and the consequences to those held responsible seem to represent a powerful force for positive educational change. Toward this end, many public school administrators are adopting professional approaches to management that determines what must be done (including establishment of priorities); how it must be done (the program steps or plan of action); when it must be done; what resources are needed (personnel, equipment, money); what constitutes a satisfactory performance; how much progress has been achieved; and when and how to take corrective action.⁶

⁴Dale D. McConkey, MBO for Nonprofit Organizations (New York: American Management Association, 1975), p. 2.

⁵T. H. Bell, "Management by Objectives: Planning Where to Go and How to Get There" (paper presented at the meeting of the West Virginia Association of School Administrators, Jackson's Mill, West Virginia, July, 1974), p. 3.

⁶Arnold Finch, "Management by Objectives in Fresno Unified School District" (paper prepared for the Fresno Unified School District of Fresno, California, 1974), p. 1.

Rationale

The increasing demands upon educational institutions are vast and complex. Accountability demands from the critics of education are greater each succeeding year.

With the rapidly increasing complexity of society and its expectations, it follows that school administrators are faced with increasing pressures from many sources to operate their school agencies more efficiently. It is important that school administrators of the future devise action plans which will successfully meet these pressures and demands.

In recent years, considerable interest has been placed upon devising results-oriented management systems. Such systems can be used as accountability "tools" to show the public that educators are identifying clear-cut goals and objectives that meet the needs of students, communities, and the nation.

Perhaps any existing weakness within the traditional organizational structures of administration might be replaced with new courses of action which meet the changing needs of an institution in changing times. In an effort to cope with the rapidly increasing complexity of society and its expectations, McConkey pointed out that the question which plagues most educational administrators is:

not whether they should become more effective but how the improvement can be brought about--what means, methods, or tools are available to them.⁷

This quotation from McConkey indicated the importance that educational administrators both now and in the future should place on

⁷ McConkey, MBO for Nonprofit Organizations, p. 5.

devising action plans which can adequately meet these pressures and demands from the public.

McConkey stated that educational agencies are like any other organizations which have a mission to accomplish:

namely, to provide the highest quality product or service consistent with the funds available. Assets have been entrusted to them--people, capital, plant, and equipment. They serve in a stewardship capacity to those upon whom they depend for their continued existence. . . .⁸

Most educational organizations need better management methods and results-oriented management systems. Such management methods and management systems can be used as accountability "tools" to show those who use their services and finance their endeavors that educators are identifying clear-cut goals which meet the needs of students and society.⁹

Traditionally, educational managers have not been required to emphasize managerial effectiveness within educational organizations. However, the educational manager of the future might need to take new courses of action which will meet the changing needs of an institution in changing times. In an effort to cope with the aforementioned problems, many educational managers are beginning to look beyond the field of education for solutions to their problems.

In America's free enterprise system of business and industry, a comprehensive management system has been evolving for almost three decades. MBO is the popular acronym used by practitioners and writers to denote a Management by Objectives (or Management by Results, as it is also termed) system. Although MBO was developed and has resulted in its major successes in businesses operating for profit, the concept has been

⁸McConkey, MBO for Nonprofit, p. 6.

⁹McConkey, MBO for Nonprofit, p. 7.

advocated by an increasing number of educators as a means of providing the answers to many public and legislative accountability demands and the questions of a progressive society.¹⁰

McConkey defined Management by Objectives as follows:

an approach to management planning and evaluation in which specific targets for a year, or for some other length of time, are established for each manager, on the basis of the results which each must achieve if the overall objectives of the company are to be realized. At the end of this period, the actual results achieved are measured against the original goals--that is, against, the expected results which each manager knows he is responsible for achieving.¹¹

In essence, MBO is a systematic approach that attempts to facilitate the initiation and stimulation of better individual and organizational performance. The following statement by Scanlon supports the importance of the concept of MBO and its value, when properly applied to educational management.

It is virtually impossible today to pick up a management periodical or book without running across specific reference to the concept of 'Management by Objectives.' Without question, this philosophy concerning how an organization should run and how individuals should be managed represents the most dynamic and exciting thinking in the area of management that has taken place in many years. It is an approach which, when properly applied, offers management an opportunity to realize maximum productivity potential from all its resources.¹²

McConkey suggested that MBO will work as well in a public educational organization as it will in a private business and industry when the following minimum demands are met:

¹⁰McConkey, MBO for Nonprofit Organizations, p. 5.

¹¹Dale D. McConkey, How to Manage by Results (New York: American Management Association, 1965), p. 15.

¹²Burt K. Scanlon, Results Management in Action (Cambridge, Massachusetts: Management Center of Cambridge, 1967), p. 99.

1. The selection of highly competent managers, administrators, and professionals for all key positions.

2. In-depth training in the complete MBO system before any attempt is made to apply it.

3. Allowing the three to four years required for successful implementation.

4. Substitution of maximum participation from all personnel for the sometimes autocratic and despotic decisions of a few.

5. Complete tailoring of the MBO system to the individual problems or conditions existing in the individual organization.

6. The removal, or diminishing, by legislative or executive action impediments to the ability of MBO to achieve its full potential--such as emphasizing effort rather than results, provisions that protect ineffective personnel, practices that stifle individual initiative and lead to inflexible decision making, and systems that fail to provide recognition and rewards.

7. Constant re-examination of the system after installation to improve it and render it responsive to changing conditions.¹³

The rationality of such a management system would seem to make MBO a most worthwhile tool in educational advancement today. If the literature is correct and the past experiences of business are valid, the application of MBO could have a profound influence upon redirecting administrative efforts in educational management.

The use of any management system, however, should be justified by more than its apparent rationality; it should be based upon research. There is a considerable amount of research that does support the MBO concept, but to date this research has tended to deal most specifically with the world of business and industry. There is a scarcity of

¹³McConkey, MBO for Nonprofit Organizations, p. 8.

empirical research and information concerning the impact of the MBO concept upon the quality of educational programs.

At least two major questions are yet unanswered relative to the application of MBO to education: Does MBO exist in the managerial offices of education in the United States, and if so, to what extent?

Statement of the Problem

The problem of this study was: (1) to determine which of the fifty state departments of education in the United States were participating in an MBO system of management; (2) to determine which of the public school districts identified by their respective state departments of education were utilizing an MBO system of management; (3) to determine how such a system was installed in each agency; and (4) to determine if the concepts and techniques of MBO, as practiced in selected educational agencies favorably compare to the standards established for this study.

Questions Related to the Problem

This problem was dealt with by eliciting responses of state and local educational officials by utilizing a two-part questionnaire. Part I of the questionnaire dealt with questions relating to general information and the processes leading to the initiation and/or implementation of MBO in state and local educational agencies. The questions dealt with in this study are as follows:

1. What was the geographical setting of each school district?
2. What was the pupil population of each school district?
3. What was the total approximate annual per pupil expenditure of each school district?

4. To what extent was each state educational agency and public school district involved with MBO?
5. What span of time had elapsed since the initial decision was made to introduce MBO into each educational agency?
6. What period of time was proposed for the system to become fully operational in each educational agency?
7. Which specific educational programs and/or divisions of each state department of education and local school district were involved with MBO?
8. What were the sources of impetus for implementing MBO in each state educational agency and public school district?
9. What specific goals were developed for the implementation of MBO in each state educational agency and public school district?
10. Did each educational agency adopt the MBO system on an individual basis or on a cooperative basis with other educational agencies?
11. What problems were encountered in implementing MBO in each state educational agency and school district?
12. Was a private consultant used to provide in-service training for each state educational agency and school district, and if so, in what phases of the MBO program did he/she participate?
13. Was it necessary to utilize a staff member whose primary responsibility was to coordinate the development and implementation of MBO?
14. Was there a necessity to provide released time for personnel for planning and implementing MBO in each educational agency?

15. What was the approximate number of hours of MBO in-service training provided for employees during the first year of MBO implementation?

16. What were the sources of in-service training materials for personnel involved in implementing MBO in each state department of education and public school district?

17. What were the recommendations of local and state officials for those educational agencies contemplating the implementation of MBO?

Part II of the questionnaire dealt with questions designed to elicit information from state and local educational agencies relating to four general areas characteristic of MBO concepts and standards, which include: (1) approaches to MBO implementation, (2) objective setting, (3) utilization of systems, and (4) performance appraisal. (Procedures for the development of this section, Part II of the questionnaire, are explained later in this chapter.) Specifically, these questions were:

1. Did the top management in each educational agency have the responsibility to set broad goals for the organization?

2. Did the chief administrator in each agency establish the overall grand design for his agency's MBO system?

3. Did each agency's MBO system require that each participant have an understanding of management functions, i.e. planning, organizing, directing, coordinating, and evaluating?

4. Was there a free flow of communication between upper and lower organizational levels in each organization in the determining of goals?

5. Were the general goals of each educational agency broken down into smaller and smaller units?

6. Were the superior and the subordinate required to have a thorough understanding of the descriptions and limits of the subordinate's job during the development of objectives?

7. Did most administrators have the freedom to exercise self-direction and self-control in the pursuit of objectives which they had been made responsible for accomplishing?

8. Was a key element of MBO in each agency the objective setting process where the superior and subordinate agreed on the latter's performance objectives?

9. Was emphasis placed upon the importance of the subordinate's participation in the objective setting process?

10. Did a critical examination of all available data take place in order to determine needs and priorities in setting goals and objectives?

11. Were evaluation plans established to determine the worth of each objective?

12. Were long range results separated from short range results?

13. Was a list of management processes, for which objectives were written, agreed upon by the persons who were responsible for accomplishing them?

14. Were management process objectives written for each management process in each MBO system?

15. Did each process objective specify a tangible product that could be used as documentation that the objective had been accomplished?

16. Was the name of the person(s) who was/were responsible to see that each objective was accomplished specified in writing?

17. Were appropriate activities for the accomplishment of each objective specified in writing?

18. Were projected accomplishment dates specified in writing?
19. Were staff development objectives which stress professional growth a part of each MBO system?
20. Were objectives which stress decision-making a part of each MBO system?
21. Were objectives which stress innovation a part of each MBO system?
22. Were written individual improvement work plans devised to aid staff members in achieving objectives?
23. Did MBO prove to be a worthwhile tool for improving interpersonal relations, public relations, personnel effectiveness, and accountability in each agency?
24. Were individual administrators in each MBO program evaluated on the basis of performance specified in objectives for which they were responsible for accomplishing?
25. Were information monitoring and reporting built into the objective setting process in order to provide for continuous testing against actual events?
26. Were there periodic reviews of performance between the subordinate and his superior to assess progress as objectives were pursued?
27. Were administrators and supervisors required to identify the contributions they made toward achievement of their respective goals and objectives for which they were responsible?
28. Were evaluation plans, adequate for determining when each of the objectives had been accomplished, specified in writing for each of the respective objectives?

29. Were written performance objectives and action plans revised or deleted and replaced according to need one or more times per year?

30. Did MBO evaluation prove to be useful in determining salary in each system?

31. Was a list of specific objectives compiled by top administrators and supervisors for those persons who would be responsible for accomplishing them?

32. Was the evaluation of individual administrators often influenced more by personality factors than by the results accomplished?

Significance of the Problem

Management by Objectives (MBO) has been utilized as an effective management "tool" in private business and industry for almost thirty years. At the beginning of this research it was apparent that although MBO had gained wide reception through its adoption in business and industrial agencies, there was some uncertainty as to its utilization as a management system for public education agencies. Perhaps it could be said that MBO is not a panacea for educational organizations. However, it is recommended that educational managers give full consideration to exploring the possible benefits MBO could bring to them.

McConkey listed the following broad reasons why educational organizations should consider MBO:

1. The increasing demand for greater accountability.
2. The demand for a greater voice by managers.
3. The increasing rate of change.

4. The increasing degree of complexity.¹⁴

Evidence has been presented to show that MBO is assumed to result in a more efficient management system for any organization. The basic definition of the MBO system and a review of its processes suggest that it may hold much value in its adaptability to educational management as well.¹⁵

Several factors presently existing in education tend to mandate a fresh look at the business of administering public educational agencies. An important factor at present is the reduction in the number of school systems in the United States, according to a 1973 national survey. The number of school systems had declined from 200,000 to about 17,000, which has in turn made each system more complex and subsequently more demanding administratively. Time no longer would seem to permit any single school executive to directly manage in detail the many activities of so large and complex an organization. MBO, with its focus on results, is an approach that allows the main school administrator to remain in control of all school system dimensions. In short, in the concept of managing by objectives, the term "management" means management of the total organization.¹⁶

The number of school districts interested in or trying to implement MBO is apparently at present fairly small. The pooling of

¹⁴Dale D. McConkey, MBO for Nonprofit Organizations (New York: American Management Association, 1975), pp. 200-1.

¹⁵Robert E. Lahti, "Management by Objectives," College and University Business, XV (July, 1971), 43.

¹⁶Stephen J. Knezevich, ed., Management by Objectives and Results (Arlington, Virginia: American Association of Administrators, 1973), p. 23.

information and the best informed opinions have speculated that less than 1 percent of local school districts and about ten state educational agencies were at various stages of implementing some form of MBO as of 1972. Even this information was derived from informal inquiries and methods, and there were no reliable data that would bear critical analysis.¹⁷

Therefore, while there is a considerable amount of literature concerning MBO and some amount of research, there appears to have been few, if any, researchers who have actually attempted to determine the existing school districts and state educational agencies presently interested or involved in the system of MBO to some degree. Due to this apparent lack of information, this study was made in an attempt to identify those existing state departments of education and local school districts that were participating to some degree with the MBO system of management and to determine the current status of implementation and utilization of MBO.

The information gathered by this survey and an analysis of the findings is expected to be of considerable value to those educators, administrators, and other interested parties desiring to keep pace with the development of MBO in public education. Such an approach may result in savings of time, monies, and personnel needed in research and planning. It is also believed that the information derived from such an analysis will provide an important source of confidence for school administrators and others in the field of education who may be planning to initiate administrative MBO as a tool for accountability and will provide an impetus for those seeking to move in this direction.

¹⁷Knezevich, Management by Objectives and Results, pp. 53-4.

Hypotheses

During the development of the questionnaire, twelve hypotheses were stated. These hypotheses were tested to indicate relationships and differences between the various educational agencies. Working hypotheses were stated in each case. The null hypotheses, however, were tested, which specified that there were no significant differences or relationships between the data.

The hypotheses stated that the subareas (approaches to MBO implementation, utilization of systems, objective setting, and performance appraisal) and the total mean scores of Part II of the questionnaire would be significantly higher for:

1. Selected school districts in suburban geographical areas as compared to school districts in either urban or rural areas.
2. Selected school districts with more than 50,000 pupils as compared to school districts with lower levels of pupil population.
3. Selected school districts with total per pupil expenditures of \$800 or more annually as compared to school districts expending lesser amounts.
4. State departments of education and selected school districts that made the initial decision to implement MBO more than four years ago as compared to educational agencies that made the initial decision to implement MBO in periods of time four years and less.
5. State departments of education and selected school districts that planned a period of five years or more for MBO to become fully operational as compared to educational agencies that planned a period of time less than five years for MBO to become fully operational.

6. State departments of education and selected school districts that specified the use of MBO as an instrument of accountability as compared to educational agencies that specified other goals for MBO.

7. State departments of education and selected school districts that designated a staff member whose primary responsibility was to coordinate the development and implementation of MBO as compared to educational agencies that did not designate a staff member to coordinate the development and implementation of MBO.

8. State departments of education and selected school districts that indicated a freedom of choice in the utilization of MBO as compared to educational agencies that were required to utilize MBO.

9. State departments of education and selected school districts that utilized the services of a private MBO consultant to provide in-service training for personnel as compared to educational agencies that did not use private MBO consultants to provide in-service training.

10. State departments of education and selected school districts that provided released time for personnel for planning and implementing MBO as compared to educational agencies that did not provide released time for personnel for planning and implementing MBO.

11. State departments of education and selected school districts that provided employees with over thirty hours of in-service training as compared to educational agencies that provided thirty hours or less of in-service training.

12. State departments of education and selected school districts that indicated a high recommendation of MBO as compared to educational agencies recommending MBO on lower levels or not recommending MBO.

Definitions of Terms

Accountability--The evidencing of stewardship to self and clients by measuring and reporting actual accomplishments in relation to planned objectives.

Management--The application of effort and resources in the accomplishment of organizational purpose through people.

MBO--For the purpose of this study, Management by Objectives will be referred to by the abbreviation MBO.

Goals--Key areas in which results are accomplished. They represent statements of broad direction that are general and timeless.

Mission Statements and Grand Design--General statements that define the long range overall purpose of the organization.

Work Plan--An agreement of specific actions that must be taken in order to accomplish objectives.

Accomplishment Dates--Deadlines for objectives to be achieved which are normally a part of a quarterly progress review or an annual performance review.

Subarea--A subdivision of a total. Subareas in this study include Approaches to Implementation, Utilization of Systems, Objective-Setting, and Performance Appraisal.

Approaches to Implementation--The strategy for installing MBO in an organization.

Utilization of Systems--Managing the interaction of various components in an organization that are differentiated from each other in terms of particular function.

Objective Setting--The system which provides the means to measure the results that will exist when they are accomplished.

Performance Appraisal--A periodic meeting between two or more individuals for the purpose of presenting and explaining job requirements, discussing and pooling ideas, and arriving at recommendations for solving problems, setting objectives, developing action plans, and improving performance.

Limitations and Delimitations of the Study

1. There is a possibility that the questionnaire used for gathering data for this study was answered by the school administrator who had the most knowledge concerning MBO or the administrator who was biased toward the MBO concept. This could lead to discrepancies or inaccuracies in the reporting of actual levels of utilization of MBO in respondent state departments and school districts.

2. The lack of a standard definition of MBO could have been a limiting factor in this study. Many state departments of education and school districts have their own definitions of MBO, but they may only partially fit the standards used for this study.

3. The study was national in scope, covering all fifty state departments of education and all school districts throughout the United States reported by their respective state agencies to be involved with MBO. However, for various reasons, some school districts using MBO may not have been reported.

4. Many state departments and school districts said they were utilizing MBO, but some may have been using only some facets of the concept or none at all. Failure to implement one or more dimensions may well have an impact upon the effectiveness of the others.

5. A postcard survey of the state departments of education conducted to determine the feasibility of this study revealed that a majority of state departments of education were utilizing MBO, but in fact many may have been operating an administrative system with only some components of MBO.

6. The state departments of education that did elect to participate in the study were asked to provide a list of school districts within their respective states that were utilizing MBO, but their knowledge of school districts utilizing MBO in their state may have been incomplete.

7. The total time period involved in this investigation was approximately thirty-six months, from August 1975 to August 1978.

8. A questionnaire survey instrument was used to obtain the information or data gathered from the state departments of education and selected school districts surveyed. The study will therefore suffer from the normal limitations of a questionnaire survey method.

9. Most of the materials used in the questionnaire dealing with standards of MBO were modified from business and industrial applications as found in the literature and in all cases may not apply to the field of education.

10. The study was limited to state departments of education and school districts identified by their respective state department officials; those who did not cooperate or who were not identified may be more representative of MBO results than those who did cooperate.

11. This study was limited to the ability of the researcher and/or consultants to develop the appropriate MBO standards for the study.

12. A summated rating scale based upon a Likert-type scale was accepted to measure the degree of implementation of MBO.

Assumptions

This study was based upon these assumptions:

1. Management by Objectives (MBO) is being utilized in the administration of some state and local educational agencies throughout the United States.

2. Management by Objectives (MBO) components being practiced in state and local educational agencies are similar to those found in the literature.

3. It is possible to identify the extent to which educational agencies on the state and local levels are practicing MBO.

4. The population composed of state and local educational agencies utilizing MBO is adequate for the study.

5. There are significant differences existing between levels of implementation of MBO in the educational agencies and selected factors existing in the educational agencies.

6. State agencies can identify those school districts in their respective states which are involved with MBO to some degree.

7. The researcher can determine from information drawn from the criteria portion of the questionnaire the extent of involvement of the state departments of education and public school districts with MBO.

Such assumptions are based upon the findings in the literature search which reflected successful results being realized in business and industry involved with MBO. These assumptions are equally supported by the sound principles of management upon which MBO is based.

Procedures

The descriptive-survey method of research investigation was utilized to collect data from the managerial offices of the fifty state departments of education and selected school districts throughout the United States. Data were gathered from a survey questionnaire returned by selected educational administrators at state and local levels who had implemented MBO in their educational agencies.

Stephen Isaac and William B. Michael described descriptive research as follows:

Descriptive research is used in the literal sense of describing situations or events. It is the accumulation of a data base that is solely descriptive--it does not necessarily seek to explain relationships, test hypotheses, make predictions, or get at meanings and implications, although research aimed at these more powerful purposes may incorporate descriptive methods. Research authorities, however, are not in agreement on what constitutes 'descriptive research' and often broaden the term to include all forms of research except historical and experimental. In this broader context, the term 'survey studies' is often used to cover the example listed above.¹⁸

Deobold D. VanDalen suggested a typical methodology for descriptive research that includes: (1) examination of the problematic situation, (2) definition of the problem and statements of hypotheses, (3) listing of assumptions upon which hypotheses and procedures are based, (4) selection of appropriate subjects and source materials, (5) selection or construction of techniques for collecting data, (6) establishment of categories for classifying data that are unambiguous, appropriate for the purpose of the study, and capable of bringing out

¹⁸ Stephen Isaac and William B. Michael, Handbook in Research and Evaluation (San Diego, California: Robert R. Knapp, Inc., 1974), p. 18.

significant likenesses, differences, or relationships, (7) validating the data-gathering technique, (8) making discriminating objective observations, and (9) describing, analyzing, and interpreting findings in clear, precise terms.¹⁹

The survey questionnaire technique is a type of descriptive research. According to Carter V. Good, the purposes and uses of the descriptive-survey method of investigation are as follows:

1. To secure evidence concerning an existing situation or current condition.
2. To identify standards or norms with which to compare present conditions, in order to plan the next step.
3. To determine how to take the next step.²⁰

Good indicated that the descriptive-survey method of research investigation is a superior approach to problem solving when the researcher follows the criteria listed below:

1. The research report usually has a distinctive form, with definite attention given to describing the methodology, the sources, the population, the trait being studied, and other appropriate and methodological or technical details.
2. Presumably original observations are taken.
3. Each step in the work proceeds with meticulous care and with due consideration for the large plan and purpose of the work. The data are verified and evaluated.
4. The data are resolved, or organized into more general terms and are sometimes related to a single, overall thesis. Certainly the data will be summarized in some form or other, as systematic as possible. What is done with the data is a definite contribution of the study.

¹⁹Deobold D. Van Dalen, Understanding Educational Research (New York: McGraw-Hill Co., 1966), p. 50.

²⁰Carter V. Good, Introduction to Educational Research (New York: Appleton-Century-Crofts, Inc., 1963), pp. 244-5.

5. The background, sensitivity, and general competence of the investigation, as well as the spirit with which one works, are vital elements. As to whether a study must have more or less than the qualities in this list, probably no definite rule can be stated. The qualities vary in degree; various types of research have their own criteria. One should aim in doing his own research, not at the minimum requirements of research, but at a fairly full-bodied attack.²¹

Although data of this type normally does not employ traditional forms of sophisticated statistical analysis, for the purposes of this study some empirical analysis was made using the t test. The primary measuring device adopted for this project was a modification of the Likert Scale.²²

Maranell gave a description of the Likert Scale as follows:

To apply the Likert method to a scaling task one must be able to employ multiple response items. The items are used to order the respondents or subjects. The items are usually examined in regard to discriminate ability or sensitivity. If the items are ordered, it is in regard to these aspects and not in terms of the position relative to the dimension being scaled. Such items are usually used in the scaling of opinion, information, satisfaction, and values as well as attitudes.²³

No decision of importance was made in the development of the study procedures until consensus was found among several authors. Points of disagreement were actively sought and studied until assumptions could be made that the methodology of the study reflected the most respected thinking available.

²¹Good, pp. 255-88.

²²Bernard S. Phillips, Social Research (New York: Macmillan Publishing Co., 1976), pp. 206-8.

²³Gary M. Maranell, Scaling (Chicago: Aldine Publishing Co. 1974), p. 231.

Once the methodology was established, the following procedures were developed: (1) construction of the questionnaire, (2) design of the questionnaire, (3) selection of the population, (4) collection of data, (5) reporting of the data from Part I of the questionnaire, (6) reporting of the data from Part II of the questionnaire, (7) testing the hypotheses, and (8) organization of the dissertation.

Construction of the Questionnaire

The criteria used for the mechanics of composing the questions in the questionnaire were taken in part from Fred N. Kerlinger's Foundations of Behavioral Research. According to Kerlinger's criteria for writing a questionnaire, each item should be related to the problem and objectives of the study. The questions should be appropriate and stated in a clear and unambiguous manner. He indicated that items should not be leading questions which could make the respondent feel uncomfortable. He stressed the importance of not asking questions which demand answers to personal or delicate material that the respondent might resist. Finally, he stated that a researcher should not ask questions that demand knowledge and information that the respondent does not have.²⁴

Throughout the construction of the questionnaire, an attempt was made to observe the clear distinction between fact questionnaires and opinionnaires and to follow the rule, generally accepted in research, that without a clear scheme these two types of instruments ought not be mixed.

²⁴Fred N. Kerlinger, Foundations of Behavioral Research (New York: Holt, Rinehart and Winston, Inc., 1965), pp. 414-23.

During the development of the questionnaire, a number of research techniques were utilized to assure validity and reliability in the instrument. First, questions that were developed for the questionnaire were reviewed for clarity and content validity by utilizing the services of advanced graduate students at East Tennessee State University. A revision of the questionnaire was based upon the evaluation of the seventeen resident graduate students in a regular meeting of the advanced graduate seminar during the Summer quarter of 1976.

Secondly, a short time later, three educational specialists on the university level, who were experienced in MBO practice and who represented practicing administrators both in the instructional and non-instructional areas, reviewed the questions for the same purpose.

Thirdly, a preliminary questionnaire was field-tested by six educational specialists who were known to be practicing administrators involved with MBO. Particular attention was given to assure that responses showed a reasonable range of agreement and consistency.

Finally, the questions were reviewed by three nationally known MBO consultants. Among the most prevalent suggestions offered by the MBO consultants were:

1. To provide a simple but precise explanation of MBO to establish a similar frame of reference for each respondent.
2. To delete and/or add certain questions in order to maintain validity, agreement, and consistency.
3. To include additional open-response type questions which would allow answers to be more representative of individual situations.

Suggestions for revision of the instrument were evaluated at all four steps by the researcher and were incorporated into the final form of the survey instrument.

Design of the Questionnaire

Information used in the design of the Management by Objectives (MBO) questionnaire was collected from a review of the literature and closely corresponded to the questions accompanying the problem statement. The review of the MBO literature served to suggest concepts and standards for the development of the questionnaire for the purposes of ascertaining possible solutions to the problem statement and its accompanying questions, which included two broad areas: (1) items designed to elicit responses relating to general information and processes leading to the implementation of MBO (Part I of the questionnaire) and (2) items which reflected the extent to which selected concepts (standards) of MBO actually existed as a result of MBO implementation (Part II of the questionnaire).

Selection of the Population

The study population included representatives of all the fifty state departments of education in the United States and all school districts utilizing MBO that were identified by their respective state departments of education as having implemented MBO. The study also included a number of school districts that were identified through a review of the literature and through contacts made with various MBO consultants and educational leaders throughout the country.

Collection of Data

A letter of transmittal was sent to the chief executive officer of each of the fifty state educational agencies (see Appendix A). This letter gave an explanation of the study and directions to fill out an enclosed stamped postcard with the following information: if the particular state department agency would agree to participate in the

questionnaire survey regarding the use of MBO; the status of utilization of MBO within the particular state department of education; and the staff member of the state department of education that would be designated to participate in the study (see Appendix B).

When the postcards were returned, the designated person was sent the questionnaire designed for collecting data concerning the state departments of education. Accompanying the questionnaire was a letter of transmittal (see Appendix C), an overview of MBO (see Appendix D), and a self-addressed stamped envelope. The respondent also was asked to list the school districts within his state that were utilizing MBO and was supplied a form for listing any such school districts (see Appendix E).

A similar procedure was used in collecting data from those identified school districts within the state which were reported to be utilizing MBO. When a list of school districts was received from the state agency, a letter of transmittal (see Appendix F), the questionnaire instrument, and overview of MBO, and a self-addressed, stamped, return envelope was sent to the chief executive officer of the selected school districts within the respective state. The letter included directions for the chief school officer to either participate directly in the study or designate the staff member of the respective public school district who would participate in the study. The returned questionnaires, therefore, were completed by the chief school officers or their designated representatives.

Questionnaires sent to both state departments of education and selected school districts officials provided space on the first page for the respondent's name, title and address; this page also indicated the

purpose of the survey, instructions for completing the survey and confidential information (see Appendix G).

Data from Part I of the Questionnaire

Part I of the questionnaire contained questions related to demographic data and a series of questions designed to gather information concerning the means of installation and implementation of MBO in educational agencies. Due to certain discrepancies between state and local educational agencies, Part I of the questionnaire which was sent to the state departments of education (see Appendix H) differed slightly from Part I which was sent to the local school districts (see Appendix I).

Responses from officials of state educational agencies and local school districts to questions in Part I of the questionnaire were compiled for each possible question. The number of responses tallied for each of the possible answers was summated for each question. The percent of tallies for each possible response for each question was calculated. This was done by dividing the total number of responses for each question into the number of responses tallied for each possible response to that question. Tables illustrating these responses were constructed which included both the raw data and percentage of response to each item.

For the most part, officials of both state educational agencies and local school districts were requested to respond to identical items. There were some additional and different item responses solicited from school districts such as geographical setting, pupil population, and per pupil expenditure. The latter items were included in separate tables, whereas, those identical items which elicited responses of officials from state educational agencies and local school districts were tabulated together and presented in the same tables.

Data from Part II
of the Questionnaire

Part II of the questionnaire included thirty-two selected statements (standards) which were extracted from the literature and screened by consultants. The questions related specifically to questions accompanying the problem statement (see Appendix I).

The questions in Part II of the questionnaire were designed to gather information relating to the processes that occurred during MBO implementation, to determine what components of MBO actually existed, and to determine the extent that participants had implemented MBO. Officials were asked to respond to these statements on the following continuum: to a very large extent, to a fairly large extent, to a moderate extent, to a slight extent, or not at all.

Responses from officials of state educational agencies and local school districts to questions in Part II of the questionnaire were treated by utilizing a summated scale based upon the Likert-Type scaling system. This approach involved the use of a five-point (1-5) scale scored as follows:

- 1 - not at all
- 2 - to a slight extent
- 3 - to a moderate extent
- 4 - to a fairly large extent
- 5 - to a very large extent

Results of individual questions were analyzed to determine the extent of utilization of particular MBO practices at state and local levels. This was accomplished by summing the tally for each of the possible responses to each of the possible questions and calculating a

mean score for each question. A mean score for each question was established by dividing the total number of scores assigned to responses on the five-point (1-5) scale by the total number of responses.

