

## Self-Actualization and Eupsychian Management: Their Role and Relevance in Today's Management Realities and Their Impact on Trust and Organizational Culture

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### Abstract

There are many factors that come into play when discussing the ideas behind what motivates employees in a work context. Employees have varying needs and the idea that one organization or manager can meet each of those individualized needs is challenging to conceive. Today's employee has needs that are not met with the broad stroke or catch all net once used in the industrialized society. During this time period, money was the victor and lead driving force used to motivate employees. This seemed to work in the traditional factory management model during the pre-industrialized and industrial time periods. However, in a post-industrial and globalized society, employees want opportunities and arrangements that are customized to fit their unique life situations and circumstances, and they have the expectation that the organization and managers meet those ascribed expectations. Although money is still an important contributor to the employee's employment decision, it is no longer the predominant driving force. Maslow's research shows the possibility of a utopian like society that supersedes the employee bounds and limits generally observed in the workplace (morale, motivation, and monetary gains). Through his eupsychian management model, the self-actualized employees and managers work harmoniously together in a collaborative leadership and management construct that also encourages others to reach self-actualization (Payne, 2000). This paper will explore his ideals and assumptions to examine their role and relevance in the technologically advanced and globalized working environment of today, and to discuss its effect on trust and organizational culture.

**Keywords:** *Leadership, management, trust, eupsychianism, self-actualization, motivation, engagement*

Self-Actualization and Eupsychian Management: Their Role and Relevance in Today's Management Realities and Impact on Trust and Organizational Culture

There is a vast amount of research, analysis and scholarly writing related to the ideas and concepts of motivation. It is an extremely popular topic amongst management/leadership theorists and organizational development practitioners alike. Organizations have a strong desire to know what motivates their employees and how they can steadily increase their levels of motivation to increase the organization's bottom line. This is important to ascertain in order for organizations to thrive and remain viable in the marketplace, as well as in creating the opportunity and foundation for sustainable development. Employees are the most critical asset to any organization so understanding their needs and desires is critical to the overall success and future existence of any organization (NBRI, 2014). Their job satisfaction is also considered one of the driving forces in an organization's ability to provide continuous improvement and customer satisfaction according to most Total Quality Management (TQM) research (NBRI, 2014). This shows the vital role motivation plays on the organizational stage of job satisfaction. Maslow suggests that this stage can be enhanced and expanded, therefore increasing the viability of the organization, by the existence and infusion of the eupsychian management model. He espoused that self-actualized people can assimilate the work that they do into who they are as a person, therefore re-defining the notion of work through the notion of self-identification (Maslow, 1965). In part, Maslow believed that these self-actualized employees would be self-motivated to excel because they would attribute how their work is viewed and rated to who they are as a person. Maslow's ideals can provide a roadmap for

organizational success, if applied in a manner that is relevant, attainable and useful to employees/managers, and if it is proven to be sustainable within the organizational culture.

### **You Are What You Eat**

In the health and wellness industry, there is a catch phrase that has gained popularity and familiarity within the pop-culture realm, “you are what you eat”. It warns the consumer that they need to be careful when choosing their meals, because what they eat ultimately shapes what their bodies will allow them to do. The food we eat is what fuels our bodies; it provides the energy needed for us to function (McKeith, 2006). If you aren’t careful with the fuel you feed your body, your body will not produce the right quantity or quality you desire, therefore it will not allow you to do some of the things you want it to do (McKeith, 2006). This same concept can be juxtaposed against the workplace; organizations need to be aware of the type of fuel they are feeding and injecting into their system, because it has an aggravating and/or mitigating impact on their ability to thrive and it has a major impact on the organizational culture.

The culture of an organization is generally defined as a system of shared values and norms, which can be further defined as “the way we do things around here”. This means the culture is directly related to the behaviors of the employees in their respective organizations. Two major cultural implications are identified as it relates to the employee’s role in driving organizational culture. The first is that strong organizational cultures positively influence employees by appealing to their desires and ideals, and by setting shared goals and objectives (Chatman & Cha, 2003). The second implication of a strong organizational culture is that it increases the organization’s performance by altering and enhancing the level of employee engagement and morale (Chatman & Cha, 2003). These two implications show that employees are the purveyors of organizational culture, and what they bring to the culture impacts the organization immensely. They are the nourishment (fuel) that the organization feeds itself for sustenance. If the organization is what it eats, then it is a reflection of its organizational culture, i.e. the norms, values and behaviors of its employees.

### **The Organization as a Living System**

Organizations are comprised of the culture by which they fuel and feed themselves; this nourishment process is a critical component for all living systems. If one looks at the organization as a living system, then it can be surmised that there are varying species of organizations that make up the larger living system from which they derive (Morgan, 2006). These species are a representation of the different types of cultures one encounters upon entering a new system (organization). Much like the adaptation process in inhabitants that dwell in the earth’s ecosystem undergo to thrive in their environment, inhabitants of the organizational living system must adapt to their environment in order to thrive and survive as well. Certain species of organizations thrive better in certain systems than others, depending on the conditions needed for survival in their respective environments (Morgan, 2006). For example, in an environment (culture) where there is an intense drive and need for competition, those who do not possess the desire or need for competition probably will not survive in that environment. In order to determine which living system one fits best in, we must conduct a needs assessment for the individual, which leads us to Maslow’s work with the Hierarchy of Needs.

