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# **The Reality or Illusion of a General Contingency Theory of Management: A Response to the Longenecker and Pringle Critique**

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In April 1977, we introduced the concept of a General Contingency Theory (GCT) of Management and proposed for its development a conceptual framework to integrate and synthesize diverse process, behavioral, and management science concepts and techniques (3). In their critique of GCT, Longenecker and Pringle (2) have argued that the concept of a contingency-based general theory of management is illusory, too ill-defined and nebulous to serve as a truly viable general theory. Our response is offered to clarify some of the points they raise and stimulate a continuing dialogue over the GCT construct which will hopefully contribute to the development of the field of management.

We all seem to agree that people in general, and management scholars in particular, are in-

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terested in the understanding, prediction, and control of life in general and of organizations and how they are managed, in particular. Whether the motivation for this behavior is a need to reduce cognitive dissonance, as suggested by Longenecker and Pringle (2), or a need to maintain competence with our relevant environment, or to add another item to our vita can be fruitlessly argued. The fact is that we continually build theories or models to better understand, predict, and control a complex reality that generally exceeds the bounds of our rationality. Theory building in management, or any other discipline, turns out to be a never ending process.

Over the years, theory building in management has been affected by at least two important perspectives. First, there has been a spirit of competition among the various theoretical schools; e.g., the process, behavioral, and management science schools have adopted somewhat of an adversary view toward one another. The result has been described in the classic arti-

cle by Koontz as the “Management Theory Jungle” (1). In addition, with the rise of general systems theory (GST) in recent years, a second perspective has emerged. This view is one of integration and synthesis, rather than conflict and competition. This latter perspective argues for an eclectic general theory of management that integrates various process, behavioral, and management science concepts and rejects the notion of competing pretenders to the title of “the one best way to manage”. The approach of striving for a general theory of management is a logical extension of accepting the systems paradigm for organizations and their management.

### What is Meant by Contingency Theory?

Part of the problem in any meaningful dialogue about contingency theory is reaching a common definition as to what it is — and what it is not. Longenecker and Pringle simply suggest that the general thrust of contingency theory is a focus on the situational nature of management. This is certainly a common interpretation but one which we carefully avoided in our article and one which we feel is inadequate for all but the most superficial discussion. In our view, it is fallacious to equate the term “contingency theory” with the overly simplistic, but admittedly popular, assertion that “it all depends”. Without question, the basic notion that organizational performance depends on taking management actions consistent with the situation is central to the contingency approach. However, that observation per se, except in the most rudimentary sense, cannot be called a theory (let alone a general theory). To avoid any definitional confusion, we carefully pointed out the difference between a naive situational/“it all depends” approach and a contingency approach which deals with *functional relationships between explicitly- and operationally-defined system variables, i.e., situational, management, and performance criteria variables* (3, p. 183). Contrary to the Longenecker and Pringle assertion, it is also important to emphasize that we do not see GCT as yet

another theory proposed to replace or even complement theoretical elements currently identified with the more traditional schools. GCT is, in a sense, a meta-theory that attempts to integrate these more specific or limited elements of theoretical information into a unified body of knowledge. It is not, as Longenecker and Pringle suggest, an “attempt to fashion a general theory from the debris of other inadequate theories”. Finally, we do not suggest that GCT is an existing entity. Rather, we recognize that it is yet to be developed through operationalizing the conceptual framework. We have merely suggested the theoretical framework and how it could be operationalized. We are actually in the process of operationalizing GCT in our current research.

While Longenecker and Pringle never bother to state specifically what *they* mean by the “contingency concept,” they assert that it has “some validity”. This “hedging” suggests that they believe that the contingency notion is sometimes invalid, i.e., in their terms, when consideration of situational factors is irrelevant to the manager or theorist. Again, we feel they oversimplify. We would say that while various management concepts and techniques vary in their respective *sensitivity* to changes in environmental variables, no management variables are *absolutely* independent of, or insensitive to, the influence of environmental considerations. From this latter perspective, the contingency concept is indeed the common denominator asked for by Longenecker and Pringle. As such, we believe it has considerable potential as the basis for building a general theory of management.

### The Variables in GCT

In their interpretation of GCT, Longenecker and Pringle state: “. . . in effect . . . organizational system performance literally depends upon every variable imaginable — an observation which, although it may contain a grain of truth, adds little to our knowledge of management theory”. With respect to an attempt to build any

general theory, this interpretation seems myopic. As stated earlier, we see the development of management theory as an unbounded, continuing process. As such, any conceptual framework for this development must accommodate relationships between large numbers (potentially infinite) of operationally-defined variables. To stop short of this capacity of a general theory suggests that there is some finite limit of management knowledge. Hopefully, this is not the case.

Contrary to what Longenecker and Pringle imply, we certainly do not see organizational system performance as being expressed by a single global variable or operational measure. Rather, system performance is more accurately measured by a number of complementary dimensions, e.g., sales, profit, return on investment, growth, absenteeism, customer satisfaction, employee satisfaction, social responsibility, to name only a very few. Although *potentially*, each such operationally defined systems performance measure can be functionally/lawfully related to an infinite number of resource, environment, and management variable combinations, *practically*, theorists, researchers, and practitioners are generally interested in relationships between rather limited, finite sets of system variables. Moreover, since much of our attention is focused on the most common situations confronting managers, the number of performance criteria, environmental, resource, and management variables to be considered in reality may be quite limited. In both the research and practice of management, we are interested in those few variables having the most significant influence or impact on a particular performance criteria. This emphasis does not, however, deny the *possible*, but perhaps less significant, influence of a large number of other interacting variables.