A similar analytical procedure was used to determine the extent of utilization of items on the questionnaire that were grouped into four general areas characteristic of MBO concepts and standards which included: (1) approaches to MBO implementation (questions 1-3), (2) utilization of systems (questions 4-8), (3) objective setting (questions 9-23), and (4) performance appraisal (questions 24-32). A mean score for each group was established by dividing the total number of scores assigned to the responses of the five-point (1-5) scale by the total number of responses of the entire group of items.

The scores of all the items on the questionnaire were also combined into a total score reflecting the extent to which school districts and state educational agencies had implemented MBO practices.

Part II of the questionnaire included identical items which elicited responses from both state and local school officials. The data gathered from these responses were reported in tables. The tables related specifically to the four general areas of MBO concepts and standards which included: (1) approaches to MBO implementation, (2) utilization of MBO systems, (3) objective setting, and (4) performance appraisal. Raw scores were reported on the tables which included the sums of all of the possible responses to items on a five-point scale. The tables also included the mean score for each item of response from officials of state and local educational agencies. Mean scores were also calculated and reported for the entire group of items within the four general areas of MBO concepts and standards.

Data from the Hypotheses

The Management by Objectives (MBO) study was a descriptive study; therefore, most of the data was reported in descriptive form as described earlier in the Procedures section. However, there were twelve hypotheses in this study to test for significant differences.

Hypotheses one through three were concerned with the significant differences in the degree of implementation of MBO systems in selected school districts in which a variety of factors existed. There were tests of significant differences in the degree of implementation of school districts found in suburban geographical areas as compared to school districts found in either urban or rural areas, school districts with expenditures of \$800 or more per pupil as compared to those school districts expending a lesser amount, and school districts with over 50,000 pupils as compared to school districts with lesser pupil populations.

Hypotheses four through twelve were concerned with the significant differences in the degree of implementation of MBO systems by both state and local agencies concerning the following: educational agencies that made the initial decision to implement MBO over four years ago as compared to educational agencies that made the initial decision to implement MBO in periods of time less than four years ago; educational agencies that planned a period of five years or more for MBO to become fully operational as compared to educational agencies that planned less than five years for MBO to become fully operational; educational agencies that specified the use of MBO as an instrument of accountability as compared to educational agencies that specified other goals for MBO; educational agencies that designated a staff member whose primary responsibility was to coordinate

the development and implementation of MBO as compared to educational agencies that did not designate a staff member to coordinate the development and implementation of MBO; educational agencies that indicated a freedom of choice in the utilization of MBO as compared to educational agencies that were required to utilize MBO; educational agencies that utilized the services of private consultants to provide in-service training as compared to educational agencies that did not use private consultants to provide in-service training; educational agencies that provided released time for personnel for planning and implementing MBO as compared to educational agencies that did not provide released time for personnel for planning and implementing MBO; educational agencies that provided employees over thirty hours of in-service training as compared to educational agencies that provided thirty hours or less of in-service training; and educational agencies that indicated a high recommendation of MBO as compared to educational agencies recommending MBO on lower levels, or not recommending MBO.

The significant differences in the means were tested by utilizing the Student's t test. In each case, the .05 level of significance was utilized to reject or fail to reject the null hypotheses.

Organization of the Dissertation

Chapter 1 has presented the statement of the problem, including an introductory background, pertinent questions raised in the course of the research investigation of the literature, the significance of the problem, delimitations and limitations, assumptions, and definitions of terms, as well as the research procedures, including construction of the questionnaire, design of the instrument, selection of the population, collection of data, and methods of data analysis.

Chapter 2 includes the review of the literature.

Chapter 3 includes an analyzes of the data obtained from responses to the postcard and questionnaire surveys.

Chapter 4 is devoted to a summary of the dissertation and to certain conclusions which can be drawn from this study. These conclusions include observations regarding the present and future practices of MBO in public school education, as well as implication of the study and recommendations for further research.

The dissertation is concluded with appendices containing pertinent reference materials and a bibliography of the sources cited.

Chapter 2

RELATED LITERATURE

Introduction

A major contention proposed in this study is that the practice of management has been evolutionary in nature. Therefore, in order to better understand the modern management system of Management by Objectives (MBO) the purpose of this chapter is to give recognition to management as an evolving field. The first part of the chapter traces the beginning of modern management. In particular, four eras that were identified by Scanlon are discussed: (1) The Scientific Management Era, (2) The Human Relations Era, (3) The Behavioral Sciences Era, and (4) The Management Science Era.¹

Next, the discussion leads to the system of Management by Objectives (MBO), which was first presented in 1954 by Peter Drucker.² Many of the elements used in MBO were actually developed before Drucker's time. The early developments of the elements are identified, as well as various authors who contributed to the growth of MBO to the present.

In addition, a broad perspective for understanding the basic concepts of MBO are discussed. These concepts include monitoring and

¹Burt K. Scanlon, Principles of Management and Organizational Behavior (New York: John Wiley and Sons, Inc., 1973), p. 22.

²Peter F. Drucker, The Practice of Management (New York: Harper and Row, Publishers, 1954), pp. 121-36.

control, approaches to objective-setting, action plans, and MBO implementation. Finally, the pitfalls to be avoided in MBO and MBO as a management tool in public education are discussed.

The Scientific Management Era

The Scientific Management Era was born in the early Twentieth Century, principally as a result of the writings of Fredrick Taylor. As a by-product of the industrial revolution, Taylor was directly concerned with increasing productivity through scientific methods. He concentrated on the study of work specialization and wage analysis. Jobs were dissected in order to find the most efficient way of doing a particular task and to set a fair wage. Some of his assumptions about the nature of the average worker were rejected later as the central theme was that of money being the principal motivator.³

Mansergh credited Taylor with making several contributions to the field of management. First, Taylor gave rise to an intensified interest in increasing the efficiency of workers. Secondly, for the first time in modern history, people were prompted to look at the practice of management itself. Thirdly, Taylor's studies led to the development of managerial style.⁴

During Taylor's time, a German sociologist, Max Weber, first developed a classical organizational theory called a "bureaucracy." The

³Fredrick W. Taylor, Principles of Scientific Management (New York: Harper and Row, Publishers, 1947).

⁴Gerald G. Mansergh, Dynamics of Management by Objectives for School Administrators (Danville, Illinois: Inter-State Publishers and Printers, Inc., 1970), p. 3.

bureaucracy represented a completely rational form of organization made up of four characteristics: (1) specialization and division of labor, (2) positions arranged in a hierarchy, (3) a system of abstract rules, and (4) impersonal relationships. His bureaucratic model was intended to be the ideal type of organization.⁵

The earliest manager to systematically examine his own experience and draw from it a theory of management was Henry Fayol. Fayol gave management a broad perspective, calling attention to the essentials necessary to every managed organization. In General and Industrial Management, first published in 1916, he defined management as consisting of five functions:

1. To Forecast and Plan - Building a plan of action and setting goals.
2. To Organize - Structuring human and material resources to put the plan into action.
3. To Command - Maintaining the plan into action.
4. To Coordinate - Unifying and harmonizing work efforts.
5. To Control - Ensuring that activity moves in accordance with the plan.⁶

Variations of Fayol's theme may be found. For example, in 1937 Luther Gulick used the acronym, POSDCORB, to represent the functions of management. This stood for planning, organizing, staffing, directing, coordinating, reporting, and budgeting.⁷

⁵A. M. Henderson and Talcott Parsons, eds., Max Weber: The Theory of Social and Economic Organization (New York: Oxford University Press, 1947), pp. 330-40.

⁶Henry Fayol, General and Industrial Management (London: Sir Isaac Pitman and Sons, Ltd., 1949), pp. 6-7.

⁷Luther Gulick, "Notes on the Theory of Organization," Papers on the Science of Administration, eds. Luther Gulick and Lyndall Urwick (New York: Institute of Public Administration, 1937), p. 13.

According to Scanlon, contributions were made to the development of management during the Scientific Management Era by other famous scientific managers such as Frank Gilbreth and Henry Gantt. Both were concerned about the overall problems of an organization, relating the coordination of work flow between work stations. As a tool for analyzing this systems-type problem, Gilbreth developed a process flowchart which enabled one to scientifically study a whole operation as opposed to a single task or one operator.⁸ Gantt's contribution is known simply as the "Gantt Chart," which has been in constant use from the day of its invention to today as one of the most universal means of planning work and recording performance.⁹

In summary, Scanlon reported that some of the results and impacts of the Scientific Management Era were as follows: (1) New emphasis was placed on achieving out-put and efficiency, (2) attempts were made to reduce jobs to their least common denominator with a belief that the more jobs could be specialized and routinized the greater would be the workers' productivity; (3) human elements and human aspects of work were neglected as efforts were made in some cases to reduce the worker and his efforts to the status of a machine; and (4) money was believed to be the worker's reward for compliance, and incentives would stimulate him to higher productivity.¹⁰

⁸ Scanlon, Principles of Management, p. 24.

⁹ Harold R. Pollard, Developments in Management Thought (New York: Crane, Russak, and Co., 1974), p. 38.

¹⁰ Scanlon, Principles of Management, pp. 25-6.

The Human Relations Era

Kimbrough and Nunnery reported that at the same time the foundations of the Scientific Management Era were being developed, the Human Relations Era was beginning to take shape. The movement began to gain recognition around 1930 and continued into the 1950's.¹¹

The scholars of the Human Relations Era both accepted and rejected some of the work of the scientific managers. For example, the concept of division of work was never seriously questioned. However, they were concerned with the link between the psychological aspects of work and productivity. The principal people involved were Elton Mayo and his associates and Mary Parker Follett.¹²

The Hawthorne studies are usually credited with giving the greatest impact to the behavioral approach to management. The studies began in 1924 with a series of experiments at the Hawthorne Branch of the Western Electric Company in Chicago. The experiments continued into the early 1930's.¹³

Roethlisberger indicated that Elton Mayo and a team of researchers from Harvard began the relay-room phase in 1927. Mayo and his co-workers selected five girls to participate in a "relay-room study." Over a period of time, with adequate controls and precise record keeping, the following manipulations were made with the study group: (1) place of work, (2) place and length of rest pauses, (3) length of working day,

¹¹Ralph B. Kimbrough and Michael Y. Nunnery, Educational Administration (New York: Macmillan Publishing Co., 1976), p. 61.

¹²Kimbrough and Nunnery, pp. 61-2.

¹³Kimbrough and Nunnery, pp. 61-2.

(4) length of work week, (5) methods of payment, and (6) a free morning snack.¹⁴ As successive changes were introduced during the course of the experiment, an increase in productivity occurred regardless of the modifications made in the physical working conditions. The investigators also found that absenteeism was much lower, while morale was higher. This first puzzled the investigators as Roethlisberger stated:

The general upward trend in output independent of any particular change in rest pauses or shorter working hours was astonishing. The improvement in mental attitude throughout the first two years of the experiment was also perplexing. Neither one of the developments could be related to the kind of working day in any simple one - one correlation. To what could this improved output, on one hand, and improved mental attitude or morale on the other be related?¹⁵

Mayo later determined that the increased performance was related to group dynamics and the behavioral element in work. Through interviews with employees in the plant and through a later study set up to observe the group dynamics of bank wirers, it was shown how powerful human behavior in organizations actually is.¹⁶

Although Mayo and his associates provided the empirical base for the Human Relations Era, Pollard reported that the role played by Mary Parker Follett in the development of the era was also significant. She was one of the first to recognize the psychological aspects of management. Follett's writings and speeches, which began around 1900, extended roughly over a thirty year period. The basis of her thought was that

¹⁴Fritz J. Roethlisberger, Management and Morale (Cambridge, Massachusetts: Harvard University Press, 1939), pp. 11-20.

¹⁵Fritz J. Roethlisberger and William Dickson, Management and the Worker (Cambridge, Massachusetts: Harvard University Press, 1950), pp. 86-7.

¹⁶Roethlisberger, pp. 20-6.

one could not separate work from human beings, their hopes, fears, and aspirations, nor could one look upon work and business as a series of isolated causes and effects but only as a continuous process of inter-relationships between people.¹⁷

Metcalf and Urwick described Follett's earlier work as follows:

Mainly psychological in interest and content, [it] marks a definite advance in the crystallization of thought and in style and phraseology. Its thesis is the reciprocal character--the interpenetration of all psychological phenomena, from the simplest to the most complex: Human relationships--the warp and woof of society and industry--are at their best when difference is solved through conference and cooperation, when the parties at interest (1) evoke each other's latent ideas based upon the facts of the situation, (2) come to see each other's viewpoints and to understand each other better, and (3) integrate those viewpoints and become united in the pursuit of their common goal.¹⁸

According to Metcalf and Urwick, Follett indicated that the real service to businessmen was:

to see their work, not merely as a means of livelihood, not only as an honourable occupation with a large content of professional interest, but as a definite and vital contribution towards the building of that new social order which is the legitimate preoccupation of every thinking citizen. . . .¹⁹

Metcalf and Urwick stated that Follett saw coordinating as the key to building an effective organization and one which was characterized by harmonious human relations. Her principles were stated as follows:

1. Coordination by direct contact of the responsible people concerned.

¹⁷Pollard, pp. 161-76.

¹⁸Henry C. Metcalf and Lyndall Urwick, eds., Dynamic Administration: The Collected Papers of Mary Parker Follett (New York: Harper and Brothers, Inc., 1940), p. 14

¹⁹Metcalf and Urwick, p. 22.

2. Coordination in the early stages.
3. Coordination as a reciprocal relating of all the features in a situation.
4. Coordination as a continuing process.²⁰

To summarize Mary Follet's work would be difficult because the range of its ideas was so wide. According to Pollard, perhaps it would be safe to say that she seized upon the signs of early significant changes which were going on around her. In the development of management thought, she provided a main stepping stone between the practical work experience approach of earlier times and the psycho-sociological approach of forty years later.²¹

The work accomplished in the Human Relations Era pointed out the fact that there is more to productivity than just money and working conditions. Scanlon emphasized that people work better when treated humanely. Specifically, the type of supervision given is important. The effect and influence of the group on the individual is significant, and group solidarity and cohesiveness are factors. The opportunity to be heard and to participate was also found to have its effect.²²

The Behavioral Science Era

Scanlon indicated that the Behavioral Science Era could be divided into two phases, the human behavior school and the social system school.²³

The human behavior school was primarily triggered by Abraham Maslow in 1943. In his book, Motivation and Personality, his theory of

²⁰ Metcalf and Urwick, p. 22.

²¹ Pollard, Developments in Management Thought, p. 176.

²² Scanlon, Principles of Management, p. 28.

²³ Scanlon, Principles of Management, p. 28.

motivation was based upon human needs organized into a hierarchy of satisfied human desires. He viewed human incentive or motivation as a series of needs. An important part of the theory was that higher needs emerge as soon as lower needs are satisfied. Maslow's arrangement of basic needs was as follows:

1. Physiological needs - These are physical needs such as hunger and thirst.

2. Security needs - These are safety needs ranking psychological safety higher than physical safety.

3. Social needs - These are needs for affection, closeness, and a feeling of being accepted as a member of a group.

4. Esteem needs - These are psychological needs such as status, recognition, and a high estimation of oneself.

5. Self-actualization - This is the final step in the hierarchy and refers to man's desire for self-fulfillment and to become actualized to his highest potential.²⁴

The behavioral scientists were active well into the early 1960's.

Fredrick Herzberg built upon Maslow's original theory to formulate a motivation-hygiene theory. Some of the more important concepts of Herzberg's two-factor theory included:

1. The factors that lead to job satisfaction and motivation are distinctly different from those that cause dissatisfaction.

2. Factors associated with dissatisfaction are called hygiene factors, which include pay, fringe benefits, working conditions, and company policy.

3. The absence of hygiene factors lead to job dissatisfaction, but their presence only serves to bring an individual to a neutral point.

²⁴A. H. Maslow, "A Theory of Human Motivation," Psychological Review, L (July, 1943), 370-96.

4. In order to motivate people, the job climate must offer the employee an opportunity to satisfy his higher level of social, psychological, and self-fulfillment needs.²⁵

Herzberg implied that many organizations which pride themselves on their wage and fringe benefit programs have found that these alone do not furnish the answer to maximum cooperation and productivity from employees.²⁶

In 1960, Douglas McGregor published his book entitled, The Human Side of Enterprise. This work centered around a manager's approach to leadership and his assumptions about people and their reaction to work. He contended that too many business organizations were conducting their affairs in accordance with a traditional view of direction and control. This management approach was based only on task-achievement, with no real recognition of the importance of satisfying individual needs for self-development and growth.²⁷

McGregor developed what was known as Theory X and Theory Y, which were two sharply contrasting views of how managers in an organization choose to operate relative to their feelings about people. Theory X, the traditional view of direction and control, viewed human beings as follows:

1. The average human being has an inherent dislike of work and will avoid it if he can.
2. Because of this human characteristic of dislike of work, most people must be coerced, controlled, directed, and threatened

²⁵Fredrick Herzberg, "The Motivation-Hygiene Concept and Problems of Manpower," Personnel Administration, XXVII (January-February, 1964), 3-7.

²⁶Herzberg, 3-7.

²⁷Douglas McGregor, The Human Side of Enterprise (New York: McGraw-Hill Co., 1960), pp. 33-48.

with punishment to get them to put forth adequate effort toward the achievement of organizational objectives.

3. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, and wants security above all.²⁸

Theory Y stood in stark contrast to Theory X, with the principle of integration of the human being into the organization becoming an important element. The assumptions about Theory Y were as follows:

1. The expenditure of physical and mental effort in work is as natural as play and rest.

2. External controls and the threat of punishment are not the only means of bringing about effort toward organizational objectives. Man will exercise self-direction and self-control in the service of the objectives to which he is committed.

3. Commitment to objectives is a function of the rewards associated with their achievement. The most significant of such rewards and the satisfaction of ego and self-actualization needs can be directed toward organizational objectives.

4. The average human being learns, under proper conditions, not only to accept but to seek responsibility.

5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population.²⁹

Fundamental to Theory Y were assumptions that people are responsible and will exercise self-direction and self-control to achieve objectives to which they are committed. In practice, Theory Y can be a demanding approach to management with the manager expecting a reasonable performance. This performance should be at a level where feedback is always available, where results of objectives are evaluated, and where

²⁸ McGregor, p. 34.

²⁹ McGregor, pp. 47-8.

there is an intense interest in the growth and development of the individual.³⁰

The essential concept of Theory Y was the integration of the individual's goals with those of the organization. In order for the organization to become more effective in achieving its objectives, adjustments must be made in significant ways to meet the needs of its members.

Also contributing to the concept of lessened external control was Rensis Lickert's argument for participative management. As a device for achieving greater integration, he suggested that there should be persons within each organizational unit who are designated to serve as "linking pins" between their units and those on the same level, as well as those above and below. He summed up these points as follows:

To perform the intended coordination well, a fundamental requirement must be met. The entire organization must consist of a multiple, overlapping group structure with every work group using group decision-making processes skillfully. This requirement applies to the functional, product, and service departments. An organization meeting this requirement will have an effective interaction-influence system through which the relevant communications flow readily, the required influence is exerted laterally, upward, and downward, and the motivational forces needed for coordination are created.³¹

Robert M. Blake and Jane Mouton through the managerial grid emphasized leadership styles. The leader's behavior can be understood in terms of his concern for production and concern for people and the emphasis he places on each of these concerns. Blake and Mouton stated:

³⁰McGregor, pp. 61-76.

³¹Rensis Likert, The Human Organization (New York: McGraw-Hill Co., 1967), p. 167.

A manager's job is to perfect a culture which (1) promotes and sustains efficient performance of highest quality and quantity; (2) fosters and utilizes creativity; (3) stimulates enthusiasm for effort, experimentation, innovation, and change; (4) takes educational advantage from interaction situations; and (5) looks for and finds new challenges.³²

It was indicated earlier that the human behavior school shared a place in the Human Relations Era along with the social system school. This was generally a later development in the Behavioral Science Era and proposed that organizations are seen as a social system or a system of cultural interrelationships. This approach of viewing organizations leans heavily upon principles of sociology and emphasizes groups, their interrelationships, and the need to build a total integrated system.

One of the first writers to stress the importance of psychosocial factors in organizations was Chester I. Barnard. Based on a series of lectures, Barnard's classic book, The Functions of the Executive, was published in 1938. Basically, his work dealt with why people choose to enter into an organization, the conditions necessary for the persistence of the organization, and incentives within organizations. He formulated his now-familiar concepts of "effectiveness and efficiency." Effectiveness was the accomplishment of the recognized objectives of cooperative action.³³ Efficiency was the capacity of an organization to maintain itself by the individual satisfactions it affords and referred to the extent to which the motives of the individual are satisfied.³⁴

³² Robert Blake and Jane S. Mouton, The Managerial Grid (Houston: Gulf Publishing Co., 1964), p. 10.

³³ Chester I. Barnard, The Functions of the Executive (Cambridge, Massachusetts: Harvard University Press, 1938), p. 55.

³⁴ Barnard, pp. 56-7.

Barnard summarized the importance of effectiveness and efficiency as follows:

For the continued existence of an organization, either effectiveness or efficiency is necessary; and the longer the life the more necessary both are. The vitality of organizations lies in the willingness of individuals to contribute forces to the cooperative system. This willingness requires the belief that the purpose can be carried out, a faith that diminishes to the vanishing point as it appears that it is not in fact in process of being attained. Hence, when effectiveness ceases, willingness to contribute disappears. The continuance of willingness also depends upon the satisfactions that are secured by individual contributors in the process of carrying out the purpose. If the satisfactions do not exceed the sacrifices required, the willingness disappears, and the condition is one of organizational inefficiency. If the satisfaction exceeds the sacrifices, willingness persists, and the condition is one of efficiency of organization.³⁵

Barnard discussed the role of formal and informal organization in a corporation. In analyzing informal organization he maintained that there are "informal organizations related to formal organizations everywhere."³⁶ The difference between formal and informal organizations is that while the former is a system of structured activities, the latter is unconscious, indefinite, and rather structureless. The relationship between the two forms of organization is very intimate. On the one hand, it is the informal organization which gives rise to the formal organization. On the other hand, once formal organizations are established, they inevitably create and require informal organizations.³⁷

Perhaps the most often-quoted model for educational management is the one developed by Getzels. This model describes management as a social process in which behavior is conceived as a function of both the

³⁵Barnard, p. 82.

³⁶Barnard, p. 115.

³⁷Barnard, pp. 115-23.

nomothetic and the idiographic dimensions of a social system. The nomothetic dimension consists of institution, role, and expectations; and the idiographic consists of the individual, his personality, and his need-disposition.³⁸ The set of assumptions is presented diagrammatically in Figure 1.

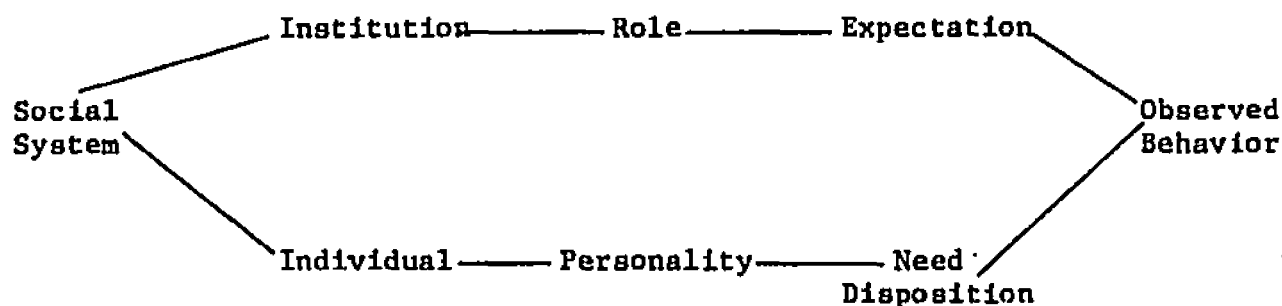


Figure 1

Model of Idiographic and Nomothetic Dimensions

^aJ. W. Getzels, "Administration as a Social Process," Administrative Theory in Education, ed. Andrew Halpin (Chicago: The University of Chicago Press, 1958), p. 165.

It can be seen that a given act is derived simultaneously from both the idiographic and nomothetic dimensions. The general equation for this relationship is $B = F (R \times P)$, where B is observed behavior, R is an institutional role, and P is the personality of the particular role incumbent.³⁹

³⁸J. W. Getzels, "Administration as a Social Process," Administrative Theory in Education, ed. Andrew Halpin (Chicago: The University of Chicago Press, 1958), pp. 150-65.

³⁹Getzels, pp. 157-58.

The significance of Getzels' model is that it spotlights management relations as a function of interaction between the nomothetic and idiographic dimensions. It suggests the possibility of role conflicts when a role incumbent is required to conform simultaneously to a number of expectations which are contradictory or inconsistent and of personality conflicts when there is a discrepancy between the pattern of expectations attached to a role and the pattern of need of the individual.⁴⁰

Closely allied to the Getzels model is the work of Argyris, which was aimed at revealing an understanding of the mechanism by which the individual actualizes himself through the organization, and simultaneously the organization actualizes itself through the individual. As Argyris stated, the objective is self-actualization:

effective leadership behavior is 'fusing' the individual and the organization in such a way that both simultaneously obtain optimum self-actualization. The process of the individual 'using' the organization to fulfill his needs and simultaneously the organization 'using' the individual to achieve its demands has been called by Bakke the 'fusion process.'⁴¹

Lazarsfeld followed with the same line of thinking. He took the position that managers in all organizations are confronted by four major tasks:

1. The manager must fulfill the goals of the organization.
2. The manager must make use of other people in fulfilling these goals, not as if they were machines but rather in such a way as to release their initiative and creativity.

⁴⁰Getzels, pp. 150-65.

⁴¹Chris Argyris, Personality and Organization (New York: Harper and Row, Publishers, 1957), p. 211.

3. The administrator must also face the humanitarian aspect of his job. He wants people who work for him to be happy. This is morale--the idea that under suitable conditions people will do better work than they will under unsuitable conditions.

4. The administrator must try to build into his organization provisions for innovation, for change, and for development. In a changing world, people and organizations must adjust to changing conditions. The conditions for change must be incorporated into the organization so that there may be a steady process of development rather than a series of sudden, disruptive innovations.⁴²

The development of thought during the Behavioral Science Era contrasted with earlier thinking. Much of this thinking related to how the manager's behavior could be understood in terms of his concern for production and concern for people and the emphasis he placed upon each of these concerns.

The results and impacts of the era can be summarized by the following: (1) Management cannot be viewed as a strictly technical process, management cannot be haphazard, and the approach used cannot be left to chance; (2) the organization as a whole and the individual manager's approach to supervision must fit the situation; (3) an approach which results in the worker's commitment to the goals of the organization is needed to get the job done; (4) the human element is the key factor in determining the success or failure of achieving objectives; (5) managers must be thoroughly trained in the principles and concepts of management; (6) the organization must provide a climate which is conducive to offering people an opportunity to satisfy their full range

⁴²Paul F. Lazarsfeld, "The Social Sciences and Administration: A Rationale," The Social Sciences and Education Administration, eds. Lorne Dowey and Fredrick Enns (Edmonton: University of Alberta Press, 1966), pp. 3-4.

of needs; (7) commitment can only be achieved through participation and involvement on the part of employees; (8) a man's job must be structured in such a way that it is meaningful and significant; and (9) patterns of supervision and management control must be built on the basis of an overall, positive philosophy about people and their reactions to work.

The Management Science Era

The present era, according to Scanlon, is the Management Science Era.⁴³ This most recent era lays its foundation upon the three earlier eras. The first era was the Scientific Management Era which was focused on getting more production from employees in a quantitative sense. The second era was the Human Relations Era which caused a considerable amount of redirection in thinking. The Hawthorne studies pointed out the fact that there was more to production than just money and working conditions. The third era, or the Behavioral Science Era, centered its attempts on the principles of understanding people and interpersonal relationships. The current Management Science Era testifies to the continuing evolution of management thought. Management thinking in this era was described by Knezevich as follows:

closely related to operations research and the systems approach and can be considered as an extension of the efforts to provide a rational base to decision making and other administrative actions.⁴⁴

Ludwig Von Bertalanffy, a biologist-philosopher, is usually credited with being the founder of the general systems theory. He talked

⁴³ Burt K. Scanlon, Principles of Management and Organizational Behavior (New York: John Wiley and Sons, Inc., 1973), p. 30.

⁴⁴ Stephen J. Knezevich, Administration of Public Education (New York: Harper and Row, Publishers, 1975), p. 190.

about general systems of theory as early as the 1930's. But his first book was not published until 1952 because of his native Germany's involvement in war efforts.⁴⁵

Johnson and others defined the general systems concept in the following way:

A system is defined as an array of components designed to accomplish a particular objective according to plan. There are three significant points to this definition: (1) there is a design or an established arrangement of materials, energy, and information; (2) there is a purpose or objective which the system is designed to accomplish; and (3) inputs of materials, energy, and information are allocated according to plan.⁴⁶

This definition suggests that the systems approach is simple in concept. It suggests that all parts are interrelated and interdependent to form the whole.

In 1956, Kenneth Boulding wrote an article entitled "General Systems Theory: The Skeleton of Science." He described the general nature, purpose, and needs of a systems approach to all scientific phenomena. Going from the simplest to the most complex, he described the hierarchy of systems through nine levels:

1. The most basic level is the static structure. It could be termed the level of frameworks. An example would be the anatomy of the universe.

2. The second level is the simple dynamic system. It incorporates necessary predetermined notions. This could be termed the level of clockworks.

3. The next level is a cybernetic system characterized by automatic feedback control mechanisms. This could be thought of as the level of the thermostat.

⁴⁵Ludwig Von Bertalanffy, Problems of Life (New York: John Wiley & Sons, Inc., 1952).

⁴⁶R. A. Johnson, F. E. Kast, and J. E. Rosenzweig, The Theory and Management of Systems (New York: McGraw-Hill Co., 1967), p. 91.

4. The fourth level is the open system level. It is a self-maintaining structure and is the level where life begins to differentiate from nonlife. This is the level of the cell.

5. The fifth level is the genetic-societal level. It is typified by the plant and preoccupies the empirical world of the botanist.

6. The next is the animal level, which is characterized by increased mobility, teleological behavior and self-awareness.

7. The seventh level is the human level. The major difference between the human level and the animal level is the possession of self-consciousness by human beings.

8. The next level is that of social and human organizations. The important unit of the social organization is not the human being per se but rather the organizational role that the person assumes.