### **The Hierarchy of Needs in the Living System**

Maslow's research assumes that there are basic human needs that everyone has, which can be categorized in an ascending hierarchy. The hierarchy begins with the lower level needs that are physiological, to include food, water, shelter, etc., and as one moves up the hierarchy the needs become more individualized and personal, reaching the top level which is self-actualization. If the lower level needs are met, then the ascending higher level needs become motivating factors in influencing human behavior (Maslow, 2000). If the lower level needs are not met, the person does not reach their full potential, therefore their level of engagement and moral are lessened (Maslow, 2000). This phenomenon asserts that humans have basic needs and when they are met; their level of engagement is favorable to the entity that is meeting their needs. Looking at this phenomenon through the lens of the organization, if the organization is able to meet the needs of their employees, then they will see an increase in their employees' behavior which will be favorable to the organization (Llopis, 2012). If the organization is able to create or find methods to sustain their ability to meet their employee's needs, then they will be able to create an opportunity from which to build an organizational culture that can provide for the self-actualized employee.

### **The Reconciliation of Self-Actualization and Eupsychian Management with Prevalent Management Models**

The work of Abraham Maslow was and still is a major contributor to the research and understanding of the realm of human motivation. It challenges scholar-practitioners to reconsider their assumptions about what influences and motivates people. He asserts that by studying self-actualized people one can attain knowledge on what the most ideal working situation can look like, when one creates the most favorable working conditions for their employees (Maslow, 2000). This is what he later defines as the foundation for the Eupsychian Management Model. Maslow's ideals on creating this utopian work environment enhances and challenges some of the prevailing management models

#### **Scientific Management Model**

This management model, developed by Frederick Taylor, is arguably one of the first formal management models established. It is a representation of the industrial era, in which organizations are large in size (industrial) and are usually manufacturing a product/good, and often use the factory model to manage their workload and employees. Since employees during this time period worked out of their basic necessity for daily living, their managers sought to motivate them in like manner (Morgan, 2006). Employees were paid in piece-rate payments; this process dates back to pre-industrial times, where managers paid employees based on what they produced, i.e. their output (Deci, 1972). This mechanical/factory process was thought to be the best way to manage employees in the scientific management model. The motivational assumption behind this thought is that employees would be inclined to produce more if their pay was commensurate with the amount of work they completed. This concept is complimentary to the Expectancy Theory, which espouses that man's behavior is goal directed (Tolman, 1932). Here again, much like the scientific management model, the motivational assumption is that man will produce more if he knows he will be compensated for the amount of work completed.

Maslow agreed with these theories, but his research shows that the motivational impact of the scientific management model and the expectancy theory only addresses the lower level needs of the hierarchy of needs; they do not address the higher level needs which reach self-actualization (Deci, 1972). If the lower level needs are met but the successive needs are not, then the employee will not reach the pinnacle of their self-awareness. Reaching this pinnacle would require less focus on piece-rate motivation, and would be focused more on the employee's internal ability to motivate themselves, which is a behavior exhibited in the eupsychian management model.

In order for organizations in the scientific model to provide the foundation for building self-actualized employees, they would need to not only begin to address the higher level needs, but they would also need to build trust between the employee and themselves, which sets the foundation for building a eupsychian management model. Golembiewski and McConkie (1975: 131) state, "There is no single variable which so thoroughly influences interpersonal and group behavior as does trust." Building trust is one of the critical threads that should be woven into the relationship between the organizational management theory and practice when building a culture that can sustain the self-actualized employee.

### **Management Theory X & Y**

This management model created by Douglas McGregor presents two polar opposite views of employee motivation. Theory-x describes employees who ultimately are averse to working; they lack a sense of direction, are not self-starters or initiators, and they avoid assuming responsibility of their work (McGregor, 1960). These employees are motivated by being micromanaged and by the threat of discipline. On the other hand, theory-y employees are those who are self-motivated, desire to excel in the working environment and ultimately enjoying working (McGregor, 1960). These employees are motivated by their work being recognized and by being allowed more independence, i.e. less hands-on management.

Managers, who assume the role of managing through theory-x, will find themselves managing via the scientific management style which is predicated on the piece-rate motivation exchange. It was previously mentioned that this style only meets the employee's lower level needs i.e. basic needs; they do not reach the successive levels where the employee is able to reach self-actualization. Managers that utilize the theory-y style tend to find a more self-motivated employee because the employee is made to feel as if their individual contribution is recognized by the organization; therefore they are motivated to give more of themselves to their work (Faruk, 2012). This mutually beneficial, "circular" relationship is what Maslow described as being "psychotherapeutic-psychogogic". When the organization infuses the theory-y type employees with individual opportunities to contribute to the organization, that helps to increase the employees "good feelings" about themselves, which in turn makes the organization better and in turn the organization's "good feelings" make the industry better, which are all behaviors exhibited in the eupsychian management model (Maslow, 1965). This can also be viewed as a reciprocal, dyadic exchange between the manager (i.e. leader) and member (i.e. employee) which can also be positively impacted by the eupsychian management model.