9. The ninth and last level is reserved for transcendental systems. This allows for ultimates, absolutes, and inescapable unknowables.⁴⁷

The objective of the General Systems Theory seems to facilitate better comprehension of complex situations by relating elements into a comprehensible pattern. Barnard had sensed the need for a systematic conceptual scheme grounded in the social sciences, for he saw such a scheme as necessary for communication and for the understanding of organizations as he indicated in his book, Functions of the Executive:

If organizations are systems, it follows that the general characteristics of systems are also those of organizations. For our purposes, we may say that a system is something which must be treated as a whole because each part is related to every other part included in it in a significant way. . . .⁴⁸

⁴⁷Kenneth E. Boulding, "General Systems Theory: The Skeleton of Science," Management Science, II (April, 1956), 197-208.

⁴⁸Chester I. Barnard, The Functions of the Executive (Cambridge, Massachusetts: Harvard University Press, 1938), p. 77.

Recognition of two major types of organizational systems is important. According to Miller systems are viewed as open or closed. Closed systems are insulated from the exchange of matter, information, and energy with their environment, whereas open systems exchange matter, energy, and information with the environment. In other words, the system influences and is in turn affected by factors outside its boundaries.⁴⁹

Miller pointed to the fact that there is no such thing as a closed system but agreed that the terms "open" and "closed" are useful, as he described in the following:

It should be noted here that this distinction between open and closed systems is never absolute. Actually, there is no system that is completely isolated from its environment, and similarly there are living organisms which tend to act like closed systems.⁵⁰

According to Optner, a system which is designed to operate with humans alone would not qualify as a closed system and could not function effectively over long periods of time with no resources entering or leaving it. A closed system has the capacity for a structured, machine-like performance. People are not machine-like. They are constantly interacting with other people and with their environment. They are influenced by both the internal and the external environment of the system, by procedures of the organization, by style of management, and by a host of other factors.⁵¹

⁴⁹James G. Miller, "Living Systems: Basic Concepts," Behavioral Science, X (July, 1965), 203.

⁵⁰Miller, 203.

⁵¹Stanford Optner, Systems Analysis for Business Management (Englewood Cliffs, New Jersey: Prentice Hall, Inc., 1960), p. 6.

Katz and Kahn stated that there are nine characteristics of an open system. These characteristics seem to define all open systems and are as follows:

1. Importation of energy. Open systems, in order to survive, must import some form of energy from their external environment.

2. The through-put. Open systems transform the energy available to them. The through-put process of an organization may involve creating a new product, training people, processing materials, or providing a service.

3. The output. Open systems return a product into the environment.

4. Systems as cycles of events. An open system consists of cycles of events. The output exported into the environment provides the sources of energy for recycling of activities. In social structures, events rather than things are structured into a dynamic rather than a static nature.

5. Negative entropy. Open systems are further characterized by negative entropy. More energy is imported from the environment than is expended to overcome the system's natural movement towards disorganization or death.

6. Information input, negative feedback, and the coding process. Information inputs and negative feedback enable the system to correct its deviation and provide information concerning the system's own functioning in relation to the environment.

7. The steady state and dynamic homeostasis. An open system is characterized by a steady state and dynamic homeostasis. This does not imply a motionless or true equilibrium, but rather a force which seeks to maintain a balance between parts of the system.

8. Differentiation. Open systems move toward differentiation and elaboration. Diffuse global patterns are replaced by more specialized functions.

9. Equifinality. Open systems are able to reach the same final state from differing initial conditions and by a variety of paths.⁵²

⁵² Daniel Katz and Robert Kahn, The Social Psychology of Organizations (New York: John Wiley and Son, Inc., 1966), pp. 19-26.

Optner illustrated the basic elements and flow pattern of the systems approach as shown in Figure 2.

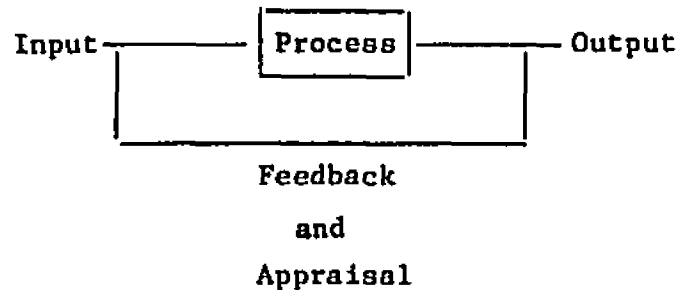


Figure 2

Basic Element and Flow Pattern of Systems Approach

^aStanford Optner, Systems Analysis for Business Management (Englewood Cliffs, New Jersey: Prentice Hall, Inc., 1960), p. 11.

According to Optner:

1. Input is defined as the energizing or start-up component on which a system operates.
2. Process is defined as the activity which makes possible the transformation of input into output.
3. Output is defined as the result of an operator.⁵³

Practitioners and theorists of the Management Science Era have produced numerous tools, methods, and techniques utilizing the systems approach. Emphasis has been placed upon quantitative analysis through the use of mathematical techniques such as linear programming, queuing theory, Monte Carlo technique, game theory, network programs, PERT (program evaluation and review technique), and CPM (critical path method). Other systems such as PPBS (Planning Programming Budgeting

⁵³Optner, p. 11.

Systems) and MBO (Management by Objectives) utilize quantitative measures but have a more comprehensive systems approach to management.⁵⁴

The systems approach developed in the Management Science Era provides a logical framework of thinking for managers. Kimbrough and Nunnery indicated that administrators given to this approach will have the following characteristics:

will be goal oriented; will examine the content of problems faced (e.g. consider the totality of the situation); will be aware of the dynamic interrelations among groups, events, and ideas; will seek feedback; will examine various alternatives; and will be cognizant of possible long-range impact.⁵⁵

As indicated earlier Knezevich stated that Management by Objectives is a comprehensive management science tool that lends itself to the systems approach. Odiorne also referred to MBO in a similar following manner:

a system in which the first step of management is the clarification of corporate objectives and the breaking down of all subordinate activities into logical subdivisions that contribute to the major objectives.⁵⁶

In his book, A Concise Guide to Management Development, Robert L. Desatnik also saw MBO as a systems approach to management. The system consists of the interaction of man, manager, job, and environment as a system which is permeated by all the essential functions of an organization. Functions of an organization may be interpreted as management development utilizing the elements of planning, knowledge of

⁵⁴ Stephen J. Knezevich, Administration of Public Education (New York: Harper and Row, Publishers, 1975), p. 174.

⁵⁵ Ralph B. Kimbrough and Michael Y. Nunnery, Educational Administration (New York: Macmillan Publishing Co., 1976), p. 83.

⁵⁶ George S. Odiorne, Management by Objectives: A System of Managerial Leadership (New York: Pitman Publishing Co., 1965), p. 97.

what is expected, feedback of results, individual action plans, manager development, and promotion decisions. Each of these functions contributes to the vitality and growth of the organization.⁵⁷

Desatnik stated that most organizations set objectives, develop an organizational structure, measure some form of managerial performance, and provide training programs; but few organizations link all of these important aspects into a unified whole. He viewed MBO as a meaningful tool providing for such a linkage through the improvement of individual performance. He also felt that MBO could provide the systems link in the development of the interactive process of man, job, and environment. He emphasized the feedback of results as being the most sensitive part of the MBO process and perhaps the most important responsibility of a manager to his subordinates and to himself. This feedback task, depending on how it is handled, could determine whether an individual performance is enhanced or hindered.⁵⁸

Management by Objectives

The term "Management by Objectives" first appeared in Peter F. Drucker's book, The Practice of Management, in 1954. Drucker synthesized the MBO concept with the help and influence of a great number of theorists and practitioners that had preceded him with advancements in thinking which had already been conceived. The concepts of objectives and planning contributed to Fayol advanced the thinking toward MBO. The

⁵⁷ Robert Desatnik, A Concise Guide to Management Development (Chicago: American Management Association, Inc., 1970), pp. 23-5.

⁵⁸ Desatnik, pp. 43-5.

importance of commitment and participation advanced by the scientists such as Mayo and the recognition of a hierarchy of needs by Maslow were all specific contributions in the development of MBO prior to Drucker. Drucker wrote the following as an explanation of the purpose of MBO:

What business enterprise needs is a principle of management that will give full scope to the individual's strength and responsibility and at the same time give common direction of vision and effort, establish teamwork, and harmonize the goals of the individual with the common will. The only principle that can do this is Management by Objectives.⁵⁹

Drucker emphasized the point that it is essential that all members of an organization work together as a team to accomplish common goals.

He stated this in the following:

Each manager from the 'big boss' down to the production foreman or the chief clerk need clearly spelled-out objectives. These objectives should lay out what performance the man's own managerial unit is supposed to produce. They should lay out what contribution he and his unit are expected to make to help other units obtain their objectives. Finally, they should spell out what contribution the manager can expect from other units to the obtainment of his objectives. Right from the start, in other words, emphasis should be on teamwork and team results.⁶⁰

Drucker made an important point about the business enterprise that can also be applied to educational agencies. He pointed out that type and quality of administrative services and personnel influence the relevance and very survival of organizations. He called managers a basic resource and "the scarcest and most precious resource in the enterprise."⁶¹

There were a great number of other authors, managers, and consultants that contributed to the growth of MBO from Drucker in 1954

⁵⁹ Peter F. Drucker, The Practice of Management (New York: Harper and Row, Publishers, 1954), p. 135-6.

⁶⁰ Drucker, p. 126.

⁶¹ Drucker, p. 111.

to the present day. Fredrick Herzberg contributed the two-factor theory in an effort to explain what motivates managers.⁶² Rensis Likert contributed the "linking pin theory" which recognizes the organizational structure and clearly defines who reports to whom.⁶³ Douglas McGregor contributed his Theory X and Theory Y, recognizing the value of the individual.⁶⁴

The next major focal point in the history of Management by Objectives (MBO) came in 1965 from G. S. Odiorne in his book Management by Objectives: A System of Managerial Leadership. Odiorne provided us with one of the most frequently used definitions of MBO:

The system of Management by Objectives can be described as a process whereby the superior and subordinate managers of an organization jointly identify its common goals and define each individual's major area of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the contribution of each of its members.⁶⁵

There were a large number of other authors who made contributions in the mid 1960's, including Dale McConkey, J. D. Batten, David E. Olson, and Edward C. Sehleh, who benefited by the thinking of Drucker and others preceding them.

The conceptual basis of Management by Objectives is considered sound by most students of management. There are few new principles of

⁶² Fredrick Herzberg, "The Motivation-Hygiene Concept and Problems of Manpower," Personnel Administration, XXVII (January-February, 1964), 3-4.

⁶³ Rensis Likert, The Human Organization (New York: McGraw-Hill Co., 1967), pp. 50-1.

⁶⁴ Douglas McGregor, The Human Side of Enterprise (New York: McGraw-Hill Co., 1960), pp. 34-76.

⁶⁵ Odiorne, Management by Objectives, p. 55.

management in MBO, but the concept does focus attention upon objectives stated as end accomplishments or results instead of activities which bring about those results. When MBO is properly applied, it allows an individual manager and/or a group of staff personnel to use available resources in the most efficient and appropriate way to achieve objectives or goals which have been determined to have highest priority in an organization or for a specific program. It is, in effect, a process by which the traditional functions of management (i.e. planning, organizing, directing, and controlling) are integrated to achieve greater results.⁶⁶

George L. Morrisey defined MBO as a "professional approach to management with primary emphasis upon the management functions of planning and controlling."⁶⁷ Morrisey saw MBO as a management approach designed to determine:

1. What must be done. . . .
2. How it must be done. . . .
3. When it must be done.
4. How much it will cost.
5. What constitutes satisfactory performance.
6. How much progress is being achieved.
7. When and how to take corrective action.⁶⁸

Morrisey said Management by Objectives is a comprehensive management system involving more than a series of procedures or a better way of

⁶⁶Drucker, p. 129.

⁶⁷George L. Morrisey, Management by Objectives and Results (Reading, Massachusetts: Addison-Wesley Publishing Co., 1970), p. 3.

⁶⁸Morrisey, p. 3.

improving managerial action. It was also a philosophical approach and a way of thinking about the operation of an organization. Managers under this system must be leaders who can work with their subordinates to develop objectives and action plans supportive of the individual, the specific unit, and ultimately, the total organization. An assumption of this philosophy is that if an individual helps develop a carefully defined statement of what is expected of him the probability of achieving those accomplishments is increased. The feature of self-control and self-motivation is included by allowing subordinate managers to share in setting their own objectives, which tends to increase greater commitment to their achievement.⁶⁹

Harry Levinson, of the Harvard Business School, provided the following analysis:

The intent of clarifying job obligations and measuring performance against a man's own goals seems reasonable enough. The common concern for having both superior and subordinate consider the same matters in reviewing the performance of the latter is eminently sensible. The effort to achieve common agreement on what constitutes the subordinate's job is highly desirable.⁷⁰

Kimbrough and Nunnery gave a number of requirements that must be present in an organization before an MBO system can be applied, which include:

1. A self-evident requirement is the presence of a hierarchical structure consisting of at least two persons, one of whom reports to the other.
2. There must be identified, agreed-upon goals superiors and subordinates can use to define their respective

⁶⁹Drucker, p. 129.

⁷⁰Harry Levinson, "Management by Whose Objectives?" Harvard Business Review, XLVIII (July-August, 1970), 125-30.

responsibilities, agreed-upon objectives in relation to responsibilities, and jointly defined results expected in terms of objectives. This means that there will have to be job descriptions that are results oriented, related to overall goals, and superior-subordinate communication regarding accomplishment of the corporate goals.

3. There must be a logically related hierarchy of goals as well as structure. Collectively, the presence of conditions 2 and 3 will insure that when individuals accomplish their objectives this will contribute to the accomplishment of the corporate goals.

4. The organizational norm must stress results, not personality.

5. The overall climate of the organization must be characterized by mutual trust and openness of communication.

6. There must eventually exist well-defined mechanisms to facilitate the system. Among these mechanisms are provisions for long-term and short-term planning, and goal setting, a performance appraisal system, and a management information system. Given the need for such mechanisms, it is generally accepted that five to seven years is needed to develop a fully functioning MBO system.⁷¹

McGregor emphasized that participation is a key factor in the administration of an MBO system. MBO is based upon the participation of all managers in setting objectives and developing action plans. This process helps to emphasize strengths and minimize the weaknesses of members of an organization. Inherent to MBO is the belief that people are responsible and will exercise self-direction and self-control to achieve objectives. It is based upon the belief that the greatest individual motivational force is a person's desire to improve performance and to feel that he is being consulted in the planning of his work.⁷²

⁷¹Ralph B. Kimbrough and Michael Y. Nunnery, Educational Administration (New York: Macmillan Publishing Co., 1976), pp. 150-51.

⁷²McGregor, p. 61.

Control and Monitoring

Management by Objectives is a management philosophy in a broad sense; however, according to Drucker, it can be a very valuable control and monitoring technique for managers. When the MBO system is properly functioning, it focuses on initiating better individual and organizational performance. As a monitoring and control technique, the subordinate proposes his own objectives with review by the superior, and then performance is compared with the goals set. The effectiveness of this approach depends upon clear and rational goals being set at the top of the organization then filtering down to each department so that subordinates are able to set their own goals and objectives. The assumption is that if the goals and objectives of the program are jointly agreed upon, then the means should be left to the individual. This, in turn, unifies the organization in an upward direction toward common, overall goals and objectives.⁷³

Drucker suggested that MBO is a very humanistic way to manage people in an organization. This idea emphasized McGregor's Theory Y approach about people. Part of Drucker's philosophy about MBO and control was as follows:

It makes the common weal the aim of every manager. It substitutes for control from outside the stricter, more exacting and more effective control from the inside. It motivates the manager to action not because somebody tells him to do something or talks him into doing it, but because the objective needs of his task demand it. He acts not because somebody wants him to but because he himself decides that he has to--he acts, in other words, as a free man.⁷⁴

⁷³Drucker, The Practice of Management, pp. 128-30.

⁷⁴Drucker, p. 136.

Drucker further stressed the importance of self-control as it relates to the control and monitoring process in an MBO system:

The greatest advantage of management by objectives is perhaps that it makes it possible for a manager to control his own performance. Self-control means stronger motivation; a desire to do the best rather than just enough to get by. It means higher performance goals and broader vision. Even if management by objectives were not necessary to give the enterprise the unity of direction and effort of a management team, it would be necessary to make possible management by self-control.⁷⁵

Placing the emphasis on the individual seems to be the key in control and monitoring in a successful MBO program because the individual manager is "in business for himself" with a "much-sought entrepreneurial relationship."⁷⁶

McConkey indicated the need for self-control in an MBO system:

Self-supervision means that once the manager and his boss have agreed upon the objectives to be achieved, the subordinate should be fairly free to supervise himself with only minimal (but effective) control from above. Self-management means that once the two parties agree to the resources that have been allocated (budget), the manager should be free to manage those resources. . . .

. . . Thus controls must be designed and tailored primarily for the manager who is accountable for achieving the objectives--not for his boss.⁷⁷

Essentially, MBO provides a systematic way of allowing the individual manager to control his own destiny in a logical, effective plan. Basically, there are four components of monitoring and control in an MBO system: (1) identification of key results, (2) determination

⁷⁵Drucker, pp. 130-31.

⁷⁶Dale D. McConkey, MBO for Nonprofit Organizations (New York: American Management Association, 1975), pp. 65-6.

⁷⁷McConkey, MBO for Nonprofit Organizations, p. 66.

of standards of performance, (3) operational feedback, and (4) the performance evaluation.⁷⁸

Lewis contended that first, the key results areas or goals are broad guidelines covering all aspects of the job and defining job expectations. A key result area is a general statement and is not concerned with a specific result to be accomplished within a certain frame of time. Emphasis is placed on the manager in the job and not what the company requires in the job. Knowing these expectations, the manager is able to concentrate on the key areas for which he is held accountable.⁷⁹

The key results areas of the superior manager give rise to the key results areas of the managers of the next lower unit. Edward C. Schleh explained this relationship:

The results expected of any one man should be part and parcel of those expected of the enterprise. The results expected of a subordinate can never be determined soundly until the results expected of his superior have been clarified. When this is done, every man in the hierarchy is tied in soundly to his superior.⁸⁰

Odiorne emphasized that the second component of an MBO program involves the determination of standards of performance. These standards should be used to indicate the degree of competence expected in the performance of job descriptions. The determined standards become guidelines to help the individual judge his own performance. Standards of

⁷⁸ McConkey, MBO for Nonprofit Organizations, pp. 63-81.

⁷⁹ James Lewis, Jr., School Management by Objectives (West Nyack, New York: Parker Publishing Co., 1974), pp. 111-30.

⁸⁰ Edward C. Schleh, Management by Results (New York: McGraw-Hill Co., 1961), p. 8.

performance are statements of the conditions which exist when a job is performed satisfactorily. When standards are known, the individual is able to develop personal objectives which will assist him in growing and developing in his job.⁸¹

Thirdly, McConkey wrote that operational feedback is a necessary component in the control and monitoring of an MBO system. The results-oriented manager will insist upon this day-to-day feedback to help track his progress on objectives and plans. This information also helps the manager take "corrective action to stay on target" or to make "necessary revisions to objectives, plans, or budgets so that they are always realistic and being followed."⁸²

Drucker indicated reasons why managers need feedback:

To be able to control his own performance a manager needs to know more than what his goals are. He must be able to measure his performance and results against the goal. It should indeed be an invariable practice to supply managers with clear and common measurements in all key areas of a business. These measurements need not be rigidly quantitative; nor need they be exact. But they have to be clear, simple and rational. They have to be relevant and direct attention and efforts where they should go. They have to be reliable--at least to the point where their margin of error is acknowledged and understood. . . .⁸³

Drucker also indicated how feedback effects corrective action in the MBO process:

Each manager should have the information he needs to measure his own performance and should receive it soon enough to make any changes necessary for the desired results. And this information should go to the manager

⁸¹George S. Odiorne, Management by Objectives: A System of Managerial Leadership (New York: Pitman Publishing Co., 1965), p. 108.

⁸²McConkey, MBO for Nonprofit Organizations, p. 72.

⁸³Drucker, p. 131.

himself, and not to his superior. It should be the means of self-control, not a tool of control from above.⁸⁴

According to McConkey, there are five major areas of operational feedback that serve as important sources of control for the manager:

Control of Assumptions

It is not possible to establish objectives which always cover a future period--without basing them on major assumptions that are formulated during the objective-setting process. The assumptions on which the objectives and plans are based must be clearly stated and tracked continuously during the target period to determine if they are valid. . . .

Control of Objectives

Objectives must be measurable to the maximum extent possible. . . .

. . . The results of this process assure the manager that he is receiving meaningful feedback designed primarily for his use. The same data may be used for other purposes, such as costing and reports for higher-level managers, but the primary emphasis is on the manager's needs. . . .

Control of Plans

The step-by-step plans by which the manager has decided to achieve his objective serve as another excellent means of control for him. However, they will serve this purpose only if they are prepared in enough detail; that is, they are broken down into several distinct action steps and a timetable for completion of each step has been agreed to. . . .

Control of Resources

Budgets should be viewed as the allocation of resources to objectives; in other words, the budget is tailored to the objectives and plans. Also, budget reporting must follow good principles of responsibility accounting, with all status and variance reports going primarily to the manager responsible for the objectives and plans.

⁸⁴Drucker, The Practice of Management, p. 130.

Control of Routine Activities

Normally, objectives cover only the more important or priority parts of the job during the target period. . . . controls are then established to monitor performance on these priority objectives.

This leaves for consideration the control and monitoring of the routine parts of the job, which aren't covered by objectives. Thus an important policy decision at this point becomes determining how much control is desirable or necessary over this routine. Practice varies widely. Some organizations insist upon complete control of objectives and leave control of the routine to the individual manager. Others demand that both priority and routine activities be controlled rather tightly.⁸⁵

As indicated earlier, the fourth component of an MBO system is the performance evaluation. The performance evaluation is a periodic type of feedback which serves as a useful tool in the monitoring and control of an MBO system but not in the traditional sense. Drucker proposed a different type of control in an MBO system:

'Control' is an ambiguous word. It means the ability to direct oneself and one's work. It can also mean domination of one person by another. Objectives are the basis of 'control' in the first sense; but they must never become the basis of 'control' in the second, for this would defeat their purpose. . . .⁸⁶

McConkey found that performance evaluation in an MBO system is a review of an individual's work results for a given period of time. The manager reviews the performance of his staff, and his own performance is, in turn, reviewed by his boss. It is most important that the appraisal be based upon how the individual has performed, relative to performance standards and objectives stated in advance. Instead of not knowing what to expect, the manager normally knows exactly how he has performed to accomplish his objectives. Such a job-centered

⁸⁵McConkey, MBO for Nonprofit, pp. 68-72. ⁸⁶Drucker, p. 131.

evaluation is far more productive than an appraisal based upon personality characteristics. During the evaluation interview, consideration should be given to developing a plan to assist the manager in improving his results during the next appraisal period. This plan should specify what the individual should do and indicate when it should be accomplished.⁸⁷

According to McConkey, four solid reasons for the performance evaluation can be ranked in the following order:

1. As a means for motivating the achievement-oriented manager;
2. As the basis for rewards (salary, increases, incentive compensation, service awards, time off, and promotions);
3. As the basis for discipline (static job status, demotion, discharge);
4. As a guide for individualized training and development requirements.⁸⁸

Performance evaluation in an MBO system is non-traditional and is based upon:

1. Acceptance that managers must be measured on the results they actually achieve, not on what they say they will do, not on the amount of time and effort they expend, and certainly not on their ability to win a popularity contest.
2. Establishment of standards (key results and objectives) against which performance will be measured.
3. Actual measurement of results achieved against the standards and linking of rewards, discipline, and other personnel actions to the level of performance indicated by the measurement.⁸⁹

A few simple check points can tell an organization how effective its evaluation process is:

⁸⁷McConkey, MBO for Nonprofit Organizations, pp. 78-9.

⁸⁸McConkey, MBO for Nonprofit Organizations, p. 74.

⁸⁹McConkey, MBO For Nonprofit Organizations, p. 76.

Extent of use. Once completed, what are the ratings used for? Are they merely filed, or are they constantly referred to. . . .

Orientation. Do the ratings concentrate on measuring results actually achieved, or are they oriented to personality factors that bear little resemblance to the results for which the manager is being held accountable?

Length of recording form. While the number of uses to which the rating is put will exert an impact on the length of the rating form, it is questionable whether any results-oriented rating form need consume more space than the front and back of one piece of paper. Any longer forms should be reviewed to make certain that quantity isn't being substituted for quality.

Specific versus general. It is mandatory that all ratings be completed in language that is as specific as possible. All ratings should describe specific accomplishments, not hopes, - aspirations, and effort expended.

Connection with rewards. Does the management group have the conviction that the good and bad things they will receive from management life are determined primarily by the evaluation process, which in turn reflects the positive results they contribute or fail to contribute to the progress of the enterprise? If not, it's doubtful that the best performers will ever really appreciate the merits of the measuring process.

Correlation with reality. The acid test of all measuring processes must be the degree to which the ratings jibe both with the results managers achieve and with the competence of managers. If, in actual practice, the glowing words on a rating form are not matched by a manager's real performance, the measuring process is inadequate. Ratings must do more than indicate that 90 percent of the managers are warmhearted and true-blue.⁹⁰

According to Desatnik, evaluation in an MBO system allows frequent feedback of results between the manager and his boss. This is a two-way give-and-take process which stresses the solution of problems and readjustment of objectives when necessary. As indicated earlier, this type of monitoring and control is a humanistic approach that requires

⁹⁰McConkey, MBO for Nonprofit Organizations, p. 80.

new skills in coaching and human relations on the part of the supervising manager. The traditional evaluator's role of judge and critic is replaced by a role of helping develop subordinates to do their jobs better and to increase their abilities.⁹¹

Setting Objectives

James Lewis contended that when a manager's key results have been analyzed, his standards of performance established, and criteria for operational feedback and performance evaluation determined, the objectives can be set to establish a means of planning and measuring performance. Clearly specified performance objectives are an essential requirement for developing and maintaining a high level of job satisfaction and motivation in the organization.⁹²

McConkey described the hierarchy of objective-setting as follows:

The objective-setting process begins with the establishment of the overall objectives and priorities of the organization for the target period under consideration. It then proceeds through each succeeding level of management down the line until objectives have been established at the lowest level to be covered by the system. Usually the lowest level covered is first-line supervision; for example, a section supervisor who has nonsupervisory employees reporting to him.⁹³

Morrisey stressed a difference between objectives and role-and-mission statements. Although he indicated many similarities between them, they each serve a different purpose. Morrisey described roles-and-missions as follows:

⁹¹ Robert Desatnik, A Concise Guide to Management Development (Chicago: American Management Association, Inc., 1970), pp. 48-9.

⁹² James Lewis, Jr., School Management by Objectives (West Nyack, New York: Parker Publishing Co., 1974), p. 75.

⁹³ McConkey, MBO for Nonprofit Organizations, p. 44.

A statement of roles and missions--that is, a statement about the nature and scope of work to be performed--in effect describes the organization's reason for existence. This applies whether the statement is related to the entire company or to only a small subgroup within a department. The differences are ones of degree and derivation. In the case of the company, the statement should include the broad identification of the business in which the company is involved, its major products or product lines, and its markets and distributive channels. For the organizational unit within the company, the roles-and-missions statement should include the unique or distinctive contribution to be made by the manager and his organization to the overall objectives of the company, the economic, functional and other commitments to be made, and the major types of work that should be undertaken by the unit.⁹⁴

Objectives, on the other hand, are very specific and have a definite point of completion. Roles-and-missions statements establish what activities are to be performed while objectives add substance, direction, and measurability to the process. An objective can be simply defined as:

A specific description of an end result to be achieved. It should tell what (the end result), when (a target date or a target period), and who (who is accountable for the objective).⁹⁵

Morrisey regarded the setting of objectives as the most critical step in the MBO process. He stated:

Without it, any other activity that is performed has little meaning. . . . Objectives form the basis for determining what activities should be performed and also help establish criteria for evaluating how well they are being performed. Therefore, the setting of objectives is the key to effective management.⁹⁶

The taxonomy of objectives falls into three different kinds of management objectives first popularized by Odiorne. They are:

⁹⁴George L. Morrisey, Management by Objectives and Results (Reading, Massachusetts: Addison-Wesley Publishing Co., 1970), p. 20.

⁹⁵McConkey, MBO For Nonprofit, p. 53.

⁹⁶Morrisey, p. 39.

(1) routine, (2) problem solving, and (3) innovative. Each is described as follows:

1. Regular or routine objectives. The necessary statements of objectives for any organization are definitions of the regular, ordinary requirements which are necessary for the survival of the firm. Often covered by job description, such routine objectives may be further defined by stating the average requirements which are needed to keep the organization stable. The end result of the regular objective being achieved is that the organization maintains status quo.

2. Problem solving objectives. These are necessary if performance is below the minimum acceptable level; therefore, objectives are set to prevent problems which have in the past caused other problems.

3. Innovative or improvement objectives. Objectives of this kind are necessary where performance is within the acceptable range and is to be raised above maximum expected performance. There are two categories of innovative objectives: (1) extrinsic - the introduction of new ideas from the outside; and (2) intrinsic - the discovery of new ways, combinations, methods, or systems of doing the present job. This type of objective is of the higher order and is most essential for growth.⁹⁷

It is important that managers in organizations that have newly-adopted MBO programs not try to develop innovative objectives until they are doing well in the first two types of objectives.⁹⁸

When the manager has determined the basic elements of the objectives he wants to establish, the problem of writing them in a manner that will make them effective tools becomes important. Morrissey suggested the following "ground rules" when writing an objective:

1. It should start with the word 'to,' followed by an action verb. . . .

⁹⁷ George S. Odiorne, Management Decisions by Objectives (Englewood Cliffs, New Jersey: Prentice Hall, Inc., 1969), pp. 21-3.

⁹⁸ Odiorne, Management Decisions by Objectives, p. 23.

2. It should specify a single key result to be accomplished. . . .
3. It should specify a target date for its accomplishment. . . .
4. It should specify maximum costs factors. . . .
5. It should be as specific and quantitative (and hence measurable and verifiable) as possible. . . .
6. It should specify only the "what" and "when"; it should avoid venturing into the "why" and "how". . . .
7. It should relate directly to the accountable manager's roles and missions and to higher-level roles, missions, and objectives. . . .
8. It should be readily understandable by those who will be contributing to its attainment. . . .
9. It should be realistic and attainable, but still represent a significant challenge. . . .
10. It should provide maximum payoff on the required investment in time and resources, as compared with other objectives being considered. . . .
11. It should be consistent with the resources available or anticipated. . . .
12. It should avoid or minimize dual accountability for achievement when joint effort is required. . . .
13. It should be consistent with basic company and organizational policies and practices. . . .
14. It should be willingly agreed to by both superior and subordinate, without undue pressure or coercion. . . .
15. It should be recorded in writing, with a copy kept and periodically referred to by both superior and subordinate. . . .
16. It should be communicated not only in writing, but also in face-to-face discussions between the accountable manager and those subordinates who will be contributing to its attainment. . . .⁹⁹

⁹⁹Morrissey, pp. 52-60.

Morrissey's "ground rules" for writing objectives may be condensed into a very simple formula:

To + Action Verb + Time and Cost + Results Expected

McConkey summed up the importance of writing objectives:

Obviously, the better the job a manager does in the objective-writing stage, the better off he will be as he completes the post-objective-setting stage and proceeds to translate his objectives into practice. Specific, measurable objectives, which are clearly understood by all concerned, are the basis for tailoring meaningful evaluation, feedback, and monitoring techniques to help the manager manage better.¹⁰⁰

Rodney H. Brady stressed that the key to any MBO program is the development of understanding between every boss and subordinate pair about the subordinate's objectives. After the subordinate has drafted a written statement of objectives, he submits his proposal to his superior. Next, they meet, discuss, and agree in writing on the subordinate's final objectives for a period of time. The statement of MBO objectives should be a working document and should be kept in the open for the boss and subordinate to refer to specific items from time to time. Reviews should be frequent, at least on a quarterly basis, in order to prevent a year-end inquisition. At the end of the period the process starts over. The orientation should be toward the future, not the past. Most MBO agreements include the subordinate's written appraisal of his own performance, which is submitted to his superior and jointly reviewed.¹⁰¹

¹⁰⁰McConkey, MBO for Nonprofit Organizations, p. 59.

¹⁰¹Rodney H. Brady, "MBO Goes to Work in the Public Sector," Harvard Business Review, LI (March-April, 1973), 65-74.

McConkey believed that objectives can be set for all managers in an organization in supervisory positions. He stated:

Management by Results can and should be applied to all levels from president to foreman. While it is certainly possible to set objectives even for a janitor, Management by Results usually stops with first line supervision. Below this level, other management techniques such as work measurement and engineered standards are usually used.¹⁰²

McConkey stated that the objective-setting process is conducted in most organizations in one of three ways, all having inherent weaknesses. He went on to explain a fourth way of organizational objective-setting which he suggested is a better method. The first three methods are as follows:

1. The 'top down' approach. The top manager in an organization sets the overall objectives and then passes them down the line to be used by the lower levels as they set their objectives.

2. The 'bottom up' approach. In this practice, the objective-setting process starts at the lower levels and progresses upward to reach the overall organizational objectives.

3. The 'all at once' approach. This is the practice of endeavoring to establish all objectives at practically the same time through numerous meetings attended by several levels of management and through extensive dialogue.¹⁰³

The weakness of the "top down" approach is that the lower level managers will believe that the results have been predetermined, while the "bottom up" approach will result in objectives heavily oriented to the present and very often perpetuating the status quo. The third way, or organizations attempting to establish all objectives at once, is

¹⁰² Dale D. McConkey, How to Manage by Results (New York: American Management Association, 1965), pp. 121-22.

¹⁰³ McConkey, MBO for Nonprofit Organizations, pp. 44-5.

probably the least efficient of all because of the confusion that is created in setting the objectives.¹⁰⁴

McConkey followed with an outline of a "better approach" of setting objectives which capitalizes on the advantages of all the above. He called this method the "link-pin" concept. Basically, this process depends upon a team approach of recommending objectives at each level in the organization. First, overall broad objectives are set for a target period by the head of the organization and his top team of department heads. Then, objectives are set at the next level. This level consists of the previously mentioned top team of managers developing objectives with key members of their respective departments. These objectives are developed within the framework of the overall organizational objectives. This process filters down to each succeeding level until a point is reached where managers do not have other managers reporting to them.¹⁰⁵

This approach is very similar to Likert's model of setting organizational objectives. In his model he used an overlapping group structure, with each group linked to the rest of the organization by means of persons who were members of more than one group. Likert also denoted those individuals who held overlapping group membership by the term "linking pins." Likert emphasized the group process in objective-setting. Because of the hierarchical structure, all subordinates on each level are affected. However, "The superior is accountable for

¹⁰⁴McConkey, MBO for Nonprofit Organizations, pp. 44-5.

¹⁰⁵McConkey, MBO for Nonprofit Organizations, pp. 46-8.

all decisions, for their execution, and for the results."¹⁰⁶

As Likert's model demonstrated, the objectives of each manager at the top level are made up of objectives of all the managers below him. The objectives of all the managers in a particular unit add up to the objectives of the manager responsible for that unit. Therefore, the objectives of all the managers at all levels throughout the organization equal the overall organization objectives for the period under consideration.¹⁰⁷

Action Plans

Morrissey pointed out that once the objective has been set, a plan should be established for its accomplishment. An action plan is a process of breaking down each objective into sequential steps. This procedure allows the manager to assess the various methods to be taken in order to progress toward the objective prior to the initial action. Therefore, the chances of objective accomplishment will be enhanced if the best alternatives are used in the plan.¹⁰⁸

Morrissey stated six important steps in constructing a plan of action. However, some of these steps may not apply to all objectives. In some cases, two or more steps may be combined into a single activity. At times, the specific sequential phase of the action plan may vary or be repeated several times. But virtually any action plan can be constructed by using a version of the following steps:

¹⁰⁶Rensis Likert, The Human Organization (New York: McGraw-Hill Co., 1967), p. 51.

¹⁰⁷Likert, pp. 49-52.

¹⁰⁸Morrissey, Management by Objectives and Results, p. 68-9.

1. Study situation and select method. This step may require a substantial amount of fact-finding and analysis leading up to a decision, or it may involve simply looking at the situation briefly and deciding what method should be followed in pursuing the objective.

2. Gain agreement and support. This requires conferring with subordinates, superiors, higher management, support organizations, customer representatives, or anyone whose support is vital; it may be an extremely critical step or one of little or no importance, depending on the nature of the objective and the degree of support necessary.

3. Develop plan. This involves laying out the method decided upon into a workable plan of action to be followed; usually, but not necessarily, it is the most complex step in programming an objective.

4. Test and review plan. This step could include a pilot run of the plan to see whether it works or it could involve just a brief review with a few key individuals to confirm the plan's feasibility. It may be a part of steps 2 or 3 and usually will include provision for modification of the plan on the basis of test results.

5. Implement. This may be merely the end point of the objective or it may be the largest single step in the plan of action, with a heavy production tracking requirement.

6. Follow up. This step could involve establishing a complete control system, at one extreme, or it could be a superfluous step at the other, depending on how great is the need for assuring effective implementation. It may in some cases be included as part of steps 4 or 5.¹⁰⁹

In the process of developing an action plan, identification of a logical sequence for reaching an objective could result in a savings of resources, manpower, and money. In an action plan, the following questions should be examined to determine if a specific objective is more workable or if it should be revised or eliminated:

1. What major steps are necessary to achieve the results identified in the objective? 'Major' is defined as being vital to the accomplishment and/or involving a large block of effort. This question should point up broad areas of

¹⁰⁹Morrissey, pp. 71-2.

accomplishment and avoid details, particularly when others will be involved in their implementation. . . .

2. What priorities should be assigned to each major step? Which steps are more important than others and, therefore, should get more attention? Which steps must come before which other ones? An obvious illustration is the requirement to train people in the use of a new system before it is implemented. . . .

3. What are the detail steps necessary to support the major steps which have been identified? Once the overall picture of how an objective is to be accomplished has been identified, these major steps can be broken down into workable units. . . . Stated simply, it means taking a major block of effort and continually subdividing it until it reaches a series of individual tasks that can be performed by individual workers. . . .¹¹⁰

Implementation of MBO

An exact count on the number of organizations currently using MBO-type programs is probably impossible to ascertain. Much literature suggests that it has been adopted by thousands of organizations both in the private and public sectors. The increased usage and popularity of MBO is based largely upon its common sense appeal and simplistic facade.

The benefits of MBO make it appeal to managers of organizations that are under-productive and to managers of healthy companies who are interested in making major accomplishments in short periods of time. But, according to Howell, MBO may generate a false feeling of simplicity. But actually, it is a complex management technique requiring years to implement fully.¹¹¹

Robert A. Howell classified MBO into a three-stage process. At the first stage, objectives for individual managers are set and used

¹¹⁰Morrissey, pp. 72-3.

¹¹¹Robert A. Howell, "Managing by Objectives: A Three Stage System," Business Horizons, XIII (February, 1970), 41-5.

for performance appraisal. At the second stage there is integration of individual and corporate objectives. The third stage involves development of long-term objectives and the development and implementation of action plans relative to control structures, decision making processes, leadership styles, and the like.¹¹²

Howell's classification system can serve practitioners in two ways: (1) it can be used to classify systems of MBO; and (2) it is equally useful in aiding in the development of a plan to implement MBO. Briefly stated, the performance appraisal stage focuses clearly on the individual's performance in relationship to his responsibilities. Stage two emphasizes the need to integrate the objectives of the organization with the objectives of the individuals in the organization. The third stage focuses on long-range objectives and plans of action to make the objectives a reality for both organization and manager.¹¹³

Many MBO applications have been extremely successful, while others have been outright failures. McConkey contended that the reason for success or failure seems to lie in the manner in which the system was implemented and especially in the pre-implementation phase:

A study of the implementation methods as related to later success indicates a high degree of correlation in more than 300 different MBO programs. The organizations that understood the full import of MBO and took the time and effort required to implement it properly have enjoyed the maximum fruits of the system. Those that devoted only minimal time and effort to implementation have enjoyed success only commensurate with their efforts.¹¹⁴

In his book, Principles of Management and Organizational Behavior, Scanlon made the following suggestions for any organization

¹¹²Howell, 41-5.

¹¹³Howell, 41-5.

¹¹⁴McConkey, MBO for Nonprofit Organizations, p. 99.

considering the installation of an MBO program:

1. The individual(s) responsible for introducing MBO must be certain that the top level of management is willing to support actively managerial practices consistent with MBO. Mere tolerance for or acceptance of MBO is insufficient for effective implementation. Top management must provide ample opportunities for MBO participants to practice and test their newly acquired knowledge and skills and must provide earned recognition and reward for managerial behavior consistent with MBO.
2. The MBO participants should receive extensive training in the methods of implementing MBO. Such a training program should be carefully designed to provide the participants with a thorough knowledge of (a) the motivational underpinnings of MBO, (b) the specific skills necessary to implement MBO, such as writing objectives and reviewing performance, (c) the potential benefits and problems of MBO and ways to resolve those problems, and (d) the types of leadership styles, managerial attitudes, and managerial behavior that are consistent with the MBO philosophy.
3. Subordinates must participate completely in the MBO process to satisfy their own needs while simultaneously satisfying organizational needs. MBO is not a gimmick or facade to disguise an authoritarian approach to managing human resources. The keynote here is the subordinate's self-direction and self-control. Managers must avoid the temptation of unilaterally setting objectives and then convincing or coercing the subordinate to agree to achievement of these objectives. Instead, managers must advise, guide, and listen to the subordinate, but must also provide ample opportunities for the subordinate to fulfill his need for recognition, advancement, growth, and self-actualization. The manager's role is that of coach, not judge, and he must allow room for the subordinate to test his limitations and to make mistakes.
4. Because the amount of paperwork necessitated by MBO is substantial, it seems advisable to initially keep the paperwork within tolerable limits. If this is not done, the MBO participants may become discouraged at the very time when their enthusiasm for the program is critical in providing an impetus for its implementation.
5. The MBO participants should always 'know where they stand.' One of the important components of an MBO system is an explicit, clearly understood method of regularly reviewing the achievement of objectives, setting new objectives, coaching subordinates, and solving problems confronted by the subordinate in the achievement of his objectives.

6. Both the superior and the subordinate should be sure that all the subordinate's key areas of responsibility have been analyzed and discussed as a basis for establishing a priority of objectives. Some areas of responsibility are naturally more critical than others. More value or priority should be placed on achievement of objectives in the critical areas of responsibility. Furthermore, the subordinate should ask himself: 'If I fulfill all of these areas of responsibility, will my total job be accomplished?' If the subordinate cannot truthfully answer this question positively, he has neglected one or more key areas of responsibility that must be fulfilled in order for him to do his job.

7. In order to attain optimal efficiency in achieving individual employee and organizational goals, objectives at all levels of the organization must be mutually compatible and reinforcing. If this is not the case, then the achievement of certain objectives at one level in the organization may impede the achievement of other objectives in the same or different organization level.

8. For an organization to reap as many benefits from MBO as possible, it is desirable to accentuate the thrust of MBO throughout the organization. One way to accomplish this is to carefully develop a plan to implement MBO through and across all levels of the organization. When MBO is first introduced into an organization, it may be helpful to initiate the system into several departments which seem to have a high probability of successfully implementing MBO. If these departments do succeed, other department heads will be anxious to apply MBO in their department. The enthusiasm generated by success provides the momentum that is vital for implementation of MBO throughout the organization.

9. To facilitate progress within an MBO system, it is desirable to remove as many organizational barriers as possible. Such barriers include excessively restricting organizational policies, procedures, practices, and informal group rules and norms. These barriers frequently may inhibit the employee's desire to experiment and innovate; fulfillment of this desire is important in an MBO system.

10. Managers should be very cautious in their attempts to base salary decisions on the achievement of objectives. It should be noted, furthermore, that financial compensation for the achievement of objectives is only one form of reward. Earned recognition in the form of nonmonetary rewards may have more of a positive motivational effect on the employee than material rewards.¹¹⁵

¹¹⁵ Burt K. Scanlon, Principles of Management and Organizational Behavior (New York: John Wiley and Sons, Inc., 1973), pp. 108-9.

Humble narrowed his list to only five steps for achieving success in implementing and maintaining an MBO system:

1. Determined and committed leadership from the top.
2. Flexibility in method and technique.
3. MBO as an undelegatable executive responsibility; but the need for a high quality adviser at launching stage.
4. An organic view of the need to change, develop, and improve MBO.
5. Maintaining momentum. As Brian Viner says, 'Even where this concept of management has been completely built into the business and apparently accepted, it does need constant leadership to ensure that it is kept up to the mark.' 116

Kimbrough and Nunnery summarized MBO as a five-step process:

1. Organizational goals and criteria to determine achievement are set.
2. Subunit and individual managers' objectives, criteria, and strategies for accomplishment are agreed upon.
3. Objectives are pursued; there are periodic reviews to assess progress and make revisions as deemed acceptable.
4. At the end of an agreed-upon time period (e.g. a year), results are evaluated and accomplishments rewarded.
5. There is a recycling and restructuring as deemed essential in terms of the experience. 117

McConkey emphasized that the success of implementing an MBO system depends upon how carefully the top management of an organization has analyzed the organization's specific situation to secure definite answers to the following critical questions:

¹¹⁶ John W. Humble, Management by Objectives in Action (Berkshire, England: McGraw-Hill and Co., 1970), p. 29.

¹¹⁷ Ralph B. Kimbrough and Michael Y. Nunnery, Educational Administration (New York: Macmillan Publishing Co., 1976), p. 152.

1. Do we really understand the full import of MBO as it would affect our organization? Do we understand how it operates, its strengths, its pitfalls?

2. Is it right for our organization? Are we willing to devote the time and effort (especially on the part of the top people) to make it effective (probably a minimum of three years to reach 85 percent effectiveness)?

3. Are we ready for it? Have we met the three major prerequisites--proper management atmosphere, organizational clarity, and an effective management information system? If not, can we meet them before implementation?

4. Is this the better timing? Are operations so unstable presently that there would be an excessive number of distractions from the concerted effort required? Will sufficient managerial time be available? Would another period be better?

5. Why do we want it, what will it do for our organization? Various aids are available to assist in this analysis phase. . . .¹¹⁸

McConkey listed three of the most common approaches to MBO implementation, indicating that the major differences revolve around the degree to which top management is committed to MBO, the speed with which implementation proceeds, and the number of managers and management levels involved at a given time. The three approaches to implementation of MBO as stated by McConkey are as follows:

1. One level at a time. Implementation takes place one level (sometimes two) at a time starting at the top. Six months to a year is devoted to each level before moving to next level.

2. One department only. A "guinea pig" department runs a 'pilot' test to decide whether or not MBO will be extended to other departments.

3. All levels at once. All levels of management are considered as a single group and MBO is implemented all at once for the entire group.¹¹⁹

¹¹⁸ McConkey, MBO for Nonprofit Organizations, pp. 100-1.

¹¹⁹ McConkey, MBO for Nonprofit Organizations, p. 104.

McConkey recommended the "One Level at a Time" approach for most organizations planning to implement MBO. He indicated four advantages of this method:

1. In-depth understanding by each manager.
2. More opportunity to debug as experience is gained.
3. Each level becomes "teachers" for next level.
4. System is more tailor-made to organization.¹²⁰

The "One Level at a Time" approach begins at the top with the organizational head and his immediate subordinates. Implementation at this level takes approximately one year, which is divided roughly into two periods of six months each. In following years the process filters down to each succeeding level.¹²¹

Stage one and stage two of implementation on each level are as follows:

Stage 1: Getting ready. This stage should cover MBO as a system and the writing of effective objectives. An objective should never be written until the writer understands the system in which the objective operates. Violation of this premise almost invariably results in uncoordinated objectives written in a vacuum and carried out in isolation rather than as a proportionate part of departmental and company objectives. Both the system and the objectives are covered by a combination of reading assignments, discussion groups, workshop sessions, and coaching by competent leaders.

After about two to three months of indoctrination, managers usually are prepared to start writing simple objectives. Emphasis should be devoted to getting managers accustomed to, and comfortable working with, objectives and the place of their objectives in the total scheme of things, not in writing grandiose objectives. That can come later.

¹²⁰McConkey, MBO for Nonprofit Organizations, p. 105.

¹²¹McConkey, MBO for Nonprofit Organizations, p. 110.

During the ensuing three months, the intent is to have each manager write increasingly complex objectives, each writing followed by an evaluation and coaching session, until he has become fairly adept at structuring meaningful, measurable objectives. Finally, he recommends a group of objectives on which he will operate and be measured during the second six months--the dry-run phase.

Stage 2: Operating under objectives. It is made clear to each manager that he is operating under MBO on a dry-run basis during these six months and that his future will not sink or swim on the basis of his results. He is still undergoing training and indoctrination.

A feedback method is established to measure his performance against each of his objectives. Both he and his superior receive copies. Halfway through this stage the manager and his superior hold a formal review (just as they will do in the future for each quarter of the year) to evaluate progress toward objectives, discuss any variances, and review the validity of the objectives for the remainder of the period. Necessary revisions are made to plans and objectives.

A similar review takes place three months later (at the end of the full year) and if managers are found capable, they begin actually operating under all facets of MBO. The implementation then moves down to the next level of management, and similar indoctrination is provided. The process continues until all levels are covered and the total management group has become a part of MBO.¹²²

Most authors agree that the successful-implementation of MBO depends upon the support of the chief executive officer of the organization. Odiorne explained why this is necessary:

The primary condition that must be met in installing a system of management by objectives is the support, endorsement, or permission of the principal manager in the organizational unit where the system is to be used. The premise that success for every subordinate means 'helping his boss to succeed' means also that the boss must be in accord with the goals of the subordinate and must not oppose the methods he uses to achieve them.¹²³

¹²² McConkey, MBO for Nonprofit Organizations, pp. 110-11.

¹²³ George S. Odiorne, Management by Objectives: A System of Managerial Leadership (New York: Pitman Publishing Co., 1965), p. 68.

Knezevich offered a graphic description of the MBO process in Figure 3, which can serve as a model for implementing MBO. He also suggested a general change strategy to provide the basic guidelines for introducing MBO. Knezevich indicated that five major phases should occur in the change process: readiness, pilot testing, innovation management, follow-up, and institutionalization.¹²⁴

Perhaps there is no best method of implementation since MBO systems must be molded to address the specific needs of each individual organization. McConkey stated that the implementation of MBO will be heavily influenced by ten major variables: (1) size of organization, (2) number of managers, (3) organization structure, (4) variety of services, (5) geographical diversity, (6) homogeneity of management group, (7) relationship with governing body, (8) historical interests, (9) management style, and (10) supportive structure. Some attention to this wide range of variables could result in an increase in the effectiveness and value of the program.¹²⁵

The implementation of MBO in an organization becomes a continual process once the program becomes operational. Long-term success depends upon re-examining the effectiveness of the system and making necessary changes to up-grade the program. In addition, an on-going MBO system needs leadership, a positive attitude, patience, planning, adequate resources, and training. MBO is not an easy management system to implement, especially in educational organizations. It is difficult to

¹²⁴ Stephen J. Knezevich, Management by Objectives and Results (Arlington, Virginia: American Association of School Administrators, 1973), p. 64.

¹²⁵ McConkey, MBO for Nonprofit Organizations, pp. 101-02.

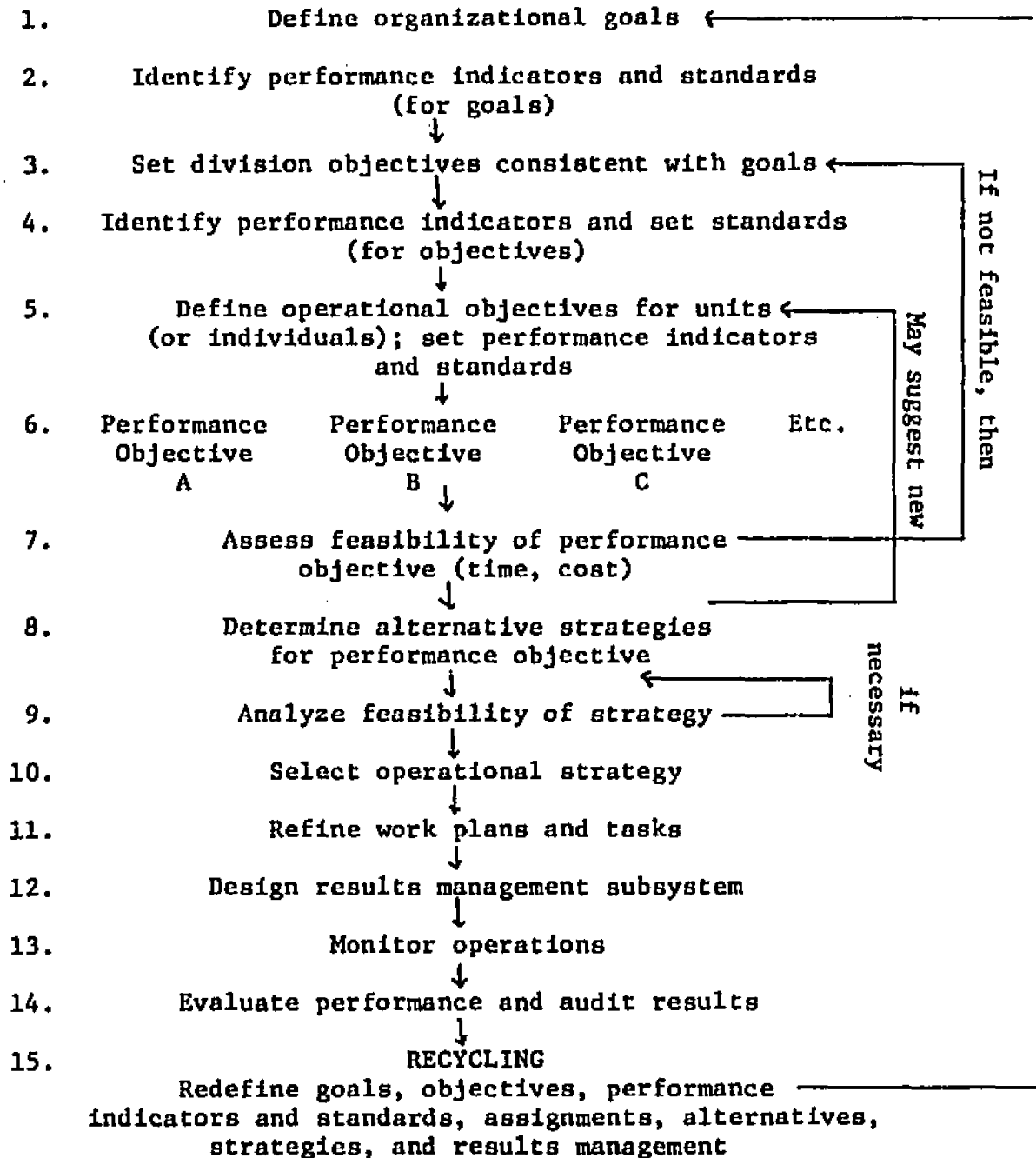


Figure 3

General Systems MBO/R Model^a

^aStephen J. Knezevich, Management by Objectives and Results (Arlington, Virginia: American Association of School Administrators, 1973), p. 71.

implement in any organization where objectives are many and results are difficult to identify and measure.¹²⁶

Pitfalls of MBO

McConkey confessed that in spite of its apparent attractions, Management by Objectives (MBO) is not a panacea that will cure all the ills of an organization.

MBO's rapid growth in the past 10 to 15 years has been accompanied by significant problems, but these problems are caused by the weaknesses of the managers who applied the programs rather than by any inherent weaknesses in the MBO system itself. . . .¹²⁷

McConkey listed twenty ways to kill MBO in an organization. These relate to how people involved in an MBO program can cause its downfall by oversight, neglect, and lack of understanding. The list includes the following:

1. Consider MBO a panacea.
2. Tell'em their objectives.
3. Leave out staff managers.
4. Delegate executive direction.
5. Create a paper mill.
6. Ignore feedback.
7. Emphasize the techniques.
8. Implement overnight.
9. Fail to reward.
10. Have objectives but no plans.

¹²⁶McConkey, MBO for Nonprofit Organizations, pp. 112-13.

¹²⁷Dale D. McConkey, "20 Ways to Kill Management by Objectives," Management Review, LXI (October, 1972), 4.

11. Stick with original program. . . .
12. Be impatient. . . .
13. Quantify everything. . . .
14. Stress objectives, not the system. . . .
15. Dramatize short-term objectives. . . .
16. Omit periodic reviews. . . .
17. Omit refresher training. . . .
18. Don't blend objectives. . . .
19. Be gutless. . . .
20. Refuse to delegate. . . .¹²⁸

He suggested the following uses for the list to managers of new or on-going MBO programs:

To managers considering adoption of an MBO program, the list may be helpful in planning; for companies that have already embraced MBO and have experienced only limited success, it should serve as a debugging checklist. For still other organizations that latched on to MBO as a showpiece or because someone else had it, the list will be a handy guide to killing the program much more rapidly so that they can proceed, without too much delay, to picking another pig in a poke.¹²⁹

In his later book, MBO for Nonprofit Organizations, McConkey developed a similar list of potential pitfalls that can be used as a debugging checklist for managers in nonprofit organizations such as school systems:

Implementing in Ignorance

The widespread adoption and increasing popularity of MBO have tempted some organizations into adopting MBO without

¹²⁸McConkey, "20 Ways to Kill Management by Objectives," 4-13.

¹²⁹McConkey, "20 Ways to Kill Management by Objectives," 4.

knowing what is really involved and the impact it will have on their organizations. Often, these organizations mistakenly believe that MBO is a panacea and that not to adopt it would be foolhardy.

Implementing in Haste

One of the major 'time shocks' of MBO is the amount of time required to make it effective in an organization. Usually, three to five years is required to reach what I term an 85 percent effectiveness level, the point at which most of the system is in place and being practiced by almost all managers. (The remaining 15 percent consists of the debugging and continual refining that must always accompany a successful implementation.)

Failing to Order Priorities

A frequent failing of nonprofit organizations is to become extremely busy without having first determined what all the busyness should be aimed at. This is one reason why they are often guilty of emphasizing efficiency over effectiveness. . . .

. . . Getting busy without having first determined priorities is like the airplane pilot who takes off without having determined his destination. He may fly the plane well (efficiency) but if he doesn't have a destination, he won't reach it (effectiveness).

Overemphasizing Objectives

Too often, objectives are stressed to the detriment of the system. When this occurs, managers are usually required to 'come up with a list of objectives.' The necessary preliminary work is not done. Objectives, thus, are written in a vacuum and usually aren't worth the paper they are written on. . . .

Ignoring Feedback

The more motivated and achievement-oriented a manager is, the more he requires and demands feedback on his performance. He wants to continually know how well he's achieving his objectives. He's not content to remain in the dark.

Failing to Reward Managers

No management system will be effective if it continually emphasizes higher levels of performance and improvement but fails to reward and recognize the managers for their higher performance levels. Rewards should equal performance.

Failing to Program Objectives

Even the best written objective will seldom be achieved if left to chance. The manager must plan out the step-by-step action for achieving the objective. This is one of the major ways by which objectives are translated into a day-to-day means of managing.

Omitting Periodic Reviews

The more successful MBO systems feature periodic reviews--usually at quarterly intervals--during the target period. The purposes of these reviews are to measure performance, and to review the validity of the original objective, and to take remedial action, if necessary, while there is still time left during the target period.

Omitting Refresher Training

Many organizations do a highly commendable training and orientation job when MBO is first installed. The training, though, ends at that point, and managers who are new to the system are left to secure their MBO training through a combination of osmosis and hit-or-miss tutoring by the older hands--who may or may not be competent teachers. Changes and refinements to the original system are handled in much the same way.

Delegating Executive Direction

Without exception, every successful MBO system has borne continuously, from its first day of implementation, the clear and unmistakable mark of the top manager in charge. This involvement by the top manager cannot be delegated.

Overconceptualizing

With MBO there are two major potential problems--over-conceptualizing and creating a papermill.

The trap of overconceptualizing can occur when too much attention is paid to techniques, procedures, and skills. One MBO system in a school organization is so complicated that the principals and administrators have been provided with several pages, really a small dictionary, of terms, which they must master. Over a page and a half is devoted to the subtle differences between an objective and a goal. Instead, they should be devoting their time and attention to the analysis, thinking, and planning that are the heart of MBO.

Paperwork is another potential trap. Some ineffective MBO systems fill manual after manual with forms, procedures, and other time wasters. MBO managers should be analysis-oriented not method-oriented. A strict control should be exercised over every form and piece of paper built into the system. Properly handled, MBO usually results in a small amount of high-quality paperwork.

Emphasizing Short-Term Objectives

A rather prevalent weakness in many nonprofit organizations is the tendency to concentrate primarily upon the immediate future without having formulated long-term objectives and plans. . . .

Many of the needs these organizations are trying to meet can be met only on a long-term basis. Thus when the annual or short-term period is overemphasized, these organizations can't be certain they are meeting the long-range needs. . . .