### **Leader-Member Exchange(LMX) Management Theory**

This management model (originally known as the vertical dyad linkage [VDL] theory) is based on the premise of the dyadic (two-way) relationship that exists between the manager and their subordinates. This idea, which originated from the work of Dansereau, Graen & Haga (1975), examined this dyadic relationship and determined that there are two types of groups that form out of this relationship: the first is the "in-group" and the second is the "out-group" (Krishnan, 2005). These two distinctly different groups illustrate the varying dynamics of the dyadic relationship that exist between the supervisor and subordinates. The "in-group" is a small culture of individuals the manager trusts, develops an informal familial relationship with, and who willingly follow and support the manager's vision and direction (Krishnan, 2005). The remaining employees are the "out-group", and they are the employees the manager has a formal, and well-defined, strictly professional relationship with (Krishnan, 2005).

In low LMX relationships, one sees more of the "out-group" dynamic, which can be linked to the lower level needs of the hierarchy of needs. In high LMX relationships, one sees more of the "in-group"

dynamic where the individual employee contributions are affirmed, and they feel more vested in the organization. This is where we see the linkage to the higher level of the hierarchy of needs being met, which leads the individual employee to feel an increase in their individual contribution, therefore giving more opportunity to reach self-actualization. This is also where we see the linkage back to the eupsychian management model and the aforementioned idea of what Maslow (1965) called the “psychotherapeutic-psychologic circular relationship”. Managers who are able to operate using the higher levels of the LMX should see higher levels of performance from their employees (Dunegon, Duchon, & Uhl-Bien, 1992), leading to their ability to link to and build a culture of trust, which builds towards the eupsychian management model.

### **Implications for Practicing Managers**

Current managers who seek to build a culture and an environment that can sustain self-actualized employees need to start by creating an environment of reciprocal trust between them and their employees. One of the most basic “lower-level” needs, according to Maslow (2000) is for employees to feel safe in their environments. Once employees feel the genuine desire of the manager to provide a safe environment for them to stretch and grow personally and professionally, the successive “higher-level” needs can be met (Maslow, 1965) and they feel more open and free to begin to work on reaching the level of self-actualization. Trust is a dyadic dynamic; it is predicated on the ability of those engaged in the relationship to invest in each other. According to McAllister (1995), in low-trusting relationships managers exhibit behaviors akin to micromanagement, however in high-trusting relationships managers’ exhibit behaviors where employees are given creative freedom and little to no oversight. It is in high-trusting relationships that we begin to see the evidence and behaviors exhibited in the eupsychian management model. The three prevailing management models previously discussed all share the opportunity for the manager to increase their level of trust in their relationships with their staff, which provides the opportunity for sustaining an organizational culture that supports the journey to self-actualization.

### **Challenges to Building a Culture that Sustains Self-Actualization**

Maslow’s concept of building an environment that supports self-actualized employees and leads to the development of the eupsychian management model is great in concept, but can be challenging in practice. His model assumes that all human needs are hierarchical, and in order to move up the model each preceding need must be met. Rutledge (2011) argues that life is not as simple as that, it is much more complicated. Rutledge (2011) espouses that in the present (and future) working environment, social connections are what has the largest impact on employees. With the onset of social media, our needs as Maslow describes them are being met at varying levels and not necessarily in a successive, hierarchical manner. This coupled with the changing work environment where a large growing number of employees are no longer working in traditional offices, but in a virtual globalized world, adds to the challenge of building trust with employees who managers no longer physically see. When teams do not meet face to face regularly they find it challenging to build rapport, team cohesion and trust (PI, 2014). Managers also struggle to maneuver in managing the virtual workforce because the traditional tools managers have in their toolkits are not compatible with the globalized working environment (PI, 2014). We now see that there are many management challenges that arise in this new working environment; however the ability to extend and build trust with individual employees still exists, therefore the ideals and construct behind building a culture that supports and sustains self-actualization are attainable.

There is an immense amount of research and data collected on the ideas of motivation. The majority of the research conducted references the work of Abraham Maslow because his research serves as a foundation from which others build (Meyer, Strong, & Geerts, 2014). Even in an ever changing

globalized environment, one can still see the benefits of applying Maslow's ideal of building a culture that supports and sustains the process of self-actualization. He coined the phrase eupsychian management, which on the surface can appear to be a utopian like society that is best utilized in fairytales and as unreachable goals for managers and employees alike to attempt to attain. However, there is an attainable, readily accessible form of this management style that assists to help managers and employees in reaching their version of eupsychianism, which is called shared leadership. Shared leadership is a process by which leadership is broadly distributed amongst a set of individuals (team), instead of it being centralized in the hands of one person (leader/manager) who possess all of the authority and power (Pearce & Conger, 2003). This process is built on the premise on the dyadic culture of trust that must exist in order to sustain and support self-actualization.

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