Emphasizing Programs Over Objectives

Many government units are guilty of practicing 'programitis;' they get busy administering programs before they determine their objectives. This often leads to the feverish carrying out of activities without regard to the results the programs and projects should accomplish. Programs and projects should be regarded as the plans by which a predetermined objective is to be reached. If the objective is not set first, the cart is before the horse.

Playing the Numbers Game

Another major pitfall is the overemphasis on numbers as a means of measuring success without first having determined the need to be met. . . .

To avoid the numbers trap, more attention must be devoted to determining the real social needs to be met and then

expressing those needs in terms of specific, prioritized objectives.¹³⁰

All of these pitfalls could pose serious problems to the successful implementation of an MBO program. Paying some attention to these problem areas could result in an increase in effectiveness and value of the program.

Educational MBO

The Management by Objectives (MBO) concept has gained tremendous momentum since Drucker first coined the term in 1954. Since the middle 1950's, Management by Objectives has been popular in private business and industry. It then moved into governmental and public agencies. The MBO concept has most recently moved into educational circles. Many school administrators have seen MBO as an accountability "tool" to answer the demands of legislation and the public.

Historically, educators have been interested in setting goals and objectives. One of the most significant statements of educational objectives was formulated in 1938 by the Educational Policies Committee of the National Educational Association and quoted by Lester and Alice Crow. The members of the committee organized four general goals for education into categories and analyzed each in terms of specific behavioral patterns that should characterize an educated person. The four general areas identified were the objectives of self-realization, human relationship, economic efficiency, and civic responsibility.¹³¹

¹³⁰Dale D. McConkey, MBO for Nonprofit Organizations (New York: American Management Association, 1975), pp. 83-9.

¹³¹Lester D. Crow and Alice Crow, Introduction to Education (New York: American Book Co., 1950), p. 56.

Recently, educators have become interested in developing objectives more specifically into measurable terms as evidenced by the work of Benjamin S. Bloom. He divided instructional objective writing into three domains. These domains include the cognitive, affective, and psycho-motor. The emphasis of the cognitive domain is on the objectives dealing with knowing, thinking, and problem-solving. The affective domain deals with the classification of objectives concerning attitudes, values, interests, appreciations, and social-emotional adjustments. The psycho-motor domain deals with objectives involved in motor skills.¹³²

Robert F. Mager added insight into the objective-setting process through his identification of three basic components of teaching. He based them around three questions: (1) what is it that we much teach? (2) how will we know when we have taught it? and (3) what materials and procedures will work best to teach what we wish to teach? He continued by describing how objectives can be specified and provide an "orientation that views goal specification as an unavoidable practical problem requiring hardheaded solutions."¹³³

Lessinger applied the process of setting objectives to the question of accountability. He advocated the use of performance contracts to ensure clarity in the identification and achievement of objectives. He indicated the necessity of the objective-setting process if educational accountability is to become a reality.¹³⁴

¹³²Benjamin S. Bloom, ed., Taxonomy of Educational Objectives (New York: David McKay Co., Inc., 1956), pp. 6-9.

¹³³Robert F. Mager, Preparing Instructional Objectives (Palo Alto, California: Fearon Publishers, 1962), p. v.

¹³⁴Leon M. Lessinger, "Accountability to Public Education," Journal of the National Education Association, LIX (May, 1970), 52.

The major emphasis of interest with educators to date in setting objectives and goals has been in the instructional process. The fact that the objective-setting process is not new to educators can be of use to the MBO implementor in the school district. Knezevich illustrated the close relationship of instructional objectives to MBO by developing a conceptual framework for viewing what he called education by objectives as shown in Figure 4. His views on the development of objectives come under three general headings which include: Education by Objectives (EBO), which subdivides into Management by Objectives (MBO) and Instruction by Objectives (IBO), which further subdivide into other specific areas.¹³⁵

A 1973 American Association of School Administrators publication indicated that the number of school districts across the country interested in trying to implement MBO at that time was still relatively small. Their information suggested that less than 1 percent of the seventeen thousand local school districts and about ten state educational agencies were implementing MBO.¹³⁶

Many of the state departments of education and school districts that have installed MBO systems have done so out of a need to develop an instrument of accountability. Interestingly, school professionals that have successfully implemented the system have learned that it can serve several other purposes simultaneously. It can be used to (1) effectuate an effective school planning program, (2) increase the

¹³⁵Stephen J. Knezevich, Management by Objectives and Results (Arlington, Virginia: American Association of School Administrators, 1973), pp. 70-1.

¹³⁶Knezevich, Management by Objectives and Results, p. 53.

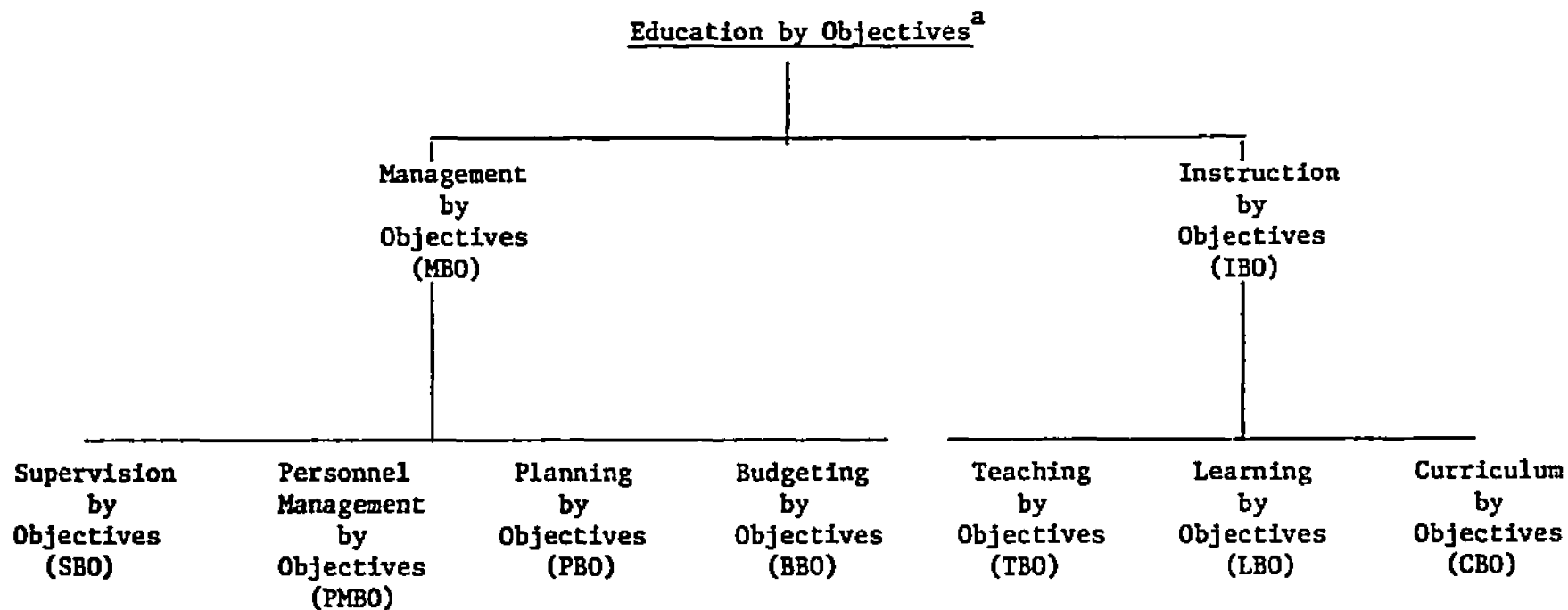


Figure 4

Education by Objectives Model

^aStephen J. Knezevich, Management by Objectives and Results (Arlington, Virginia: American Association of School Administrators, 1973), pp. 70-1.

control and coordination of people and activities, (3) maximize proper utilization of personnel, and (4) initiate and improve training and development.¹³⁷

Lewis further reported that when MBO is implemented properly into a school district, educational accountability is insured through: (1) mutual agreement on improvement guides and plans, (2) monitoring performance, (3) master plans for school-district-wide improvement, (4) issuance of accountability reports, (5) program financing, (6) substantiating performance, (7) identifying a technique for establishing training needs, (8) reviewing results, and (9) measuring action tasks.¹³⁸

Management by Objectives has much to offer any educational organization "interested in improving the effectiveness of its managers, and through their combined effectiveness, the effectiveness of the entire organization."¹³⁹

Educational managers should explore the potential benefits that an MBO system could provide to help meet the tremendous challenges that education will face in the future. McConkey listed some of these challenges as follows:

Demand for Accountability

The demand for accountability on the part of managers has never been greater. . . .

MBO can be a potent means of helping meet this increasing demand for accountability and the challenge it poses. First, it is a means of aligning the efforts of all managers to

¹³⁷ James Lewis, Jr., School Management by Objectives (West Nyack, New York: Parker Publishing Co., 1974), p. 21.

¹³⁸ Lewis, pp. 40-2.

¹³⁹ McConkey, MBO for Nonprofit Organizations, p. 200.

achieve the desired ends that have been agreed upon. It helps organizations concentrate on important matters rather than getting bogged down in the routine, which serves only to dissipate efforts and resources and leaves the organization subject to criticism for following wasteful practices.

Secondly, MBO provides the nonprofit organization with concrete means for dramatizing the contributions it has made. It is able to point out what it intended to achieve (its objectives), and later it can demonstrate the results it actually achieved as compared against its objectives. This helps the nonprofit organization achieve one of its most crying needs--the need for credibility by its supporters. It can also go far to at least minimizing the often unfair stereotyping of nonprofit managers; namely, that they are inefficient, ineffective, and lacking in the competence and motivation required of their counterparts in the private sector.

Demand for Greater Voice

The plight of managers--especially middle managers--has been all but overlooked in the rush to define and treat the problem at the worker level. . . .

Study after study and case after case are proving that there is a potentially dangerous and costly excess of unrest and disenchantment among managers, particularly middle managers. . . .

. . . All these indications of managerial unrest should act as a positive incentive for companies to conduct a searching reexamination of their approaches to job enrichment. . . . Fortunately, MBO has pointed the way to several practical, effective ways for enriching the manager's job. It has within its total system a built-in vehicle and latitude for allowing the manager a major voice in determining both his day-to-day actions and his long-term future. It enables him to experience the attributes that contribute to job enrichment.

Increasing Rate of Change

The continually accelerating rate of change in the world and the environment in which organizations must operate is another strong argument for a thorough study of the advisability of adopting MBO. . . .

. . . In a very real sense, MBO is a change system. It is a system designed to require the continuing review of the

priorities of the organization. As these priorities change, MBO requires that objectives, plans, and budgets be changed accordingly. Thus utilizing a system that addresses itself to change, and also fully utilizing all key personnel in effecting necessary change, is an excellent means of coping with it.

Increasing Complexity

Closely allied to the rate of change is the increasing rate of complexity involved in realizing optimum results for an organization. . . .

. . . One of the more promising approaches to coping with this complexity is a management system that helps order priorities, and then gets all managers involved in helping cope with complexity and change. . . .¹⁴⁰

MBO will work when the top leadership in an educational organization is committed to the system as a total management philosophy. That commitment must be exhibited in performance and hard work. Some may believe that the system works well enough in private enterprise but cannot be used successfully in a nonprofit institution such as a public school system. David E. Olson took issue on this point when he said:

One of the biggest deterrents to the individual's acceptance and using any general principle or concept is his feelings that his is a unique situation. Managers are no exception. They are often hesitant, sometimes even obstinate, about applying a new management concept to an old situation. Even though the concept has been proved valid the manager may say, 'Yes, but that's a different kind of business. They don't have nearly the number of problems we have.'

The manager is forgetting that even though organizations do differ in degree and kind, they are fundamentally the same. Some organizations may inherently have more 'problems' than others, but this does not mean the same principles or concepts of sound management cannot be applied successfully to solve these problems.

¹⁴⁰ McConkey, MBO for Nonprofit Organizations, pp. 201-6.

All enterprises are similar in that they require people, money, and a basic idea of what is trying to be accomplished. Because of this essential similarity, Management by Objectives can be applied to any type of organization.¹⁴¹

Evidence from efforts in business and industry over the past twenty years suggests that it is easier to talk about MBO than it is to implement it into an educational organization. A general change strategy can provide the basic guideline for introducing MBO. Knezevich indicated that five major phases should occur in a change process: readiness, pilot testing, innovation management, follow-up, and institutionalization.¹⁴²

E. G. Bogue and Robert Saunders indicated that educational managers should not underestimate their potential for initiating change. One of the most powerful controls over the change in education includes the appointment process. If properly selected, new people bring new ideas, new vitality, and new energy into an organization. Another component of change includes restructuring the administrative process to make it more conducive to change.¹⁴³

Finally, organizational change is closely linked to individual change. This involves the integration of the individual's goals with those of the organization. In order for the organization to become more effective in achieving its objectives, adjustments must be made in significant ways to meet the needs of its members. A system of Management

¹⁴¹David E. Olson, Management by Objectives (Palo Alto, California: Pacific Books, 1968), pp. 10-1.

¹⁴²Stephen J. Knezevich, Management by Objectives and Results (Arlington, Virginia: American Association of School Administrators, 1973), p. 64.

¹⁴³E. G. Bogue and Robert L. Saunders, The Educational Manager (Worthington, Ohio: Charles A. Jones Publishing Co., 1976), pp. 41-55.

by Objectives can provide the administrative framework for placing the emphasis on individual needs, while translating their talent, ideas, and commitment into a great overall organizational effort.¹⁴⁴

Kimbrough and Nunnery reported that the advantages of an MBO system are many after its implementation into an educational agency. The research data regarding the effectiveness of MBO in any organization is mixed. Some evidence exists of enhanced need satisfaction, improved communication, more positive attitude toward evaluation, improved planning, and innovativeness. Yet there is some evidence of increased paperwork, lack of participation, distortion of management philosophy, lack of incentives, and an over-emphasis on production.¹⁴⁵

Management by Objectives is well established as a bonified way of managing any organization. It cannot be considered a passing fad because it has been in practice for almost thirty years. In the future there will be increased applications of MBO in educational organizations. The key to the success of a Management by Objectives system is in the word "Management," not "Objectives." If an MBO system produces desired results, the reason will lie in the interest and competence of the people in charge. If it fails, the blame must be placed on those responsible who do not meet the demands that the system imposes or who fail to adapt it to the circumstances existing in their organization.¹⁴⁶

¹⁴⁴Bogue and Saunders, pp. 41-55.

¹⁴⁵Ralph B. Kimbrough and Michael Y. Nunnery, Educational Administration (New York: Macmillan Publishing Co., 1976), p. 152.

¹⁴⁶McConkey, MBO for Nonprofit Organizations, p. 32.

Summary

An attempt has been made in this chapter to describe the evolution of management thought through four major eras: Scientific Management, Human Relations, Behavioral Science, and Management Science. The concept of Management by Objectives (MBO) has been presented as a product of evolutionary developments of these four management eras. In addition, a broad perspective for understanding the basic concepts of MBO, the literature pertaining to various descriptions, techniques used, monitoring and control, approaches to objective setting, action plans, implementation, the pitfalls to be avoided, and the potential utilization of MBO as a management tool in public education were discussed.

Chapter 3

ANALYSIS OF FINDINGS AND PRESENTATION OF DATA

The problem of this study was: (1) to determine which of the fifty state departments of education in the United States were participating in an MBO system of management; (2) to determine which of the public school districts identified by their respective state department of education were utilizing an MBO system; (3) to determine how much a system was installed in each agency; and (4) to determine if the concepts and techniques of MBO, as practiced in selected educational agencies, compare to the standards established for this study.

This chapter contains data gathered from a survey of the fifty state departments of education and selected school districts located in various areas of the United States. The survey was distributed in order to obtain the perceptions of administrators in school agencies on the state and local levels who were participating to some degree with a Management by Objectives (MBO) system. The collection of data and data findings derived from the preliminary postcard survey and the subsequent questionnaire survey will be discussed in the first section of the chapter. The data findings will be analyzed in relation to Management by Objectives standards identified in the research of the literature in the second section of the chapter. The third part of the chapter includes a report of the results obtained from data which had been treated to test the twelve hypotheses as set forth in Chapter 1. The general procedure for statistical treatment of the data, for the most part, was outlined

in Chapter 1. However, in this chapter, it will be necessary to elaborate further on some of the procedures in order to clarify the output those procedures produced.

Sample Identification

A preliminary postcard survey was conducted among the fifty chief executive officers of the fifty state departments of education to determine: (1) if their agency would participate in a survey regarding the use of Management by Objectives (MBO) in their state department of education; and (2) if their state department of education had implemented MBO (see Appendix B for postcard survey). The respondents also were asked to designate a specific member (or themselves) to participate in the study.

Response to the Postcard Survey

Responses to the postcard survey are shown in Table 1.

Table 1

MBO Postcard Survey Return From the Fifty
State Departments of Education Officials

Item	Number	%
State Education Agencies Reported Using MBO	33	66
State Education Agencies Report Not Using MBO	16	32
State Education Agencies Not Responding	1	2
Total	50	100

Based on a return of forty-nine of the fifty state departments of education, thirty-three of the respondents indicated that they had implemented MBO and would participate in the study. Officials from sixteen state departments indicated that they had not implemented MBO. One state did not respond to the postcard survey.

Mailings were sent to the designated officials of the thirty-three state departments of education identified by the chief state school officers in the postcard survey. Materials sent to this group of officials included a letter of transmittal (see Appendix C), the MBO questionnaire (see Appendixes G, H, and J), a short definition and description of MBO (see Appendix D), and a form for listing school districts in their state that were believed to be using MBO (see Appendix E). MBO questionnaires were not sent to officials in the other sixteen states because postcards returned from them had indicated that their state departments had not implemented MBO. However, some of them indicated an interest in participating in the study by furnishing names and locations of school districts in their states that had implemented MBO.

The total number of school districts reported to be using MBO is illustrated in Table 2.

Table 2

School Districts Reported to be Using MBO, Identified
by State Departments of Education and MBO Consultants

Source	No. of School Districts
State Departments of Education	140
MBO Consultants	11
Total	151

A total of 140 school districts were located as participants in an MBO system as a result of listings sent from twenty-five state departments. An additional eleven school districts were added to the list based upon information received from correspondence with MBO consultants.

Distribution and Return of Questionnaires

The data relative to the numbers of questionnaires that were distributed to and returned by the thirty-three state departments of education and 151 selected school districts is shown in Table 3.

Table 3

Distribution of Questionnaires Sent and Returned
from State Departments of Education and
Selected School Districts

Organization	Questionnaires Sent (N=184)	Questionnaires Returned	
		No.	%
State Departments of Education	33	33	100
School Districts	151	124	82
Total	184	157	85

The representatives of these state agencies had indicated involvement with an MBO system and a willingness to participate in the study in the aforementioned postcard survey. All thirty-three state department officials indicating MBO involvement responded to the questionnaire, representing a 100 percent return.

The distribution and return of questionnaires from the 151 selected school districts which were identified by the state educational agencies and by various MBO consultants are shown in Table 3. A total of 124 of the school district officials responded, representing an 82 percent return. An overall return of 157 questionnaires was received from both state departments of education and local school districts, representing an overall 85 percent return.

The degree of involvement with MBO in state departments of education and selected school districts as determined from returned questionnaires is illustrated in Table 4.

Table 4

Degree of Involvement with MBO in State Departments
of Education and Selected School Districts

Degree of Involvement with MBO	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
No involvement and no plans for future use of MBO	1	3	13	10
Anticipating future use of MBO	0	0	12	10
In planning stage for near-future implemen- tation of MBO	1	3	9	7
Currently using MBO in one or more program areas	31	94	90	73
Total	33	100	124	100

Officials of thirty-three of the state departments of education that had indicated an involvement in MBO on the postcard survey responded to the questionnaire. However, one of the questionnaires received from an official of a state department indicated that his particular state had no involvement with an MBO system. One state department official indicated that his agency was in the planning stage for near-future implementation, and thirty-one state agencies indicated that they were currently using MBO in one or more program areas.

One hundred twenty-four school district officials returned questionnaires. Thirteen of the respondents indicated that their school agencies had no involvement with MBO, and twelve respondents said that they anticipated future use of MBO. Nine respondents indicated that their school districts were in the planning stage for near-future implementation, while ninety respondents indicated that they were currently using MBO in one or more program areas.

Total and Usable Questionnaires

Only those responses from state department and school district officials who indicated that their agencies were in the planning stage for near-future implementation or currently using MBO in one or more program areas were used in the tabulation of the questionnaires.

The numbers and percentages of usable returns from state departments of education and selected school districts are displayed in Table 5.

Thirty-two of thirty-three state departments of education and ninety-nine of 124 respondents from school districts returned questionnaires that were considered usable. Listings of the number of school

districts, according to their respective states, that returned questionnaires used for this study are shown in Table 6.

Table 5
Total and Usable Returns of Questionnaires

Organization	Questionnaires Returned		Questionnaires Usable	
	No.	%	No.	%
State Departments of Education	33	100	32	97
School Districts	124	82	99	80

Table 6
School Districts Participating in MBO

State	No. of School Districts	State	No. of School Districts
Alabama	1	Montana	4
Arkansas	1	Nebraska	1
California	3	New Jersey	3
Colorado	6	New Mexico	1
Connecticut	1	North Carolina	11
Delaware	1	Oregon	4
Georgia	2	Pennsylvania	5
Hawaii	5	Texas	7
Indiana	9	Utah	2
Kansas	7	Vermont	2
Louisiana	10	Washington	2
Maine	5	Wisconsin	1
Maryland	5	Total	99

The three states where it was reported that they had the highest number of school districts using MBO found in this study were North Carolina, Louisiana, and Indiana.

Purpose of the Questionnaire

The survey instrument was administered for three purposes:

1. To establish demographic data on school districts participating in the study and elicit information concerning current MBO implementation practices in state departments of education and local school districts (Part I of the instrument).
2. To determine the level of implementation of state departments of education and local school districts relative to MBO concepts and techniques found in the literature (Part II of the instrument).
3. To compare the relationships and differences of information concerning demographic data and MBO implementation practices with selected concepts and techniques of MBO found in the literature (hypotheses).

Part I of the Questionnaire

Questions designed to gather demographic data and information concerning the means of installation and implementation of MBO in state and local educational agencies were included in Part I of the questionnaire (see Appendixes H and I). The questions in Part I were designed primarily to determine:

1. The geographical setting, pupil population, and per pupil expenditure data for the selected school districts.
2. The current status of MBO implementation.

3. The span of time having elapsed since the initial decision to introduce MBO.
4. The period of time proposed for the system to become fully operational.
5. The educational programs involved.
6. The sources of impetus for implementing MBO.
7. The educational goals developed.
8. The relationship of local, state, and federal governments in the implementation and operation of MBO.
9. Problems encountered in implementing MBO.
10. The utilization of a private consultant to provide in-service training.
11. The utilization of a staff member responsible for the implementation and development of MBO.
12. The use of released time for planning and implementing MBO.
13. The number of hours of in-service training provided for employees.
14. The sources of in-service training materials for personnel involved with MBO.
15. Recommendations for the adoption of MBO.

Data from Part I
of the Questionnaire

Accompanying the problem statement in Chapter 1 were questions designed to gather demographic data and information concerning the current MBO implementation practices in state and local school agencies. Tables illustrating the responses were constructed, which included both the raw data and percentage of responses to each item. Respondents were

asked to respond to identical items, except for the three additional responses solicited from school districts relative to demographic data which included: (1) geographical setting, (2) pupil population, and (3) per pupil expenditure. These items were included in separate tables. Fourteen of the questions in Part I of the questionnaire were specific questions designed to determine the current utilization practices of MBO. These identical items which were designed to elicit responses from officials of both state and local school agencies were tabulated together and presented on the same tables.

Geographical setting, pupil population, and per pupil expenditures. The geographical setting, pupil population, and per pupil expenditure data of selected school districts are shown in Tables 7, 8, and 9 respectively. The school districts surveyed were 21 percent urban, 31 percent suburban, and 48 percent rural. More than one-third of the school districts had a pupil population of less than 6,000 students. Almost one-half of the school districts had a pupil population between 6,000 - 50,000, while 10 percent had a pupil population over 50,000. Respondents indicated that \$1,000 and greater was spent per pupil annually in almost 75 percent of the school districts while under \$1,000 was spent annually in the remaining school districts.

Length of time since initial decision was made to introduce MBO. The span of time that had elapsed since the initial decision was made to introduce MBO into state and local education agencies is displayed on Table 10. Officials of sixteen of thirty-two state departments and thirty of the ninety-nine selected school districts indicated that th

initial decision to introduce MBO was made over four years ago. Five of the state departments and sixteen of the school districts stated that the decision to introduce MBO had been made four years ago. Other responses to the question were as follows: three of the state department and twenty-five of the school district officials indicated that the initial decision to introduce MBO was made three years ago; six state department and sixteen school district officials responded that the initial decision to introduce MBO was made two years ago; and two state department and twelve school district officials said the initial decision to introduce MBO had been made one year ago or less.

Table 7

Geographical Areas of Selected School Districts
by Numbers and Percentages

Setting	No.	%
Urban	21	21
Suburban	31	31
Rural	47	48
Total	99	100

Period of time proposed for MBO to become fully operational.

In planning the use of MBO, the periods of time proposed by state and local educational agencies for the system to become fully operational are shown in Table 11. Six of the responses from officials from the state departments of education (19 percent) and thirty-three of the responses from officials from the selected school districts (34 percent) stated that a period of five or more years was proposed for their

Table 8

Pupil Population of Selected School Districts
by Numbers and Percentages

Category	Responses	% of Total
Less than 1,000	6	6
1,000 - 6,000	32	33
6,000 - 10,000	17	17
10,000 - 20,000	18	18
20,000 - 50,000	16	16
50,000 - 75,000	6	6
75,000 - 100,000	2	2
100,000 or greater	2	2
Total	99	100

Table 9

Per Pupil Expenditures of Selected School Districts
by Numbers and Percentages

Amount	Responses	%
\$ 500	1	1
600	0	0
700	3	3
800	10	10
900	10	10
1,000 or greater	75	76
Total	99	100

Table 10

Lengths of Time Since Initial Decision Was Made to
Introduce MBO into State Departments of Education
and Selected School Districts by Numbers and
Percentages

Category	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Less than 1 year ago	0	0	4	4
1 year ago	2	6	8	8
2 years ago	6	19	16	16
3 years ago	3	9	25	25
4 years ago	5	16	16	16
over 4 years ago	16	50	30	31
Total	32	100	99	100

Table 11

Periods of Time Proposed for MBO System to Become
Fully Operational in State Departments of
Education and Selected School Districts
by Numbers and Percentages

Category	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
1 year or less	9	28	15	15
2 years	5	16	19	19
3 years	10	31	21	21
4 years	2	6	11	11
5 years or more	6	19	33	34
Total	32	100	99	100

educational agencies to become fully operational with MBO. Officials from two state departments and eleven school districts indicated that they had proposed a period of four years for MBO to become fully operational. Three years was the period of time proposed by officials from ten state departments and twenty-one school districts, while officials from five state departments and nineteen school districts indicated a period of only two years for MBO to become fully operational. Finally, officials from nine state departments and fifteen school districts stated that the period of time for MBO to become fully operational was limited to one year or less.

MBO and specific educational programs. Educational programs in state and local school agencies which were representative of participation to some degree with MBO are categorized in Table 12. A wide variety of involvement was indicated, which included administration, curriculum instruction, financial services, library services, special education, counseling and guidance, vocational education, school lunch, school facilities, maintenance, transportation, and federal programs. Open responses were also reported on the questionnaire relative to other programs involving MBO in addition to the above. Some of them included: programs that flowed from board of education priorities, vocational rehabilitation, and personnel services. Officials from school districts reported the use of MBO in such programs as business services, media services, secretarial supervision, services for the gifted and talented, reading, and instructional improvement programs.

Table 12

**MBO Programs in State Departments of Education and Selected
School Districts by Numbers and Percentages**

Programs	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Administration	24	75	79	80
Curriculum and Instruction	21	66	65	66
Financial Services	16	50	32	32
Library Services	13	41	22	22
Special Education	20	63	34	34
Counseling and Guidance	17	53	23	23
Vocational Education	20	63	32	32
School Lunch	16	50	11	11
School Facilities	10	31	19	19
Maintenance	10	31	18	18
Transportation	12	38	12	12
Federal Programs	20	63	25	25
Other	9	28	10	10

Sources of impetus for implementing MBO. A majority of the educational agency officials indicated that the chief educational officer was the main impetus for implementing MBO, as is shown in Table 13. Sixteen of the officials of the state departments of education and seventy-seven officials from selected school districts named the chief educational officer as the main impetus for implementing MBO. Only four from the state departments and three from the school districts gave state legislative mandate as the reason for implementing MBO. Thirteen

percent from the state departments indicated that federally-funded projects were the source of impetus for implementation of MBO; however, 22 percent from the school districts gave this reason. An additional 16 percent from the state departments indicated that employee groups were the reason for implementing MBO, while this reason was given by only 6 percent from the school districts. Three percent from school districts reported that such involvement originated from citizen groups, but none from state departments gave this reason.

Table 13

Sources of Impetus for Implementing MBO Into State
Departments of Education and Selected School
Districts by Numbers and Percentages

Sources of Impetus	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Chief Education Officer	16	50	77	78
State Legislative Mandate	4	13	3	3
Federally-Funded Project	4	13	22	22
Employee Groups	5	16	6	6
Citizen Groups	0	0	3	3
Other	6	19	21	21

Respondents were invited to list other sources of impetus for the implementation of MBO. Those from state departments reported the following sources: the state director of vocational education, management staff, state administrative director, planning and evaluation division, accounting systems, board of regents, and administrative office

leadership. Those from school districts included the following sources: administration and school board, research, state department of education, planning committee, assistant superintendent of research and development, and education service center.

Goals developed for implementation of MBO. A wide variety of goals developed for the implementation of MBO were represented in the responses of officials who were asked to circle all that applied to their situation and add others that were not listed on the questionnaire as is shown in Table 14. The most popular response to this question was that of MBO being used as an instrument of accountability. Officials of twenty of the thirty-two state departments and seventy of the local school districts listed this reason. In other words, accountability was listed as a goal for developing MBO in 63 percent of the state agencies and in 71 percent of the school districts. Officials from 61 percent of the school districts listed the evaluation of administrators as a goal in the implementation of MBO, while only 19 percent from the state departments gave this reason. Fifty-two percent from school districts listed evaluation of teaching and instructional programs as MBO goals. Only one from state departments gave this reason. Administrative control of resources and expenditures were listed for 59 percent of the responses from state departments and 49 percent from school districts, while compliance with legislative mandate was listed for only 9 percent and 6 percent of the responses respectively.

Respondents were invited to list other goals developed for the implementation of MBO. Those reported by state department officials included: staff reduction method, improved effectiveness of managers

and staff, planning and management tool, improved communications, organizational development, participatory management, improved coordination and better use of resources, related cost activities, management planning process involved with PPBS, and educational improvement based on an assessment of needs. Responses received from school district officials included: an overall planning and evaluation tool, a method to justify administrative expenses, individual professional development, a way to improve instruction, determination of the salary process, process to improve the efficiency of staff effort and expenditure priority, and method to gain a commitment to specific directions for the system.

Table 14

**Specific Goals Developed for Implementation of MBO
into State Departments of Education and Selected
School Districts by Numbers and Percentages**

Item	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Instrument of Accountability	20	63	70	71
Evaluation of Administrators	6	19	59	61
Evaluation of Teaching and Instructional Programs	1	3	51	52
Administrative Control of Resources and Expenditures	19	59	49	49
Compliance with Legislative Mandate	3	9	6	6
Other	13	41	13	13

Degree of autonomy in decision to implement MBO. A great majority of the officials representing the state departments of education and selected school districts indicated that educational agencies are free to make their own decisions as to the use of MBO. This information is illustrated in Table 15. Responses of representatives from 81 percent of state departments and 98 percent of selected school districts indicated a freedom of choice to implement MBO. Only one response from a state department official and one response from a school district official indicated they were required to use MBO for the receipt of federal funds.

Table 15

Degrees of Autonomy in Decision to Implement MBO
in State Departments of Education and Selected
School Districts by Numbers and Percentages

Item	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Free to make own decision	26	81	97	98
Required for receipt of Federal funds	1	3	1	1
Other	5	16	1	1
Total	32	100	99	100

Other responses listed by state representatives included the use of MBO as a prerequisite for the receipt of state revenue, requirement for program budgeting by the state central accounting office, and state mandate. One school district official reported that their MBO program resulted from a district administrative decision.

Problems encountered in implementing MBO. The question regarding problems encountered in implementing MBO resulted in a variety of responses. This was a question in which the respondent was asked to circle all responses which applied to his situation. The results of this question are shown in Table 16. Both state departments of education and selected school district respondents indicated that allotting time for in-service training and work on planning and implementation was the single greatest problem. Officials from 63 percent of the state agencies and 69 percent of the school districts responded to this item. The second greatest problem seemed to be bringing reluctant personnel into full participation. Responses to this item amounted to 63 percent from state departments and 59 percent from school districts. Maintaining and collecting documentation, as well as communicating fundamental concepts of MBO were listed by officials from both state and local agencies. The turnover of key personnel and lack of funds were not listed as major problems in either of the agencies.

Other responses listed by state departments officials to this question included the following: setting unrealistic numbers of objectives to accomplish, conflicting directions from the governor and legislatures, implementation of two-way communication, time limitations, designing components of the system to best meet needs, translating legislative mandates into MBO, clarity of goals, and chief's zeal to make it work too soon. School district officials reported problems concerning objections of teacher groups to accountability-related concepts, developing an awareness of sub-system activities at the organizational level, complexity of implementation in a large system, problems of costs and benefits of maintaining the detail of accounting required, and the

absence of satisfying instruments and procedures for evaluating program outcomes.

Table 16

Problems Encountered in Implementing MBO in State Departments of Education and Selected School Districts by Numbers and Percentages

Category	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Bringing reluctant personnel into full participation	20	63	58	59
Maintaining and collecting documentation	13	41	33	33
Turnover of key personnel	4	13	10	10
Lack of funds	5	16	16	16
Allotting time for in-service training and work on planning and implementation	20	63	68	69
Communicating fundamental concepts of MBO	12	36	48	48
Other	11	34	5	5

Private consultants used in in-service training. The respondents were asked if private consultants were used in in-service training for MBO implementation, and if so, what phases of the program they were used. The responses to this question are found in Table 17. Eighteen of the officials of the thirty-two state departments of education indicated that they had used consultants in in-service training. This number represents 56 percent of the state departments of education. A

majority of the respondents, 57 percent, also indicated that they had used consultants for in-service training.

Table 17

Reporting State Departments of Education and
Selected School Districts that used Private
Consultants in MBO In-Service Training
by Numbers and Percentages

Actions	State Department				School District			
	Yes	%	No	%	Yes	%	No	%
Private consultant used in in-service training	18	56	14	44	56	57	43	43

The respondents who said they had used consultants in their MBO system were asked to indicate the phases of their use. This information is found in Table 18. The following phases were listed for their selection, as well as space being provided for their open response: orientation, implementation, operation, and evaluation. The most popular response to this question from both state and local level officials was the orientation phase. However, 56 percent of the officials representing state departments of education said that consultants were used in the implementation phase. One of the open responses reported in the "other" category was described as follow-up, which suggested that MBO consultants are used continuously.

MBO coordinator. Was it necessary to utilize a staff member whose primary responsibility was to coordinate and develop the implementation of MBO? Officials from state department of education and selected school districts were asked to respond to this question with a "yes" or "no"

answer. The information relative to this question is found in Table 19. A majority of both the officials from the state and local education agencies indicated they did have a coordinator assigned to implement MBO. Twenty-three of the thirty-two state department officials and fifty-three of the ninety-nine school district officials answered affirmatively to this question. This also represented 72 percent of the state agencies and 54 percent of the school districts.

Table 18

Phases of MBO Program in Reporting State Departments of Education and Selected School Districts in which Private Consultant Participated by Numbers and Percentages

Phases	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Orientation	14	44	51	52
Implementation	18	56	26	26
Operational	3	9	18	18
Evaluation	2	6	15	15
Other	2	6	3	3

Table 19

State Departments of Education and Selected School Districts that Designated a Coordinator for MBO Implementation by Numbers and Percentages

	State Department				School District			
	Yes	%	No	%	Yes	%	No	%
Staff member whose primary responsibility was to coordinate the development and implementation of MBO	23	72	9	28	53	54	46	46

Released time. Responses relative to the necessity to provide released time for personnel for planning and implementing MBO in state and local educational agencies are revealed in Table 20. Regarding this question, only 28 percent of the officials from state departments of education responded positively to this question. However, officials from selected school districts answered positively in 50 percent of the cases.

Table 20

State Departments of Education and Selected School Districts that Provided Released Time for Planning and Implementing MBO by Numbers and Percentages

	State Department				School District			
	Yes	%	No	%	Yes	%	No	%
Released time provided for planning and implementing MBO	9	28	23	72	49	50	50	50

Hours of in-service training. Responses to a question designed to determine how many hours, if any, of in-service training were provided for employees during the first year of MBO implementation are included in Table 21. Only 3 percent of the responses from officials of state departments of education and 2 percent of the officials from selected school districts answered that no released time was provided for in-service training. Forty-one percent of the officials from state departments of education and 34 percent from the school districts responded that they were spending between one and ten hours on in-service training. Officials from thirty-eight percent of state departments and 25 percent of the selected school districts indicated that they were

provided between eleven and twenty hours of in-service training. Only 3 percent from the state departments and 11 percent from the school districts said they were spending between twenty-one and thirty hours on in-service training. The final selection, over thirty hours of in-service training, was selected by 15 percent from the state departments and by 28 percent from the school districts.

Table 21

Hours of MBO In-Service Training Provided for
Employees During First Year of MBO
Implementation in Reporting State
Departments of Education and
Selected School Districts by
Numbers and Percentages

In-Service Hours	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
None	1	3	2	2
1-10	13	41	33	34
11-20	12	38	25	25
21-30	1	3	11	11
Over 30	5	15	28	28
Total	32	100	99	100

Sources of in-service training material. A wide variety of sources of in-service training material were represented in the responses as officials were asked to circle all that applied and to add others that were not listed. These sources of in-service training are represented in Table 22. The most often-mentioned source was workshops. A large majority of twenty out of thirty-two state agency representatives and

and seventy-nine out of ninety-nine school district representatives reported involvement with MBO workshops. Less popular responses included reading books and periodicals and intensive short courses on MBO. The least-mentioned source listed on the questionnaire was university and college courses.

Table 22

Most Important Sources of In-Service Training Materials for Personnel Involved in Implementing MBO in Reporting State Departments of Education and Selected School Districts by Numbers and Percentages

Items	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Reading books and periodicals	10	31	39	39
Workshops	20	62	79	80
University and college courses	4	13	9	9
Intensive short courses on MBO	5	16	20	20
Other	10	31	23	23

Some school officials added other sources not included in the questionnaire. Some of the sources listed from state agencies included: management seminars, staff meetings, and generation of in-house materials. School district representatives reported using seminars, federally-funded management programs, AASA convention presentations, AMA training packages, and visits to other systems where MBO was used.

Recommendations by officials from state departments of education and selected school districts for educational agencies contemplating implementation of MBO. Both state education departments and school district officials recommended the use of MBO as is illustrated in Table 23. Of the state departments, officials reported that 22 percent from state departments and 44 percent from the school districts highly recommended the use of MBO. Forty-seven percent of the officials from the state departments and 33 percent of the officials from school districts indicated that they would recommend the use of MBO with few reservations. Twenty-five percent of the officials from the state departments and 18 percent of the officials from the school districts recommended MBO on a limited basis only. Only one official, a state department representative, said that he would not recommend the implementation of MBO.

Table 23

Recommendations of Reporting State Departments of
Education and Selected School Districts for
Educational Agencies Contemplating
Implementation of MBO by Numbers
and Percentages

Items	State Department		School District	
	Responses	% (N=32)	Responses	% (N=99)
Highly recommend	7	22	43	44
Recommend with few reservations	15	47	33	33
Recommend on limited basis only	8	25	18	18
Definitely do not recommend	1	3	0	0
No opinion	0	0	3	3
Other	1	3	2	2
Total	32	100	99	100

Some state and local officials made additional comments regarding the above question. Several of these comments by state officials were as follows: (1) I like the MBO idea because as budgets are cut you can also delete activities. MBO also forces the activities to be prioritized. (2) It provides intensive planning and clear goals. After three or four years, the second and third level administrators stated it was the most helpful tool they had in carrying out their responsibilities. Many program specialists still resist the system, feeling it is a waste of time because top management priorities are superimposed. (3) Implement only with top level administrative commitment.

Some comments by school district officials were as follows:

(1) Conceptual framework must be articulated prior to technical training. A sense of system inter-relationships and commitment must be generated. System-wide feedback mechanisms must be fruitful at the policy and operational levels. (2) Depends upon the resources of the district: don't over-extend yourself. Don't attempt more sophistication in your approach to MBO than your time and resources (human and otherwise) allow. (3) Accounting aspects highly recommended; goal definition highly recommended; evaluation highly recommended in specified areas of learning.

Part II of the Questionnaire

Thirty-two selected statements relative to MBO standards extracted from a review of the literature were included in Part II of the questionnaire. These statements were designed to gather information relating to the processes and components of MBO that actually existed in educational agencies. Officials representing state departments of education and selected school districts responded to identical items in Part II of the

questionnaire (see Appendix J). The statements were related to four general subareas characteristic of MBO concepts and techniques, which included: (1) approaches to MBO implementation (questions 1-3); (2) utilization of systems (questions 4-8); (3) objective setting (questions 9-23); and (4) performance appraisal (questions 24-32).

Responses were treated by utilizing a summated rating scale based upon the Likert-type scaling system. This approach involved the use of a five-point (1-5) scale scored as follows:

- 1 - not at all
- 2 - to a slight extent
- 3 - to a moderate extent
- 4 - to a fairly large extent
- 5 - to a very large extent

Data from Part II of the Questionnaire

Results of individual questions were analyzed to determine the extent of utilization of particular MBO practices. This was accomplished by the summated tally of each of the possible responses to each question and calculated mean score for each question. The highest possible mean score was 5 and the lowest was 1. Two questions, number 23 and number 32, were negative questions but were stated in a positive manner for testing consistency of responses. When mean scores were calculated for these two questions, the five-point scale was reversed. Raw scores, percentages of responses, and means were calculated for each question and are included in tables which follow.

Finally, a similarly analytical procedure as above was used to determine the extent of utilization of items in the questionnaire that

were grouped into the four general subareas characteristic of MBO concepts and standards mentioned earlier. The means of each general area and the grand mean were calculated and presented in tables prepared for data analysis and discussion.

Approaches to MBO implementation. Responses to three statements received from representatives of state and local educational agencies concerning MBO standards in the subarea of approaches to MBO implementation are illustrated in Table 23. The statements in this category were formulated to determine how MBO was introduced in educational agencies. These statements and responses are discussed in the following:

1. The top management in our agency has the responsibility to set broad goals for the organization.

Respondents to this MBO standard indicated that state department of education (mean score of 4.3) and selected school district (mean score of 4.5) officials generally believe that top management should set broad goals for the organization. The overall rating of this MBO standard was one of the highest recorded for questions in Part II of the questionnaire.

2. The chief administrator in our agency must establish the overall grand design for our MBO system.

Responses to the above MBO standard were varied. School district officials generally rated this standard much higher (mean score of 4.3) than did officials representing state departments of education (mean score of 3.6). Local officials ranked this standard in the category of agreement to a "very large extent," and the officials from state departments ranked the standard somewhat lower.

3. In our educational agency, most administrators have the freedom to exercise self-direction and self-control in the pursuit of objectives which they have been responsible for accomplishing.

School officials from both state departments of education and selected school districts responded with high ratings relative to the above MBO standard. School district representatives gave this standard the highest total rating (mean score of 4.7) of all the MBO standards found in Part II of the questionnaire. Ratings received from state department officials were also high (mean score of 4.1) for this standard. See Table 24 for the above data.

Utilization of a systems approach to MBO. Responses from state and selected school district officials to five statements relating to the area of a systems approach in MBO are illustrated in Table 24. The statements relating to MBO standards in the subarea of a systems approach include information relative to management function, flow of communication, goal hierarchy, job description, and long and short range goals. The statements in Table 24 are discussed individually in the following:

4. MBO in our agency requires that each participant have an understanding of management function, i.e. planning, organizing, directing, coordinating, and evaluating.

High ratings were received from officials from both state departments of education (mean score of 3.9) and school districts (mean score of 4.4) concerning the MBO standard relative to management function. The scores from these officials indicated that school administrators who participated in this study believed that sound management practices must be carried out in an educational agency before an MBO system can be implemented.

Table 24

Responses from State Departments of Education and Selected School Districts to Items on a Five-Point Summated Scale Relating to the Subarea of Approaches to MBO Implementation by Rankings and Percentages

Ranking of MBO Standards	5		4		3		2		1													
	Very Large Extent	Fairly Large Extent	Moderate Extent	Slight Extent	Not at All																	
MBO Standards	State Department (N=32)											State Department (N=32)										
	5	%	4	%	3	%	2	%	1	%	Mean	5	%	4	%	3	%	2	%	1	%	Mean
The top management in our agency has the responsibility to set broad goals for the organization.	16	50	13	41	1	3	1	3	1	3	4.3	64	65	25	25	4	4	4	4	2	2	4.5
The chief administrator in our agency must establish the overall grand design for our MBO system.	9	28	13	41	3	9	3	9	4	13	3.6	51	52	30	30	13	13	4	4	1	1	4.3
In our educational agency most administrators have the freedom to exercise self-direction and self-control in the pursuit of objectives which they have been responsible for accomplishing.	10	31	17	53	4	13	0	0	1	3	3.4	68	69	27	28	3	3	0	0	0	0	4.7

5. In our organization there is a free flow of communication between upper and lower organizational levels in the determining of goals.

Officials representing school districts rated this MBO standard higher (mean score of 4.2) than officials from state departments of education (mean score of 3.5). School officials responding to this statement approved of it at the "slight extent" level or above.

6. The general goals of our organization are broken down into smaller and smaller units.

This systems approach standard of MBO was rated highly by officials from both state departments of education and school districts. Ratings received from officials from school districts were slightly higher (mean score of 4.1) than ratings received from officials of state departments (mean score of 4.0).

7. The superior and subordinate must each have a thorough understanding of the descriptions and limits of the subordinate's job during the development of objectives.

Officials representing school districts rated this MBO standard very high (mean score of 4.4) when compared to the other standards used in the study. Officials from state departments also responded with a high rating to this standard (mean score of 4.1). This high rating indicated that school administrators believed that well-developed position descriptions are important for the success of an MBO system.

8. In our MBO system, long range results are separated from short range results.

Lower than expected ratings were received to this MBO standard. Both state department officials (mean score of 3.0) and school district

officials (mean score of 3.6) rated this MBO standard in the category of "moderate extent" approval. See Table 25 for the above data.

Objective-setting in an MBO system. The responses received from officials of state departments of education and selected school districts relative to the area of objective-setting in an MBO system are shown in Table 25. Responses received from officials to statements 9 through 23 contained information regarding the objective-setting process, communication between the superior and subordinate concerning objectives, priorities of objectives, evaluation of objectives, responsibility for accomplishing objectives, work plans and accomplishment dates. The statements are discussed in the following:

9. A key element of MBO in our agency is the objective-setting process where the superior and subordinate agree to the latter's performance objectives.

Officials of school districts rated this MBO standard higher (mean score of 4.2) than did officials of state departments (mean score of 3.7). School district officials agreed to this statement in the category of "fairly large extent," while state department officials agreed with the statement in the category of "moderate extent."

10. In our agency, emphasis is placed upon the importance of the superior's participation in the objective-setting process.

School district officials scored higher (mean score of 4.5) than did state department officials (mean score of 3.8) on this item. Local school officials agreed to this statement to a "fairly large extent," while scores from state officials reflected only a "moderate extent" of approval.

Table 25

Responses from State Departments of Education and Selected School Districts to Items on a Five-Point Summated Scale Relating to the Subarea of Utilization of MBO Systems by Rankings and Percentages

Ranking of MBO Standards	5-----4-----3-----2-----1																					
	Very Large Extent		Fairly Large Extent		Moderate Extent		Slight Extent		Not at All													
MBO Standards	State Department (N=32)										School District (N=99)											
	S	%	S	%	S	%	S	%	S	%	S	%	S	%	S	%	S	%	S	%	S	%
MBO in our agency requires that each participant have an understanding of management functions, i.e., planning, organizing, directing, coordinating, and evaluating.	10	31	10	31	10	31	2	6	0	0	3.9	56	57	32	32	8	8	2	3	1	1	4.4
In our organization, there is a free flow of communication between upper and lower organizational levels in the determining of goals.	4	13	12	38	13	41	3	9	0	0	3.5	46	47	31	31	17	17	5	5	0	0	4.2
The general goals of the organization are broken down into smaller and smaller units.	13	41	7	22	10	31	2	6	0	0	4.0	46	47	29	29	17	17	6	6	1	1	4.1
The superior and subordinate must each have a thorough understanding of the descriptions and limits of the subordinate's job during the development of objectives.	11	34	15	47	4	13	2	6	0	0	4.1	57	58	30	31	8	8	3	3	0	0	4.4
In our MBO system, long range results are separated from short range results	5	17	6	19	10	31	6	19	5	16	3.0	26	26	28	28	31	31	12	12	2	2	3.6

11. In our agency, a critical examination of all available data takes place in order to determine needs and priorities of setting goals and objectives.

School district officials rated this standard of MBO higher (mean score of 4.0) than did officials from state departments of education (mean score of 3.2). This indicated that school district officials agreed with the statement in the category of "fairly large extent," while state department officials agreed with the statement in the category of "moderate extent."

12. In our agency evaluation plans have been established to determine the worth of each objective.

Both state and local officials rated this standard of MBO in the category of "moderate extent." However, school district officials reported a higher level of agreement for this standard (mean score of 3.5) as compared to state officials (mean score of 3.0).

13. A list of management processes, for which objectives are written, is agreed upon by the persons who will be responsible for accomplishing them.

School district officials rated this MBO standard higher (mean score of 4.0) than did state department officials (mean score of 3.4).

14. In our MBO system, management process objectives are written for each management process.

State and local officials rated this above MBO standard relatively low. The calculated mean score of state department officials was slightly lower (mean score of 3.2) than the calculated mean score of school district officials (mean score of 3.4).

15. Each process objective specifies a tangible product that can be used as documentation that the objective has been accomplished.

School district officials rated this MBO standard somewhat higher (mean score of 3.8) than did officials from state departments of education (mean score of 3.5). Mean scores calculated for local and state officials indicate that officials from both educational agencies agree with the above MBO standard in the category of "moderate extent."

16. The name of the person(s) who is/are responsible to see that each respective objective is accomplished is specified in writing.

School district officials rated this MBO standard higher (mean score of 4.1) than did state department officials (mean score of 3.8). School district officials rated their level of agreement to this standard in the category of "fairly large extent," while state department officials rated it in the category of "moderate extent."

17. Appropriate activities for the accomplishment of each of the objectives are specified in writing.

Mean scores calculated from responses of state (mean score of 3.8) and local school officials (mean score of 3.9) were very close concerning the above standard. These mean scores reflected agreement in the "moderate extent" from both state and local agency officials.

18. Projected accomplishment dates have been specified in writing for each of the respective objectives.

Both state department officials (mean score of 4.0) and school district officials (mean score of 4.2) responded with a high rating concerning the above MBO standard. This high rating was a strong indicator that school officials believed that accomplishment dates should be specified in writing for each objective.

19. Staff development objectives which stress professional growth are a part of our MBO system.

School district officials rated the importance of professional growth objectives higher (mean score of 3.8) than their counterparts in state departments of education (mean score of 3.2). This MBO standard was rated in the "moderate extent" category by officials of both state and local agencies.

20. Objectives which stress decision-making are a part of our MBO system.

The importance of decision-making objectives in an MBO system was rated higher by officials from school districts (mean score of 3.8) than by officials representing state departments of education (mean score of 3.4). This MBO standard was rated in the "moderate extent" category by officials representing both local and state agencies.

21. Objectives which stress innovation are a part of our MBO system.

Both state department officials and school district officials approved of this MBO standard in the "moderate extent" category. Ratings received from officials from state departments (mean score of 3.3) were slightly lower than ratings received from school district officials (mean score of 3.5).

22. In our agency, written individual improvement work plans are devised to aid staff members in achieving objectives.

Ratings received from school district officials (mean score of 3.0) were slightly higher than those received from state department officials (mean score of 2.7). Both state and local officials gave this MBO standard one of the lowest ratings of all the items on Part II of the questionnaire.

23. A list of specific objectives is compiled by top administrators and supervisors for those who will be responsible for accomplishing them.

The rating system was reversed for the above statement for the purpose of recording appropriate responses received. This is one of the negative statements referred to earlier in the study which, if reversely stated, is the following: Top administrators and subordinates jointly compile a list of specific objectives. This MBO standard received a similar response from state department officials (mean score of 3.3) and school district officials (means score of 3.1). Responses from both groups of school administrators indicated an agreement to this MBO standard in the category of "moderate extent." Although stated in a negative manner responses to this statement were affirmative when the earlier mentioned reversed scoring was used. Therefore, the mean score calculated for this statement was similar in measure to the other statements in Part II of the questionnaire. See Table 26 for the above data.

Performance appraisal in an MBO system. Nine statements relative to the area of performance appraisal are illustrated in Table 26. Officials from state departments of education and selected school districts were asked to rank these MBO standards, which included information relative to performance review, monitoring and control, accountability, and evaluation. These statements and the responses received are discussed in the following:

24. In our agency, MBO has proved to be an excellent tool for improving interpersonal relations, public relations, personnel effectiveness, and accountability.

Table 26

Responses from State Departments of Education and Selected School Districts to Items on a Five-Point Summated Scale Relating to the Subarea of Objective-Setting in an MBO System by Rankings and Percentages

Ranking of MBO Standards	5		4		3		2		1		Mean	5		4		3		2		1		Mean
	Very Large Extent		Very Large Extent		Moderate Extent		Slight Extent		Not at All													
MBO Standards	State Department (N=32)											School District (N=99)										
	5	%	4	%	3	%	2	%	1	%	Mean	5	%	4	%	3	%	2	%	1	%	Mean
A key element of MBO in our agency is the objective setting process where the superior and subordinate agree to the latter's performance objectives.	7	22	11	34	11	34	3	9	0	0	3.7	55	56	19	19	19	19	4	4	1	1	4.2
In our agency, emphasis is placed upon the importance of the superior's participation in the objective setting process.	9	28	11	34	10	31	2	6	0	0	3.8	62	63	29	29	5	5	2	2	1	1	4.5
In our agency, a critical examination of all available data takes place in order to determine needs and priorities in setting goals and objectives.	3	9	10	31	11	34	7	22	1	3	3.2	33	33	34	34	26	26	6	6	0	0	4.0
In our agency evaluation plans have been established to determine the worth of each objective.	3	9	5	16	14	44	7	22	3	9	3.0	22	22	33	33	23	23	17	17	4	4	3.5

Table 26. (continued)

Ranking of MBO Standards	5		4		3		2		1		Not at All											
	Very Large Extent	Fairly Large Extent	Moderate Extent	Slight Extent	Not at All																	
MBO Standards	State Department (N=32)										School District (N=99)											
	5	%	4	%	3	%	2	%	1	%	Mean	5	%	4	%	3	%	2	%	1	%	Mean
A list of management processes, for which objectives are written, is agreed upon by the persons who will be responsible for accomplishing them.	7	22	7	22	11	34	7	22	0	0	3.4	37	38	30	31	22	22	8	8	1	1	4.0
In our MBO system, management process objectives are written for each management process.	7	22	5	16	11	34	6	19	3	9	3.2	21	22	20	21	35	36	16	17	5	5	3.4
Each process objective specifies a tangible product that can be used as documentation that the objective has been accomplished.	6	19	10	31	11	34	3	9	2	6	3.5	33	34	31	32	18	18	15	15	1	1	3.8
The name of the person(s) who is/are responsible to see that each respective objective is accomplished is specified in writing.	4	44	8	25	3	9	5	16	2	6	3.8	47	48	26	27	18	18	3	3	4	4	4.1
Appropriate activities for the accomplishment of the objectives are specified in writing.	13	41	5	16	9	28	5	16	0	0	3.8	38	38	31	31	18	18	9	9	3	3	3.9
Projected accomplishment dates have been specified in writing for each of the respective objectives.	17	53	4	13	5	16	6	19	0	0	4.0	52	53	27	27	12	12	6	6	2	2	4.2

Table 26. (continued)

Ranking of MBO Standards	5-----4-----3-----2-----1																					
	5 Very Large Extent		4 Fairly Large Extent		3 Moderate Extent		2 Slight Extent		1 Not at All													
MBO Standards	State Department (N=32)										School District (N=99)											
	5	X	4	X	3	X	2	X	1	X	Mean	5	X	4	X	3	X	2	X	1	X	Mean
Staff development objectives which stress professional growth are a part of our MBO system.	5	16	6	19	14	44	5	19	1	3	3.2	36	37	24	25	25	26	8	8	5	5	3.8
Objectives which stress decision-making are a part of our MBO system.	6	19	6	19	14	44	6	19	0	0	3.4	26	26	40	40	21	21	8	8	4	4	3.8
Objectives which stress innovation are a part of our MBO system.	4	13	9	28	13	41	6	19	0	0	3.3	18	18	33	33	31	31	12	12	5	5	3.5
In our agency, written individual improvement work plans are devised to aid staff members in achieving objectives.	3	9	3	9	11	34	10	31	5	16	2.7	16	16	18	19	29	30	18	19	15	16	3.0
A list of specific objectives is compiled by top administrators and supervisors for those who will be responsible for accomplishing them.	5	16	10	31	10	31	4	13	3	9	3.3	23	24	19	19	26	27	12	12	18	18	3.1

Officials from school districts rated this MBO standard somewhat higher (mean score of 3.7) than did their counterparts in state departments of education (mean score of 3.3).

25. Individual administrators in our MBO program are evaluated on the basis of performance specified in objectives for which they are responsible for accomplishing.

Information collected from state and local school officials reflected a broad variety of responses. Mean scores indicated an approval of this MBO standard in the category of "moderate extent," with school district officials' ratings (mean score of 3.4) slightly higher than ratings received from officials from state departments (mean score of 3.3).

26. In our system, information monitoring and reporting must be built into the objective-setting process in order to provide for continuous testing against actual events.

Ratings received from school officials on the state and local levels were very similar in response to the above statement. School district offices rated this MBO standard slightly higher (mean score of 3.7) than did state department officials (mean score of 3.6).

27. As objectives are pursued, there are periodic reviews of performance between the subordinate and his superior to assess progress.

Overall responses to this important MBO standard were relatively high. Responses received from school district officials (mean score of 4.0) were generally in the category of agreement to a "fairly large extent." Returns from state departments (mean score of 3.8) were generally in the category of agreement to a "moderate extent."

28. Our administrators and supervisors are required to identify the contributions they make toward the achievement of their respective goals and objectives for which they are responsible.

Response to this MBO standard was very similar between officials from state and local school agencies. Officials from selected school districts rated this statement slightly higher (mean score of 3.6) than did officials representing state departments of education (mean score of 3.5).

29. Evaluation plans, adequate for determining when each of the objectives has been accomplished, have been specified in writing for each of the respective objectives.

The use of evaluation plans was rated in the category of approval to a "moderate extent." Officials representing school districts rated this MBO standard generally higher (mean score of 3.8) than did officials from state departments of education (mean score of 3.3).

30. Written performance objectives and action plans are revised, or deleted and replaced, according to need one or more times per year.

State department officials and selected school district officials responded to this MBO standard in a similar fashion. Respondents from school districts generally rated the statement higher (mean score of 3.7) than did respondents from state departments (mean score of 3.6). Both overall ratings were in the grouping of approval to a "moderate extent."

31. In our system evaluation has proved to be useful in determining salary.

Contrary to expectations, there were low ratings from officials at both the state and local levels to this MBO standard. Responses from selected school district officials were slightly higher (mean score

of 1.7) than those received from state department officials (mean score of 1.6). However, responses from both state and local officials rated only high enough to be placed in the category of approval to a "slight extent."

32. In our MBO system, the evaluation of individual administrators is often influenced more by personality factors than by results accomplished.

The rating system was reversed for the above statement for the purpose of recording appropriate responses received. This is one of the negative statements referred to earlier in the study which, if reversely stated, is the following: In our MBO system, the evaluation of individual administrators is not influenced by personality but by results accomplished. Responses show that administrators in educational MBO systems are evaluated on results accomplished. Ratings relative to this standard of MBO were somewhat higher from school district officials (mean score of 4.2) than from state department officials (mean score of 3.8). Although stated in a negative manner, responses to this statement were affirmative when the above-mentioned reversed scoring system was used. Therefore, mean scores calculated for this statement were similar in measure to the other statement in Part II of the questionnaire. See Table 27 for the above data.

Overall Totals for Part II of the Questionnaire

The mean scores that were calculated for the entire group of items in each of the four general subareas of MBO standards found on Part II of the questionnaires received from officials are presented in Table 28. These four general subareas included: approaches to implementation, utilization of systems, objective setting, and performance appraisal.

Table 27

Responses from State Departments of Education and Selected School Districts to Items on a Five-Point Summated Scale Relating to the Subarea of Performance Appraisal in an MBO System by Rankings and Percentages

Ranking of MBO Standards	5		4		3		2		1		Mean											
	Very Large Extent		Fairly Large Extent		Moderate Extent		Slight Extent		Not at All													
MBO Standards	State Department (N=32)											School District (N=99)										
	5	%	4	%	3	%	2	%	1	%	Mean	5	%	4	%	3	%	2	%	1	%	Mean
In our agency, MBO has proved to be an excellent tool for improving inter-personal relations, public relations, personnel effectiveness, and accountability.	2	6	13	40	9	28	8	25	0	0	3.3	24	25	33	34	29	30	10	10	1	1	3.7
Individual administrators in our MBO program are evaluated on the basis of performance specified in objectives for which they are responsible for accomplishing.	7	22	8	25	9	28	5	16	3	9	3.3	28	28	21	21	28	28	10	10	12	12	3.4
In our MBO system, information monitoring and reporting must be built into objective setting process in order to provide for continuous testing against actual events.	8	25	9	28	10	31	4	13	1	3	3.6	31	32	26	27	20	20	19	19	2	2	3.7

Table 27. (continued)

Ranking of MBO Standards	5		4		3		2		1		Mean											
	Very Large Extent		Fairly Large Extent		Moderate Extent		Slight Extent		Not at All													
MBO Standards	State Department (N=32)											School District (N=99)										
	5	%	4	%	3	%	2	%	1	%	Mean	5	%	4	%	3	%	2	%	1	%	Mean
As objectives are pursued, there are periodic reviews of performance between the subordinate and his superior to assess progress.	10	31	10	31	8	25	3	9	1	3	3.8	37	39	30	31	21	21	8	8	2	2	4.0
Our administrators and supervisors are required to identify the contributions they make toward the achievement of their respective goals and objectives for which they are responsible.	8	25	8	25	8	25	7	22	1	3	3.5	27	28	27	28	26	27	9	9	9	9	3.6
Evaluation plans, adequate for determining when each of the objectives has been accomplished, have been specified in writing for each of the respective objectives.	7	22	6	19	9	28	9	28	1	3	3.3	28	29	31	32	27	28	11	11	1	1	3.8
Written performance objectives and action plans are revised, or deleted and replaced, according to need one or more times per year.	10	31	27	22	8	25	5	16	2	6	3.6	31	32	32	33	17	17	14	14	4	4	3.7
In our system MBO evaluation has proved to be useful in determining salary.	0	0	2	6	3	9	6	19	21	66	1.6	6	6	5	5	5	5	17	18	63	66	1.7

Chapter 27. (continued)

Ranking of MBO Standards	5		4		3		2		1													
	Very Large Extent		Fairly Large Extent		Moderate Extent		Slight Extent		Not at All													
MBO Standards	State Department (N=32)											School District (N=99)										
	5	%	4	%	3	%	2	%	1	%	Mean	5	%	4	%	3	%	2	%	1	%	Mean
In our MBO system, the evaluation of individual administrators is often influenced more by personality factors than by results accomplished.	7	22	13	41	10	31	1	3	1	3	3.8	46	50	29	30	15	17	5	5	1	1	4.2

Testing of Hypotheses

Twelve hypotheses were developed to be tested. Hypotheses one through three were stated to reflect that there would be significantly higher mean scores on Part II of the questionnaire for officials from selected school districts in suburban geographical areas as compared to officials from selected school districts found in urban and rural areas; officials from selected school districts with expenditures of \$800 or more per pupil annually as compared to those officials from selected school districts expending a lesser amount; and officials from selected school districts with 50,000 or more pupils as compared to officials from selected school districts with few numbers of pupil population.

Hypotheses four through twelve were stated to reflect that there would be significantly higher mean scores on Part II of the questionnaire for officials from both state departments of education and selected school districts relative to the following: educational agencies where the initial decision was made to implement MBO over four years ago as compared to educational agencies where the initial decision was made to implement MBO in periods of time less than four years ago; educational agencies where a period of five years or more was planned for MBO to become fully operational as compared to educational agencies where a period of time less than five years was planned for MBO to become fully operational; educational agencies where MBO was specified as an instrument of accountability as compared to educational agencies where other goals were specified for MBO; educational agencies where a staff member was designated whose primary responsibility was to coordinate the development and implementation of MBO as compared to educational agencies where a staff

member was not designated to coordinate the development and implementation of MBO; educational agencies where a freedom of choice was indicated in the use of MBO as compared to educational agencies where the use of MBO was a requirement; educational agencies where private consultants were utilized to provide in-service training as compared to educational agencies that did not utilize private consultants for in-service training; educational agencies where released time was provided for personnel for planning and implementing MBO as compared to educational agencies where released time was not provided for personnel for planning and implementing MBO; educational agencies where employees were provided with more than thirty hours of in-service training as compared to educational agencies where employees were provided with thirty hours or less of in-service training; and educational agencies where a high recommendation of MBO was indicated as compared to educational agencies where MBO was recommended on lower levels, or where MBO was not recommended at all.

The significant differences in the mean scores on Part II of the questionnaire (MBO standards-related) received from educational officials were tested utilizing Student's *t* test.

Analysis of Data

Data tabulated from the responses of educational administrators representing state departments of education and selected school districts were analyzed and presented in appropriate tables and narratives.

Hypothesis one. It was stated in hypothesis one that the mean scores from Part II of the questionnaire would be significantly higher for selected school district officials in suburban areas than for selected school district officials from urban or rural areas. The Student's *t* scores for the tests of differences in the mean scores between the data

received from officials from suburban areas and officials from urban and/or rural areas are shown in Table 28.

Table 28

Test of Differences Between Mean Scores on MBO Standards by Subareas in School Districts According to Geographical Locations

Geographical Locations Compared to Suburban	Student's t Scores of School Districts MBO Standards				
	1	2	3	4	Tot.
Urban	2.18 ^a	2.69 ^a	2.56 ^a	2.05 ^a	2.96 ^a
Rural	3.43 ^a	1.91	.053	1.07	1.86

^aSignificant at the .05 level.

Key

- | | |
|---|------------------------------------|
| 1 Subarea of approaches to implementation | 3 Subarea of objective setting |
| 2 Subarea of utilization of systems | 4 Subarea of performance appraisal |

Six of the ten scores from tests of differences were significant at the .05 confidence level. The mean scores for all five measures were significantly higher from suburban school officials than those from urban school officials. The mean scores were also significantly higher from suburban school officials than those from rural school officials in the subarea of approaches to implementation. The other four test scores of differences between suburban and rural officials were not significant at the .05 level. Therefore, the null hypothesis, that there would be no significant differences in mean scores was rejected for the six measures that were at a significant level. The null hypothesis was accepted for the four measures that were not at a significant level.

Hypothesis two. It was stated in hypothesis two that the mean scores on Part II of the questionnaire would be significantly higher for officials from selected school districts where there were pupil populations of more than 50,000 than for officials from selected school districts where there were lower levels of pupil populations. The Student's t scores for the tests of differences in mean scores between the data received from officials from selected school districts with pupil populations of more than 50,000 and officials from selected school districts with lower levels of pupil population are displayed in Table 29.

Table 29

Tests of Differences Between Mean Scores on MBO
Standards by Subareas in School Districts
According to Pupil Population

Pupil Population Compared to More Than 50,000	Student's t Scores of School Districts MBO Standards				
	1	2	3	4	Tot.
50,000 and Less	0.70	1.80	1.70	2.28 ^a	2.12 ^a

^aSignificant at the .05 level

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

Two of the five scores from tests of differences were significant at the .05 confidence level. The mean scores were significantly higher from selected school district officials where there were more than 50,000 pupils than from those whose districts had lower levels of pupil population, in the subarea of performance appraisal and the total. The other three tests scores of differences between officials from selected school districts with more than 50,000 pupils and those from selected school districts with 50,000 or less pupils were not significant at the .05 level. Therefore, the null hypothesis, that there would be a significant difference in mean scores was rejected for the two measures that were at a significant level. The null hypothesis was accepted for the three measures that were not at a significant level.

Hypothesis three. It was stated in hypothesis three that the mean scores on Part II of the questionnaire would be significantly higher for officials from school districts where there was a total annual per pupil expenditure of \$800 or more than for officials from school districts where there was a total annual per pupil expenditure of less than \$800. Student's t scores for the test of differences in the mean scores between data received from officials from school districts where there was an annual per pupil expenditure of \$800 or more and officials from school districts where there was an annual per pupil expenditure of less than \$800 are shown in Table 30.

None of the five scores from tests of differences were significant at the .05 confidence level. Therefore, the null hypothesis, that there would be no significant differences in the mean scores for the five measures, was accepted.

Table 30

Test of Differences Between Mean Scores on MBO
Standards by Subareas in School Districts
According to Per Pupil Expenditures

	Student's t Scores of School Districts MBO Standards				
	1	2	3	4	Tot.
\$800 and Greater					
Less than \$800	0.49	1.14	0.49	0.01	0.74

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

Hypothesis four. It was stated in hypothesis four that the mean score on Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that made the initial decision to introduce MBO more than four years ago than for officials from state departments of education and selected school districts that made the initial decision to introduce MBO 3-4 years ago and 0-2 years ago. Student's t scores for the tests of differences in the mean scores between data received from officials from state and local school agencies that made the initial decision to introduce MBO more than four years ago and those from state and local agencies that made the initial decision to introduce MBO 3-4 years ago and 0-2 years ago are displayed on Table 31.

Table 31

Tests of Differences Between Mean Scores on MBO Standards by
Subareas in State Departments of Education and Selected
School Districts According to the Initial Decision
to Introduce MBO

Initial Decision to Introduce MBO Compared to More Than Four Years Ago	Student's t Scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
3 - 4 Years Ago	1.22	1.06	0.00	0.77	1.08	0.58	0.43	0.25	0.11	0.38
0 - 2 Years Ago	0.64	0.48	0.27	1.22	0.60	0.16	0.75	1.83	1.63	1.47

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

None of the twenty scores from the tests of differences were significant at the .05 confidence level. Therefore, the null hypothesis, that there would be no significant differences in the mean scores for the twenty measures, was accepted.

Hypothesis five. It was stated in hypothesis five that the mean scores on Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that planned a period of five years or more for MBO to become fully operational than for officials from state departments of education and selected school districts that planned a period of less than five years for MBO to become fully operational. Student's t scores for the tests of differences in the mean scores between data received from officials from state and local school agencies that planned a period of five years or more for MBO to become fully operational and those that planned a period of less than five years for MBO to become fully operational are illustrated on Table 32.

Two of the ten scores from tests of differences were significant at the .05 level. The two significantly higher mean scores were from officials of selected school districts that planned a period of five years or more for MBO to become fully operational in the subarea of performance appraisal and the total. The other eight test scores of differences between officials of state departments of education and officials of selected school districts were not significant at the .05 level. Therefore, the null hypothesis, that there would be no significant differences in the mean scores was rejected for the two measures that were at a significant level. The null hypothesis was accepted for the eight measures that were not at

Table 32

Tests of Differences Between Mean Scores on MBO Standards by
Subareas in State Departments of Education and Selected
School Districts According to the Time Proposed
for MBO to Become Fully Operational

Period of Time Proposed for MBO to Become Fully Operational Com- pared to Five Years of More	Student's t Scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
Less than 5 Years	0.14	0.55	0.72	0.40	0.54	1.39	1.58	1.60	3.10 ^a	2.53 ^a

^aSignificant at the .05 level

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

a significant level.

Hypothesis six. It was stated in hypothesis six that the mean scores from Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that specified the use of MBO as an instrument of accountability than for those from state departments of education and selected school districts that specified other goals for MBO. Student's t scores for the tests of differences in the mean scores between the data received from officials from state and local school agencies that specified the use of MBO as an instrument of accountability and those that specified other goals for MBO are shown in Table 33.

Three of the ten scores from tests of differences were significant at the .05 level. The three significantly higher mean scores were from officials of school districts that specified the use of MBO as an instrument of accountability in the subareas of approaches to implementation and performance appraisal, as well as the total. The other seven test scores of differences between officials from state and local school agencies were not significant at the .05 level. Therefore, the null hypothesis, that there would not be significant differences in the mean scores was rejected for the three measures that were at significant levels. The null hypothesis was accepted for the seven measures that were not at significant level.

Hypothesis seven. It was stated in hypothesis seven that the mean scores on Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that designated a staff member whose primary responsibility was

Table 33

Tests of Differences Between Mean Scores on MBO Standards by
Subareas in State Departments of Education and Selected
School Districts According to
Implementation Goals

Goal of Accountability	Student's t Scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
Other Purposes as Goals of MBO	1.04	.79	1.44	1.01	1.30	0.24 ^a	2.47	1.87	2.09 ^a	2.54 ^a

^aSignificant at the .05 level

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

to coordinate the development and implementation of MBO than for officials from state departments of education and selected school districts that did not designate a staff member for this purpose. Student's t scores for the tests of differences in mean scores between the data received from officials from state and local school agencies that designated a staff member whose primary responsibility was to coordinate the development and implementation of MBO and those that did not are displayed on Table 34.

None of the ten scores from tests of differences were significant at the .05 confidence level. Therefore, the null hypothesis, that there would be no significant differences in the mean scores for the ten measures, was accepted.

Hypothesis eight. It was stated in hypothesis eight that the mean scores on Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that were free to make their own decision as to the use of MBO than for officials of state departments of education and selected school districts that were required to use MBO. The Student's t scores for the tests of differences in the mean scores between the data received from officials from state and local school agencies that were free to make their own decision as to the use of MBO and those that were required to use MBO are shown on Table 35.

All ten scores from the tests of differences were significant at the .05 level. Therefore, the null hypothesis, that there would be no significant differences for the ten measures, was rejected.

Hypothesis nine. It was stated in hypothesis nine that the

Table 34

Tests of Differences Between Mean Scores on MBO Standards by
 Subareas in State Departments of Education and Selected
 Member was Used to Coordinate and Develop
 the Implementation of MBO

Staff Member Used	Student's t Scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
Not Used	1.47	0.58	0.15	0.21	0.67	0.09	1.24	0.19	0.76	0.93

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

Table 35

Tests of Differences Between Mean Scores on MBO Standards by
Subareas in State Departments of Education and Selected
School Districts According to the Degree of
the Degree of Autonomy Concerning the
Implementation of MBO

Degree of Autonomy Compared to Freedom of Choice to Implement MBO	Student's t scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
Required for Federal Funds	4.14 ^a	6.39 ^a	6.47 ^a	5.27 ^a	7.37 ^a	8.13 ^a	6.50 ^a	7.16 ^a	4.56 ^a	7.48 ^a

^aSignificant at the .05 level

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subareas of objective setting
- 4 Subarea of performance appraisal

mean scores on Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that used private consultants to provide in-service training than for officials from state departments of education and selected school districts that used private consultants to provide in-service training training. Student's t scores for the tests of differences in mean scores between the data received from officials from state and local school agencies that used private consultants to provide in-service training and those that did not use private consultants for this purpose are shown on Table 36.

None of the ten scores from the tests of differences were significant at the .05 confidence level. Therefore, the null hypothesis, that there would be no significant differences in the mean scores for the ten measures, was accepted.

Hypothesis ten. It was stated in hypothesis ten that the mean scores on Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that provided released time for planning and implementing MBO than for those officials from state and local school agencies that did not provide released time for planning and implementing MBO. Student's t scores for the tests of differences in the mean scores between the data received from officials from state and local school agencies that provided released time for planning and implementing MBO and those that did not provide released time are shown on Table 37.

None of the ten scores for the tests of differences were significant at the .05 confidence level. Therefore, the null hypothesis,

Table 36

Tests of Differences Between Mean Scores on MBO Standards by Subareas in State Departments of Education and Selected School Districts According to Whether or Not a Private Consultant was Used to Provide In-Service Training for MBO Implementation

Private Consultant Used	Student's t Scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
Not Used	1.32	1.30	1.53	0.53	1.35	1.2.	1.82	0.33	0.39	0.74

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

Table 37

Tests of Differences Between Mean Scores on MBO Standards by
 Subareas in State Departments of Education and Selected
 School Districts According to Whether or Not
 Released Time was Provided for Personnel
 for Planning and Implementing MBO

Released Time Provided	Student's t Scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
None	0.26	0.85	0.62	0.68	0.85	1.64	0.41	1.05	0.84	0.10

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

that there would be no significant differences in the ten measures, was accepted.

Hypothesis eleven. It was stated in hypothesis eleven that the mean scores on Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that provided employees with more than thirty hours of MBO in-service training during the first year of implementation than those from state departments of education and selected school districts that provided thirty hours or less of MBO in-service training during the first year of implementation and those that provided thirty hours or less of MBO in-service training during the first year of implementation are shown in Table 38.

One of the ten scores from the tests of differences was significant at the .05 confidence level. This significantly higher mean score was from selected school district officials in the subarea of utilization of systems. The other nine test scores of differences between officials from state and local school agencies were not significant at the .05 level. Therefore, the null hypothesis, that there would be no significant differences in the mean scores was rejected for the one measure that was at a significant level. The null hypothesis was accepted for the nine measures that were not at a significant level.

Hypothesis twelve. It was stated in hypothesis twelve that the mean scores on Part II of the questionnaire would be significantly higher for officials from state departments of education and selected school districts that highly recommended MBO than those of officials from state departments of education and selected school districts that recommended

Table 38

Tests of Differences Between Mean Scores on MBO Standards by
 Subareas in State Departments of Education and Selected
 School Districts According to the Number Hours
 of MBO In-Service Training Provided During
 the First Years of MBO Implementation

Over 30 Hours	Student's t Scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
30 Hours or Less	0.34	0.46	0.43	0.81	0.67	0.53	2.40 ^a	1.44	0.22	1.55

^aSignificant at the .05 level.

Key

- 1 Subarea of approaches to implementation
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

MBO with few reservations, those that recommended MBO on a limited basis, and those that definitely did not recommend MBO. Student's t test scores for the tests of differences in the mean scores between the data received from officials of state and local school agencies that highly recommended MBO and those that recommended MBO with few reservations, those that recommended MBO on a limited basis, and those that definitely did not recommend MBO are illustrated on Table 39.

Twenty of the thirty scores from tests of differences were significant at the .05 level. Three of the significantly higher mean scores were from officials of selected school districts that highly recommended MBO as compared to selected school district officials that recommended MBO with few reservations in the subareas of utilization of systems and performance appraisal, as well as the total. Three of the significantly higher mean scores were from officials of state department of education that highly recommended MBO as compared to those that recommended MBO with few reservations in the subareas of utilization of systems and performance appraisal, as well as the total.

Four of the significantly higher mean scores were from selected school district officials that highly recommended MBO as compared to those that recommended MBO on a limited basis in the subareas of utilization of systems, objective setting, and performance appraisal, as well as the total. All of the ten mean scores were significantly higher at the .05 level for state and local school officials that highly recommended MBO as compared to those that definitely did not recommend MBO. Therefore, the null hypothesis, that there would be no significant differences in mean scores was rejected for the twenty measures that were at a significant level. The null hypothesis was rejected but accepted for the ten measures that were not at a significant level.

Table 39

Tests of Differences Between Mean Scores on MBO Standards by
Subareas in State Departments of Education and Selected
School Districts According to Degrees
of Recommendation of MBO

	Student's t Scores									
	State Department MBO Standards					School District MBO Standards				
	1	2	3	4	Tot.	1	2	3	4	Tot.
Highly Recommend										
Recommend With Few Reserva- tions	1.34	1.70	1.29	1.69	2.03	0.92	3.09	1.92 ^a	1.98 ^a	2.92 ^a
Recommend on Limited Basis	1.01	3.79 ^a	1.92	2.67 ^a	3.76 ^a	0.08	4.32 ^a	2.85 ^a	4.53 ^a	4.74 ^a
Defin- itely Do Not Recommend	8.40 ^a	9.59 ^a	9.35 ^a	6.58 ^a	13.56 ^a	49.56 ^a	53.91 ^a	54.82 ^a	35.13 ^a	57.55 ^a

^aSignificant at the .05 level

Key

- 1 Subarea of approaches to implementations
- 2 Subarea of utilization of systems
- 3 Subarea of objective setting
- 4 Subarea of performance appraisal

Summary

Data of results from questionnaires received from educational administrators of thirty-two state departments of education and ninety-nine selected school districts were presented in this chapter. Demographic and general information was received, as well as data concerning the perceptions of administrators regarding the use of MBO standards in their educational agencies. This data was gathered by using a questionnaire.

Information presented in Chapter 3 included data from Part I of the questionnaire, data from Part II of the questionnaire, and data that were derived from testing the hypotheses.

Chapter 4

SUMMARY, DISCUSSION, AND CONCLUSIONS

A summerization of the dissertation, which includes the problem, the research procedure, and the findings, conclusions, implications and recommendations for further research is presented in this chapter.

The Problem

The problem of this study was: (1) to determine which of the fifty state departments of education in the United States were participating in an MBO system of management; (2) to determine which of the public school districts identified by their respective state departments of education were utilizing an MBO system; (3) to determine how such a system was installed in each agency; and (4) to determine if the concepts and techniques of MBO, as practiced in selected agencies compare to the standards of MBO established for this study.

Research Procedure

The descriptive-survey method of research investigation was utilized to collect data from the managerial offices of the fifty state departments of education and selected school districts throughout the United States. Data were gathered using a survey questionnaire returned by selected educational administrators at state and local levels who had implemented MBO in their educational agencies.

A two-part questionnaire was developed utilizing proper research

techniques to assure validity and reliability in the instrument. Questions in Part I of the questionnaire were designed to gather demographic data and information concerning the means of installation and implementation of MBO in each educational agency. Responses were tabulated and numbers and percentages recorded for Part I in appropriate tables.

The thirty-two questions in Part II of the questionnaire were designed to determine what processes had occurred during MBO implementation, what components of MBO actually existed, and to what extent each participant had implemented MBO. Responses from state and local school officials were treated by using a five-point summated scale based upon a Likert-type scaling system. Responses were tabulated and represented by raw scores, percentages, and mean scores for each question on appropriate tables. Mean scores were also presented on appropriate tables for each of the subareas of approaches to MBO implementation, utilization of MBO systems, objective-setting, and performance appraisal, as well as the total mean scores of Part II.

Finally, twelve hypotheses were tested for significant differences. Mean scores were calculated from responses received on Part II of the questionnaires from officials of various educational agencies, using Student's *t* tests. In each case the .05 level of significance was utilized to either reject or fail to reject the null hypothesis. Appropriate tables illustrating the calculations and results of these tests were presented.

Summary of Findings: Part I of the Survey

The following findings were based upon the data gathered from the responses of state and local educational administrators to the questionnaire survey:

1. The majority of selected school districts which were represented in the study were located in rural areas (48 percent rural, 21 percent urban, and 31 percent suburban).

2. The highest number of selected school districts surveyed had a pupil population of 1,000 - 6,000 (33 percent). The smallest number of selected school districts surveyed had a pupil population of 100,000 or greater (2 percent).

3. Seventy-six percent of the selected school districts that participated in the study had a per pupil expenditure of \$1,000 or greater.

4. Fifty percent of the thirty-two state departments and 31 percent of the selected school districts indicated that the initial decision to introduce MBO into their educational agencies was made over four years ago. None of the state departments and only four of the selected school districts made the initial decision to introduce MBO into their educational agencies less than one year ago.

5. The most often-mentioned period of time proposed for MBO systems to become fully operational by state departments was three years (31 percent). The most often-mentioned period of time proposed for MBO systems to become fully operational in school districts was five years or more (34 percent).

6. Officials of thirty-three state departments of education and 124 selected school districts reported that they were utilizing Management by Objectives. However, thirty-two state department and ninety-nine selected school district officials reported to be either in the planning stage for near-future implementation of MBO or currently using MBO in one or more program areas.

7. A wide variety of programs were found to be operating under an MBO system in selected school districts or divisions of state educational departments. They included administration, curriculum and instruction, financial services, library services, special education, counseling and guidance, vocational education, school lunch, school facilities, maintenance, transportation, federal programs, vocational rehabilitation, and personnel services. The highest percentages of programs reported were in the category of administration (75 percent for state departments and 80 percent for selected school districts).

8. A majority of educational agencies indicated that the chief executive officer was the main impetus for implementing MBO. Sixteen of the thirty-two officials from state departments and seventy-seven of the ninety-nine officials from selected school districts gave this reason.

9. A wide variety of goals developed for the implementation of MBO were reported in the responses received from administrators from state and local educational agencies. The most often mentioned response to this question was that of MBO being used as an instrument of accountability, which was listed as a goal for developing MBO in 63 percent of the state agencies and 71 percent of the local agencies.

10. A great majority of officials representing the state departments of education and selected school districts said that their educational agencies were autonomous as to the use of MBO. This was the response of 81 percent of the state departments and 98 percent of the school districts.

11. Both state and local school officials indicated that lack of allotted time for in-service training and work on planning and implementation were the greatest problems related to implementing MBO.

12. A majority of state department and school district officials

indicated that they had utilized the services of MBO consultants for in-service training. This number represented 56 percent of the state departments of education and 57 percent of the selected school districts. The most often reported uses of consultants were for the period during the implementation phase for state departments and the orientation phase for selected school districts.

13. A majority of both officials from state and local educational agencies indicated that they did utilize a staff member whose primary responsibility was to coordinate and develop the implementation of MBO (72 percent of the state agencies and 54 percent of the school districts).

14. Educational administrators from 28 percent of the state departments and 50 percent of the school districts indicated the necessity of providing released time for the planning and implementation of MBO.

15. Ninety-seven percent of the responses from state departments of education and 98 percent of the responses from selected school district officials indicated that they provided some MBO in-service training for employees during the first year of implementation of the MBO program. One to ten hours was the most often-mentioned amount of time provided for in-service training for both state and local agencies.

16. The most used in-service training means reported from respondents in the survey was involvement with MBO workshops. The least used in-service training means were university and college courses.

17. The vast majority of educational administrators representing state and local educational agencies recommended the use of MBO. In fact, from the state departments, 22 percent of the officials highly recommended MBO, and in the selected school districts 44 percent highly recommended its usage.

Summary of Findings: Part II
of the Survey

Statements of MBO standards are listed by subareas in order according to the degrees of implementation by state and local educational agencies. After each statement, the mean scores received for each particular category of mean scores (4.0 and over, between 3.0 and 4.0, and under 3.0) are given. The higher mean scores reflect a greater degree of implementation. There is a possible score in each case of 5.0, and the lowest possible score is 1.0.

Subarea 1: Approaches to MBO implementation. Mean scores of the following MBO standards-related statements were 4.0 or higher in the subarea of approaches to MBO implementation:

The top management in our agency has the responsibility to set broad goals for the organization (state agencies: 4.3 mean score; school districts: 4.5 mean score).

The chief administrator in our agency must establish the overall grand design for our MBO system (school districts: 4.3 mean score).

In our educational agency, most administrators have the freedom to exercise self-direction and self-control in the pursuit of objectives which they have been responsible for accomplishing (state agencies: 4.1 mean score; school districts: 4.7 mean score).

The mean score of the following statement was between 3.0 and 4.0 in the subarea of approaches to MBO implementation:

The chief administrator in our agency must establish the overall grand design for our MBO system (state agencies: 3.6 mean score).

Subarea 2: Utilization of systems. Mean scores of the following

statements were over 4.0 in the subarea of utilization of the systems approach to MBO implementation:

MBO in our agency requires that each participant have an understanding of management functions, i.e., planning, organizing, directing, coordinating, and evaluating (school districts: 4.4 mean score).

In our organization there is a free flow of communication between upper and lower organizational levels in the determining of goals (school districts: 4.2 mean score).

The general goals of the organization are broken down into smaller and smaller units (state agencies: 4.0 mean score; school districts: 4.1 mean score).

The superior and subordinate must each have a thorough understanding of the descriptions and limits of the subordinate's job during the development of objectives (state agencies: 4.1 mean score; school districts: 4.4 mean score).

Mean scores of the following statements were between 3.0 and 4.0 in the subarea of utilization of the systems approach to MBO implementation:

MBO in our agency requires that each participant have an understanding of management functions, i.e., planning, organizing, directing, coordinating, and evaluating (state agencies: 3.9 mean score).

In our organization there is a free flow of communication between upper and lower organizational levels in the determining of goals (state agencies: 3.5 mean score).

In our MBO system, long range results are separated from short range results (state agencies: 3.0 mean score; school districts: 3.6 mean score).

Subarea 3: Objective setting. Mean scores of the following

statements were 4.0 or over in the subarea of objective-setting:

The key element of MBO in our agency is the objective-setting process where the superior and subordinate agree on the latter's performance objective (school districts: 4.2 mean score).

In our agency, emphasis is placed upon the importance of the superior's participation in the objective-setting process (school districts: 4.5 mean score).

In our agency, a critical examination of all available data takes place in order to determine needs and priorities in setting goals and objectives (school districts: 4.0 mean score).

A list of management processes, for which objectives are written, is agreed upon by the persons who will be responsible for accomplishing them (school districts: 4.0 mean score).

The name of the person(s) who is/are responsible to see that each respective objective is accomplished is specified in writing (school districts: 4.1 mean score).

Projected accomplishment dates have been specified in writing for each of the respective objectives (state agencies: 4.0 mean score; school districts; 4.2 mean score).

Mean scores of the following statements were between 3.0 and 4.0 in the subarea of objective-setting:

A key element of MBO in our agency is the objective-setting process where the superior and subordinate agree on the latter's performance objectives (state agencies: 3.7 mean score).

In our agency, emphasis is placed upon the importance of the subordinate's participation in the objective-setting process (state agencies: 3.8 mean score).

In our agency, a critical examination of all available data takes place in order to determine needs and priorities in setting goals and objectives (state agencies: 3.2 mean score).

In our agency, evaluation plans have been established to determine the worth of each objective (state agencies: 3.0 mean score; school districts: 3.5 mean score).

A list of management processes, for which objectives are written, is agreed upon by the persons who will be responsible for accomplishing them (state agencies: 3.4 mean score).

In our MBO system, management process objectives are written for each management process (state agencies: 3.2 mean score; school districts: 3.4 mean score).

Each process objective specifies a tangible product that can be used as documentation that the objective has been accomplished (state agencies: 3.5 mean score; school districts: 3.8 mean score).

The name of the person(s) who is/are responsible to see that each respective objective is accomplished is specified in writing (state agencies: 3.8 mean score; school districts: 3.9 mean score).

Staff development objectives which stress professional growth are a part of our MBO system (state agencies: 3.2 mean score; school districts: 3.8 mean score).

Objectives which stress innovation are a part of our MBO system (state agencies: 3.3 mean score; school districts: 3.5 mean score).

In our agency, written individual improvement work plans are devised to aide staff members in achieving objectives (school districts: 3.0 mean score).

A list of specific objectives is (not) compiled by top administrators and supervisors for those persons who will be responsible for accomplishing them (state agencies: 3.3 mean score; school districts: 3.1 mean score).

The mean score of the following statement was under 3.0 in the subarea of objective-setting:

In our agency, written individual improvement work plans are devised to aid staff members in achieving objectives (state agencies: mean score).

Subarea 4: Performance appraisal. Mean scores of the following statements were 4.0 or over in the following subarea of performance appraisal:

As objectives are pursued, there are periodic reviews of performance between the subordinate and his superior to assess progress (school districts: 4.0 mean score).

In our MBO system, the evaluation of individual administrators is (not) often influenced more by personality factors than by results accomplished (school districts: 4.2 mean score).

Mean scores of the following statements were between 3.0 and 4.0 in the subarea of performance appraisal:

In our agency, MBO has proved to be an excellent tool for improving interpersonal relations, public relations, personnel effectiveness, and accountability (state agencies: 3.3 mean score; school districts: 3.7 mean score).

Individual administrators in our MBO program are evaluated on the basis of performance specified in objectives for which they are responsible for accomplishing (state agencies: 3.3 mean scores; school districts:

3.4 mean score).

In our MBO system, information monitoring and reporting must be built into the objective-setting process in order to provide for continuous testing against actual events (state agencies: 3.6 mean score; school districts: 3.7 mean score).

As objectives are pursued, there are periodic reviews of performance between the subordinate and his superior to assess progress (state agencies: 3.8 mean score).

Our administrators and supervisors are required to identify the contributions they make toward achievement of their respective goals and objectives for which they are responsible (state agencies: 3.5 mean score; school districts: 3.6 mean score).

Evaluation plans, adequate for determining when each of the objectives has been accomplished, have been specified in writing for each of the respective objectives (state agencies: 3.3 mean score; school districts: 3.8 mean score).

Written performance objectives and action plans are revised, or deleted and replaced, according to need one or more times per year (state agencies: 3.6 mean score; school districts: 3.7 mean score).

In our MBO system, the evaluation of individual administrators is (not) often influenced more by personality factors than by results accomplished (state agencies: 3.8 mean score).

The mean score of the following statement was under 3.0 in the subarea of performance appraisal:

In our system, MBO evaluation has proved to be useful in determining salary (state agencies: 1.6 mean score; school districts: 1.7 mean score).

Overall Totals for Part II of the Questionnaire. Mean scores were calculated for each of the four subareas and the total from raw scores received from state and local school agencies on Part II of the questionnaire. Mean scores from school districts were higher for each subarea as well as the total than scores from state departments. The mean score was 13.35 for school districts and 12.03 for state departments in approaches to implementation. The mean score was 20.79 for school districts and 18.47 for state departments in utilization of systems. The mean score was 56.49 for school districts and 51.41 for state departments in objective setting; and the mean score was 31.22 for school districts and 29.63 for state departments in performance appraisal. In addition, the grand mean score from Part II of the questionnaire was higher for school districts at 121.85 than the grand mean score for state departments at 111.53.

Summary of Data from Tests of the Hypotheses

The degree of implementation of MBO systems was determined from responses solicited from thirty-two state and ninety-nine school district administrators. Student's t test was used to test for significant differences in mean scores on Part II of the questionnaire (MBO standards-related statements) using a variety of factors which existed in the state and local educational agencies surveyed. The factors that were used in making comparisons in the selected school districts exclusively were: (1) geographical areas; (2) per pupil expenditures; and (3) pupil populations. Factors that were used in making comparisons in both state and local school agencies were: (4) varying periods of time since the initial decision was made to introduce MBO; (5) varying periods of time

proposed for MBO to become fully operational; (6) goals developed for the implementation of MBO; (7) individual staff members assigned or not assigned to coordinate and develop the implementation of MBO; (8) bases for the decision made to implement MBO; (9) the utilization of private consultants to provide in-service training; (10) provision of released time for personnel for planning and implementing MBO; (11) provisions for in-service time allotments for employees during the first year of MBO implementation; and (12) levels of recommendations regarding the implementation of MBO.

Certain test measures of significant differences in mean scores were acceptable at the .05 level for several of the twelve factors computed by using student's t test. Tests of differences in mean scores on Part II of the questionnaire were significantly higher for officials from school districts in suburban geographical areas as compared to officials from school districts in urban areas in the MBO standards-related subareas of approaches to implementation, utilization of systems, objective setting, and performance appraisal and the total. In addition, these test scores were significantly higher for officials from school districts in suburban geographical areas as compared to rural areas in the subarea of approaches to implementation.

Mean scores on Part II of the questionnaires for officials from school districts with pupil populations of more than 50,000 were significantly higher than scores for officials from school districts with pupil populations of 50,000 and less in the subarea of performance appraisal and the total.

There were no significant differences in the mean scores of Part II of the questionnaire relative to per pupil expenditures for

officials from selected school districts. In other words, there were no significantly higher mean scores on Part II of the questionnaire for officials from selected school districts with per pupil expenditures of more than \$800 annually than for officials from selected school districts with per pupil expenditures of \$800 or less annually.

There were no significant differences in mean scores on Part II of the questionnaire for officials from either state departments of education or selected school districts according to various periods of time since the initial decision was made to implement MBO. Thus, there were no significant differences in mean scores for officials from either state or local educational agencies that made the initial decision to implement MBO over four years ago and those from state and local educational agencies that made the decision to implement MBO either 3-4 years ago or 0-2 years ago.

Tests of differences in mean scores for officials from selected school districts that planned five years or more for MBO to become fully operational were significantly higher at the .05 level than for officials from selected school districts that planned less than five years for MBO to become fully operational, in the subarea of performance appraisal and the total score.

Mean scores on Part II of the questionnaire were significantly higher for officials from selected school districts that specified the use of MBO as an instrument of accountability than for officials from selected school districts that specified other goals for MBO. The significantly higher scores for officials from selected school districts were in the subareas of utilization of systems and performance appraisal and the total measure.

There were no significant differences at the .05 level in the mean scores on Part II of the questionnaire for officials from state and local educational agencies concerning the use of an MBO coordinator.

Officials from both state departments of education and selected school districts showed significantly higher mean scores on Part II of the questionnaire relative to autonomy in the decision to implement MBO. Officials from state and local educational agencies that had indicated a freedom of choice in implementing MBO scored significantly higher on mean scores on Part II of the questionnaire in all subareas and totals as compared to officials from state and local educational agencies that were required to use MBO as a prerequisite for receiving federal funds.

Results from tests of differences of mean scores on Part II of the questionnaire for officials from either state or local educational agencies that used the services of a private consultant to provide in-service training and those officials from state and local educational agencies that did not use the services of a private consultant to provide in-service training were not significant at the .05 level.

Mean scores on Part II of the questionnaire for officials from state departments of education and selected school districts that provided released time for planning and implementing MBO were not significantly higher when compared to those officials from state and local educational agencies that did not provide released time.

One significant difference was shown as tested by the Student's t test when the mean scores of Part II of the questionnaires for officials from selected school districts that provided employees with over thirty hours of in-service training were compared to those officials from selected school districts that provided employees with less than thirty hours of

in-service training were compared to those officials from selected school districts that provided employees with less than thirty hours of in-service training. This significantly higher score was in the subarea of utilization of systems in MBO.

Significantly higher mean scores for officials from state departments of education and selected school districts were recorded concerning their high recommendation of MBO implementation as compared to those officials that recommended MBO with few reservations, recommended MBO on a limited basis, and definitely did not recommend MBO. There were significantly higher mean scores for officials from the following: school districts that recommended MBO with a few reservations, in the subareas of utilization of MBO systems and performance appraisal, as well as the total; state departments that highly recommended MBO as compared to state departments that recommended MBO with few reservations, in the subareas of utilization of systems and performance appraisal, as well as the total; school districts that highly recommended MBO as compared to school districts that recommended MBO on a limited basis, in the subareas of utilization of MBO systems, objective setting, and performance appraisal, as well as the total; state departments that highly recommended MBO as compared to state departments that definitely did not recommend MBO, in all subareas and the total; school districts that highly recommended MBO as compared to school districts that definitely did not recommend MBO, in all subareas and the total.

Conclusions Related to Hypotheses

In light of the findings of this study the following conclusions were made:

1. School district officials in suburban geographical areas had generally implemented MBO to a greater extent than had officials from school districts located in urban geographical settings. School district officials located in suburban geographical setting also had generally implemented MBO to a greater extent than had school district officials from rural areas.

2. The total per pupil expenditure reported by officials of school districts contributed little to the degree of implementation of MBO.

3. Officials in school districts with pupil populations over 50,000 had generally implemented MBO to a greater degree than had those from school districts with smaller populations. School district officials with pupil populations of more than 50,000 had implemented MBO to a greater degree in the subareas of utilization of systems and performance appraisal.

4. The period of time since the initial decision had been made to implement MBO seemed to have little influence on the degree of implementation of MBO. This conclusion was based upon data from officials of both state departments of education and selected school districts.

5. Data received indicated that those school district officials who had proposed five years or more for MBO to become fully operational had implemented MBO to a greater degree than those officials who had proposed lesser amounts of time. Relative to data received from officials of state departments of education, the period of time proposed for MBO to become fully operational made little difference in state departments of education.

6. There was considerable interest in management by objectives

as a tool for accountability reported by officials from selected school districts. School district officials who listed accountability as a goal for installing MBO showed an overall greater degree of MBO implementation in their agencies than those who did not. Little difference was seen in state department of education officials in the degree of MBO implementation relative to accountability in their agencies.

7. The utilization of a staff member whose primary responsibility was to install and develop an MBO system made little difference in the levels of MBO implementation in state departments of education or selected school districts.

8. The degree of autonomy given to school officials in choosing MBO as a management system seemed to influence the degree of implementation of MBO. Officials from both state departments of education and selected school districts that had freedom of choice to install MBO generally showed a greater degree of MBO implementation in their agencies than did educational officials that installed MBO as a prerequisite for federal funding.

9. Utilization of a private consultant to provide in-service training for MBO installation in state departments of education and selected school districts did not seem to influence the level of implementation of MBO.

10. Released time for personnel for planning and installing MBO in state departments of education and selected school districts made little difference in the level of implementation of MBO systems in educational agencies.

11. Providing in-service training during the first year of MBO installation seemed to make some differences in the extent of MBO

implementation in school districts. This importance was most pronounced in the subarea of utilization of systems.

12. The levels of recommendation received from state and local educational administrators varied in the extent of implementation of MBO. State officials who highly recommended MBO generally represented educational agencies that had implemented MBO to a greater extent than did officials who recommended MBO with few reservations, recommended MBO on a limited basis, or definitely did not recommend MBO.

Implications

A descriptive research study was conducted by administering a questionnaire to educational administrators representing state educational agencies and selected school districts to gather information relative to the installation methods and extent of implementation of management by objectives in educational agencies in the United States. The evidence gained from the literature and the data gathered made possible some useful implications for MBO in education.

It seems that if an educational agency is interested in improving educational management and developing a tool for accountability, MBO may be helpful. MBO, when properly implemented, also seems to result in increased commitment, motivation, job satisfaction, and improved performance and effectiveness.

The respondents in this study reported that the chief school officer must be the primary source of impetus to implement MBO successfully. This implied that he must be strongly committed to the basic MBO concepts and must make a long-term commitment to expend the time and energy to make the system operational.

Another implication from the study is in the form of a caution. Interested educational administrators should be aware that development and implementation of MBO takes time. Immediate results should not be expected. It has been pointed out in the literature and verified by the study that full development and implementation will take from three to five years.

Implications are that the same general sequence of steps used in implementing MBO in the private sector can be used in implementing it into state or local education agencies. However, a special staff member responsible for the development of MBO in an educational agency probably is not needed.

Providing in-service training, at least during the first year of MBO implementation, seems to be important to a successful installation. Many educational agencies involved in the study continued MBO in-service training well after the initial stages of orientation and implementation. However, the use of a private consultant to conduct in-service training does not seem to be an important consideration. The reason that private consultants were used consistently by respondents in this study may be that educational agencies that have implemented MBO have staff members that possess knowledge in this field which are capable of providing in-service training.

It appears that on the basis of the MBO literature, all processes involved in a fully developed MBO system may not exist in educational agencies during the early years of development. Officials in school agencies need not feel that they must attempt to develop and implement all the processes at once to begin MBO. A school administrator may wish to begin implementation at the top management level and filter the

system down through one level each year. Installation of MBO in this way might take three or four years to reach instructional personnel in school districts. Installation of MBO in educational agencies may also depend upon the resources available, the expertise available, and the attitude of the staff relative to change.

Finally, perhaps a small beginning has been made in researching management by objectives in education. Much can be learned not only by educational administrators but other administrators in the public sector from managers in private business and industry who have been involved with MBO for almost three decades. Perhaps this research will encourage others to conduct research in this and other areas of management by objectives.

Recommendations for Further Research

There is obviously a need for more research concerning MBO in education. Some suggestions for further study consist of the following:

1. A "before and after" study extended over a period of several years with a state educational department and/or a school district that is presently in the initial stages of implementing MBO.

2. An in-depth case study of a state department of education or a local school district utilizing an MBO system, including in-depth interviews with staff and administration.

3. A study similar to this one that would include community colleges and/or universities that had implemented MBO.

4. Further research on responses of staff members for an analysis of possible relationships between MBO and attention to the affective areas of learning, such as values, beliefs, attitudes, and

and other subjective matters.

5. An enlargement of the present study.

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APPENDICES

APPENDIX A

POSTCARD COVER LETTER

October 27, 1976

Dear Sir:

In collaboration with Dr. Charles Burkett, Department of Educational Administration, East Tennessee State University, I am conducting a survey of selected school districts and state departments of education throughout the United States in order that current information might be obtained regarding the system Management by Objectives (MBO) in education today.

Because of your professional knowledge and vantage point of educational leadership in your state, I would sincerely appreciate your completing the enclosed self-addressed, postage-paid postcard and return same by November 10, 1976. The purpose of these questions is to determine if your agency will agree to participate in a questionnaire survey regarding the use of Management by Objectives and if so, to determine the appropriate person on your staff to participate in the actual survey instrument. Your recommendation of this participant is of vital importance to insure the validity of the survey findings.

Even if your agency is not involved in the MBO system, your recommendation of a participant is still requested because we will ask him/her to supply us with a list of school districts in your state which are known to be involved to any degree with an MBO system.

A summary of the findings of this survey will be made available to you, if you request.

Thank you for your cooperative effort and assistance in the completion of these questions.

Sincerely yours,

James B. Osborne

APPENDIX B

POSTCARD SURVEY

(POSTCARD SURVEY)

Please respond to the following questions as indicated:

1. Would your agency participate in a questionnaire survey study regarding the use of Management by Objectives (MBO) in your state educational department? Yes No

2. If the response to #1 is yes, to whom may I write on your staff (or yourself, if you wish) to participate in the study? (please print)

NAME _____ Title _____

ADDRESS _____

3. Has your state educational department implemented MBO to any degree? Yes No

4. _____ State _____
Signature

APPENDIX C

LETTER OF TRANSMITTAL TO STATE DEPARTMENTS

January 28, 1977

Dear

You were recently contacted in a letter regarding your participation in a survey of state departments of education and school districts to determine the current status of implementation of Management by Objectives (MBO) in education today. At that time you were informed that you would receive a questionnaire instrument which should be completed and returned by Monday, February 7, 1977.

Please find enclosed the above-mentioned questionnaire. Also, you will find enclosed a school district form for your convenience in listing those school districts in your state which are involved to any degree with an MBO system. Again, may we stress that your endorsement of our survey is not required, but your cooperation in helping us to identify these school districts which are involved with MBO in your state is very necessary for the validity of our study.

Also, please find enclosed an "Overview of Management by Objectives" which we have provided for all participants in the study in order to establish the same frame of reference for each person completing the questionnaire.

Also, we have enclosed a stamped, self-addressed envelope for your convenience in returning the questionnaire and the school district form together.

Once again, we wish to express our sincere appreciation for your kind cooperation in agreeing to assist us in our study, and we will be most grateful for your time in participation.

Sincerely yours,

James B. Osborne

APPENDIX D

OVERVIEW MANAGEMENT BY OBJECTIVES

OVERVIEW MANAGEMENT BY OBJECTIVES

The definition of Management by Objectives (MBO) offered by Dale McConkey is utilized in the development of this study:

An approach to management planning and evaluation in which specific targets for a year, or for some other length of time, are established for each manager on the basis of results which each manager must achieve if the overall objectives of the organization are to be realized.

The system of MBO presents a process for more effective coordination for accepted management function into a logical plan. This process places emphasis on results rather than activities required to achieve these results.

Many authorities would agree that MBO is a systematic way for the subordinate to cooperate with his or her boss in making managerial decisions. The following elements are generally accepted as essential to an MBO system: the job description, defining the responsibilities of the job holder; the specification of objectives (results), developed in line with the job responsibilities; and the evaluation, based upon the performance standards that will be used to verify that results have been achieved in conformity with the accomplishment dates and the work plan adopted.

As a further explanation of the MBO system as it relates to this study, some of the terms used in the survey questionnaire are as follows:

Management--the application of effort and resources in the accomplishment of organizational purpose through people.

Grand Design--general statements defining the long-range overall mission or purpose of the organization.

Goals--key areas in which results are accomplished. They represent statements of broad direction that are general and timeless.

Objective-Setting--system which provides the means to measure the conditions that will exist when they are accomplished.

Performance Standards--standards to be used to indicate the degree of competence expected in the performance of the job function.

Work Plan--an agreement of specific actions that must be taken in order to accomplish objectives.

Accomplishment Dates--deadlines for objectives to be achieved which are normally a part of a quarterly progress review or an annual performance review.

Progress Reports and Performance Reviews--the process of determining results and evaluating them in relation to desired outcomes.

APPENDIX E

MBO SCHOOL DISTRICT FORM

SCHOOLS DISTRICTS UTILIZING MBO
(Please print or type)

SCHOOL DISTRICT	CHIEF SCHOOL OFFICER	ADDRESS	CITY	STATE	ZIP
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					

APPENDIX F

LETTER OF TRANSMITTAL TO SCHOOL DISTRICTS

May 18, 1977

Dr. Charles Burkett of the Graduate School at East Tennessee State University and I are conducting a survey of school districts and state departments of education throughout the United States in an effort to determine the status of the system of Management by Objectives (MBO) in education. The information gathered by this survey is expected to be of value to those educators desiring to keep pace with MBO development in public education.

Your state department of education has recently participated in the first phase of our study and has identified your school district as being involved to some degree with MBO. We therefore strongly urge your participation in this study. The instrument has been thoroughly field tested and should require no more than twenty minutes of your time. If your schedule does not permit your personal involvement we would sincerely appreciate your designating the appropriate member of your administrative staff to complete the instrument. If your school district has been incorrectly identified as having implemented MBO, please indicate this by answering the first question only on the questionnaire.

Enclosed is an overview of MBO to assist you in completing the questionnaire. The overview is furnished in an attempt to establish a similar frame of reference for each participant in the study. Also, we have enclosed a stamped, self-addressed envelope for your convenience in returning the questionnaire.

Responses will be treated collectively, data will not be reported by agency name or by individual, and complete anonymity will be maintained. I would appreciate your completing and returning the questionnaire by June 1, 1977. We will greatly appreciate your assistance and cooperation in this endeavor.

Sincerely yours,

James B. Osborne

APPENDIX G

FIRST PAGE OF QUESTIONNAIRE

(1st. page of questionnaire)

SURVEY
OF
MANAGEMENT BY OBJECTIVES

April 4, 1977

Compiler's Address

James B. Osborne

Coordinator of Cooperative Education

Box 24372

East Tennessee State University

Johnson City, Tennessee 37601

To be completed by respondent:

(Name) _____

(Title) _____

(Address) _____

(city) (state) (zip)

I would appreciate your completing and returning this questionnaire by April 18, 1977.

Purpose of the Survey

The major goals of this survey are to determine the current status of implementation of Management by Objectives (MBO) presently existing in your educational agency and how such a system came into being in your situation. We are interested in your perceptions of the specific processes and procedures utilized to implement this program. This survey is divided into two parts: (1) the first part is designed to gather information concerning the installation and implementation of MBO in your school district; (2) the second part is designed to gather information about what actually exists as a result of MBO implementation in your educational agency.

Instructions for Completing the Survey

Please read the items carefully and circle the number of the response that best fits your situation. On some items none of the responses will exactly fit your situation, but circle the response which comes closest to your situation. (Please use margins for additional remarks.)

APPENDIX H

PART I OF STATE DEPARTMENT QUESTIONNAIRE

STATE DEPARTMENT OF EDUCATION FORM

SURVEY OF MANAGEMENT BY OBJECTIVES

PART I

1. To what extent are you currently involved with an MBO system?
(If you must circle response 1 or 2, no further response is necessary. However, your return of the questionnaire is requested and will be appreciated.)
 1. Not using MBO and no plans to do so;
 2. Anticipating future use of MBO;
 3. In planning stage for near-future implementation;
 4. Currently using MBO in one or more program areas;

2. When was the initial decision made to introduce MBO into your educational agency?
 1. Less than 1 year ago;
 2. 1 year ago;
 3. 2 years ago;
 4. 3 years ago;
 5. 4 years ago;
 6. over 4 years ago;

3. In your educational agency when planning the use of MBO, what period of time was proposed for the system to become fully operational?
 1. 1 year or less;
 2. 2 years;
 3. 3 years;
 4. 4 years;
 5. 5 years or more;

4. What specific educational programs within your agency are involved with MBO? (Circle all that apply.)

1. Administration;	8. School Lunch;
2. Curriculum and Instruction;	9. School Facilities;
3. Financial Services;	10. Maintenance;
4. Library Services;	11. Transportation;
5. Special Education;	12. Federal Programs;
6. Counselling and Guidance;	13. Other _____
7. Vocational Education;	14. Other _____

5. What was/were the source/sources of impetus for implementing MBO in your state educational agency? (Circle all that apply.)
 1. Chief state educational officer;
 2. State legislative mandate;
 3. Federally-funded project;
 4. Employee groups;
 5. Citizen groups;
 6. Other _____

6. What specific goals were developed for implementation of MBO in your state agency? To provide for (Circle all that apply.)

1. An instrument of accountability;
2. Evaluation of administrators;
3. Evaluation of teaching and instructional programs;
4. Administrative control of resources and expenditures;
5. Compliance with legislative mandate;
6. Other _____

7. Your agency was generally;

1. Free to make your own decision as to use or not use MBO;
2. Required to use MBO as a prerequisite for receipt of Federal revenue;
3. Other _____

8. What problems were encountered in implementing MBO into your state educational agency? (Circle all that apply.)

1. Bringing reluctant personnel into full participation;
2. Maintaining and collecting documentation;
3. Turnover of key personnel;
4. Lack of funds;
5. Alloting time for in-service training and work on planning and implementation;
6. Communicating fundamental concepts of MBO;
7. Other _____

9. Was a private consultant used to provide in-service training?

1. Yes
2. No

If "Yes", indicate the phase/phases of your MBO program in which he participated: (Circle all that apply.)

- | | |
|--------------------|----------------|
| a. Orientation; | d. Evaluation; |
| b. Implementation; | e. Other _____ |
| c. Operational; | f. Other _____ |

10. Was it necessary to utilize a staff member whose primary responsibility was to coordinate the development and implementation of MBO/

1. Yes
2. No

If "Yes", please indicate title; _____

11. Was it necessary to provide released time for personnel for planning and implementing MBO in your agency?

1. Yes
2. No

12. Approximately how many hours of MBO in-service training were provided for employees during the first year of MBO implementation?

1. None;
2. 1 - 10'
3. 11 - 20;
4. 21 - 30;
5. over 30;

13. What were the most important sources of in-service training materials for personnel involved in implementing MBO in your state educational agency? (Circle all that apply.)

1. Reading books and periodicals;
 2. Workshops;
 3. University and college courses;
 4. Intensive short courses on MBO from private firms;
 5. Other _____
-

14. What is your recommendation for educational agencies contemplating the implementation of MBO/

1. Highly recommend;
2. Recommend with few reservations;
3. Recommend on limited basis only;
4. Definitely do not recommend;
5. No opinion;
6. Other _____

APPENDIX I

PART I OF SCHOOL DISTRICT QUESTIONNAIRE

SCHOOL DISTRICT FORM

SURVEY OF MANAGEMENT BY OBJECTIVES

PART I

1. To what extent are you currently involved with an MBO system?
(If you must circle response 1 or 2, no further response is necessary.
However, your return of the questionnaire is requested and will be appreciated.)
 1. Not using MBO and no plans to do so;
 2. Anticipating future use of MBO;
 3. In planning stage for near-future implementation;
 4. Currently using MBO in one or more program areas;

2. When was the initial decision made to introduce MBO into your educational agency?
 1. Less than 1 year ago;
 2. 1 year ago;
 3. 2 years ago;
 4. 3 years ago;
 5. 4 years ago;
 6. over 4 years ago;

3. In your educational agency when planning the use of MBO, what period of time was proposed for the system to become fully operational?
 1. 1 year or less;
 2. 2 years;
 3. 3 years;
 4. 4 years;
 5. 5 years or more;

4. What specific educational programs within your agency are involved with MBO? (Circle all that apply.)
 1. Administration;
 2. Curriculum and Instruction;
 3. Financial Services;
 4. Library Services;
 5. Special Education;
 6. Counselling and Guidance;
 7. Vocational Education;
 8. School Lunch;
 9. School Facilities;
 10. Maintenance;
 11. Transportation;
 12. Federal Programs;
 13. Other _____
 14. Other _____

5. What was/were the source/sources of impetus for implementing MBO in your educational agency? (Circle all that apply.)

1. Chief district education officer;
2. State legislative mandate;
3. Federally-funded project;
4. Employee groups;
5. Citizen groups;
6. Other _____

6. What specific goals were developed for implementation of MBO in your school district? To provide for: (Circle all that apply.)

1. An instrument of accountability;
2. Evaluation of administrators;
3. Evaluation of teaching and instructional programs;
4. Administrative control of resources and expenditures;
5. Compliance with legislative mandate;
6. Other _____

7. Your agency was generally:

1. Free to make your own decision as to use or not use MBO;
2. Required to use MBO as a prerequisite for receipt of Federal revenue;
3. Other _____

8. What problems were encountered in implementing MBO into your school district? (Circle all that apply.)

1. Bringing reluctant personnel into full participation;
2. Maintaining and collecting documentation;
3. Turnover of key personnel;
4. Lack of funds;
5. Alloting time for in-service training and work on planning and implementation;
6. Communicating fundamental concepts of MBO;
7. Other _____

9. Was a private consultant used to provide in-service training?

1. Yes
2. No

If "Yes", indicate the phase/phases of your MBO program in which he participated: (Circle all that apply.)

- | | |
|--------------------|----------------|
| a. Orientation; | d. Evaluation; |
| b. Implementation; | e. Other _____ |
| c. Operational; | f. Other _____ |

16. What is the pupil population of your school district?

- | | |
|---------------------|------------------------|
| 1. Less than 1,000; | 5. 20,000/50,000; |
| 2. 1,000/6,000; | 6. 50,000/75,000; |
| 3. 6,000/10,000; | 7. 75,000/100,000; |
| 4. 10,000/20,000; | 8. 100,000 or greater; |

17. What is the total (approximate) per pupil expenditure of your school district?

- | | | |
|-----------|-----------|------------------------|
| 1. \$500; | 3. \$700; | 5. \$900; |
| 2. \$600; | 4. \$800; | 6. \$1,000 or greater; |

APPENDIX J

PART II OF QUESTIONNAIRE

SURVEY OF MANAGEMENT BY OBJECTIVES

PART II

The following section of this survey is designed to determine what conditions, actually exist in your educational agency as a result of MBO implementation. Please read each item carefully and decide which response is most applicable to your own MBO situation. Please check (X) your selected response.

- | | |
|---|--|
| <input type="checkbox"/> To a very large extent | 1. The top management in our agency has the responsibility to set broad goals for the organization. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 2. The chief administrators in our agency must establish the over-all grand design for our MBO system. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 3. In our educational agency, most administrators have the freedom to exercise self-direction and self-control in the pursuit of objectives which they have been made responsible for accomplishing. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 4. MBO in our agency requires that each participant have an understanding of management functions, i.e. planning, organizing, directing, coordinating, and evaluating. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 5. In our organization there is a free flow of communication between upper and lower organizational levels in the determining of goals. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 6. The general goals of the organization are broken down into smaller and smaller units. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |

- | | |
|---|---|
| <input type="checkbox"/> To a very large extent | 7. The superior and the subordinate must each have a thorough understanding of the descriptions and limits of the subordinate's job during the development of objectives. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 8. In our MBO system, long range results are separated from short range results. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 9. A key element of MBO in our agency is the objective setting process where the superior and subordinate agree on the latter's performance objectives. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 10. In our agency, emphasis is placed upon the importance of the subordinate's participation in the objective setting process. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 11. In our agency, a critical examination of all available data takes place in order to determine needs and priorities in setting goals and objectives. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 12. In our agency, evaluation plans have been established to determine the worth of each objective. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 13. A list of management processes, for which objectives are written, is agreed upon by the person who will be responsible for accomplishing them. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 14. In our MBO system, management process objectives are written for each management process. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |
|
 | |
| <input type="checkbox"/> To a very large extent | 15. Each process objective specified a tangible product that can be used as documentation that the objective has been accomplished. |
| <input type="checkbox"/> To a fairly large extent | |
| <input type="checkbox"/> To a moderate extent | |
| <input type="checkbox"/> To a slight extent | |
| <input type="checkbox"/> Not at all | |

- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
16. The name of the person(s) who is/are responsible to see that each respective objective is accomplished is specified in writing.
- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
17. Appropriate activities for the accomplishment of each of the objectives are specified in writing.
- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
18. Projected accomplishment dates have been specified in writing for each of the respective objectives.
- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
19. Staff development objectives which stress professional growth are a part of our MBO system.
- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
20. Objectives which stress decision-making are a part of our MBO system
- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
21. Objectives which stress innovation are a part of our MBO system.
- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
22. In our agency, written individual improvement work plans are devised to aide staff members in achieving objectives.
- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
23. A list of specific objectives is compiled by top administrators and supervisors for those persons who will be responsible for accomplishing them.
- To a very large extent
 To a fairly large extent
 To a moderate extent
 To a slight extent
 Not at all
24. In our agency, MBO has proved to be an excellent tool for improving inter-personal relations, public relations, personal effectiveness, and accountability.