In light of the above, we could not agree more with our critics in their observation that "theory construction requires careful — not chaotic — selection of variables, in which the selection process is based upon well-defined,

clearly-specified criteria". In fact, this is exactly our main argument for a conceptual framework to guide the *systematic* development of a general management theory. Without such a framework, the development of management theory will remain as a relatively inefficient evolutionary process of conflict and natural selection. We further agree with Longenecker and Pringle's reference to Blalock in concluding that:

... theories cannot consist entirely of conceptual schemes, but must contain lawlike propositions that interrelate concepts or variables. A theoretical structure is not simply a listing and crude classification of variables, but a statement of the form of the relationship among the variables.

This is precisely what we have called for in our discussion of specific GCT functions or lawful relationships (3, p. 188). The taxonomical framework for GCT development is the matrix for binding together and integrating the specific contingency relationships that are the elements of the theory. Longenecker and Pringle argue for exactly what we proposed. We are not simply suggesting that management, situational, and performance variables interact — the vernacular interpretation of the contingency construct — but are calling for the systematic development and integration of specific functional relationships between operationally-defined variables. The framework per se is certainly not a general theory. Similarly, the specific functional relationships between system variables, taken without an integrating framework, do not constitute a general theory. However, taken together, we believe the conceptual framework *and* its constituent relationships do constitute a general (contingency-based) theoretical structure.

## The Role of Goals in GCT

Longenecker and Pringle question *whose* goals are included in the model. We respond that potentially the goals may be of interest to anyone. The significance of goals, as well as the significance of the relationships in which they are

involved, is purposely not spelled out by the theory but is supplied by the user who interprets the theory. For example, consider a particular situation in which the theory suggests that a task-oriented style of leadership will lead to (or is associated with) high productivity, but low employee morale (as measured by specified instruments). The significance of that relationship depends on the orientation of the user or interpreter, e.g. manager, employee, union steward, researcher, etc. Similarly, how goals are established and whether multiple goals are equally important (or not) are, in our view, questions of relevance to the GCT user and not to the object theory, except where such questions are the subject of a theoretical relationship. When Longenecker and Pringle question "Might multiple goals make incompatible demands upon organizational resources?", our response would be "quite possibly" (actually, quite probably, unless one has effectively unlimited resources). Once again we feel that the role of theory is to help the user understand, predict, and control reality as it *is*, (i.e. descriptive), not provide results as the user might like to see them (i.e. normative). In fact, a major strength of the GCT framework is its capacity to help the user predict a greater number of the potential or likely effects (against a variety of criteria) of implementing a particular intervention strategy in a stated situation.

GCT holds no restriction, as Longenecker and Pringle assert that the user bring to it an interest only in the formal goals of an organization. Again, formal goals are relevant only to the user or interpreter, not to the theoretical relationships involving particular performance criteria. A performance criteria of direct interest to one organization may be of only indirect interest, or no interest, to another. GCT provides no inherent guarantee that the theorist, researcher or practitioner, i.e. the system user, will ask the "right" questions or "properly" interpret existing contingency relationships. This theory — as any theory — is only a framework available for use by interested theorists, researchers, and practitioners. It is not intended to be a substitute for them.

## The Dual Contingency Concern

Longenecker and Pringle do make a crucial observation concerning contingency theory and the relationship between the organization and its relevant environment. They suggest that the conventional view of contingency theorists is that the effective organization must change in response to antecedent changes in the environment — i.e., there is a dependent relationship between the organizations and their environment or that the environment operates on the organization (4). This perspective seems to arise from the perception of environmental variables as being unalterable, uncontrollable "givens". In our view, the relationship between the organization and its environment is symbiotic; each exists for the mutual benefit of the other and is constantly changing and being changed by the other. This interdependence (or what Longenecker and Pringle call dual contingency) becomes especially apparent if the dyadic nature of organizations and their environment is recognized. In other words, an organization can be thought of as an ecosystem striving for dynamic equilibrium.

In presenting GCT we made a distinction between those variables that are subject to the direct, real-time control of the manager (which we call resources) and those which may be indirectly influenced by the behavior of the system, but which are not subject to direct or positive real time control (which we call environmental variables). The managers of organizations do indeed change their environments. In fact we feel that this is a basic purpose. However, managers operate on their resources to *induce* desired changes in specific environmental variables at some future time. For example, Longenecker and Pringle observe that legislation can be influenced by lobbying activities. We agreed, but the key question becomes how is this accomplished? Management can not *directly* create, modify, or repeal legislation or even directly vote for it. What they can do is spend their time, money, and other assets (i.e., their resources) in such a way as to positively (they hope) influence the actions of legis-

lators. Similarly, an organization's management cannot *directly* command or generate the demand for its goods or services. It induces this desired change in its environment (in this case customers) by spending its resources on product development, market research, advertising, distribution, customer service, etc. Management cannot *directly* control the actions of their competitors, but they can indirectly influence them by manipulation of their own resources, e.g. pricing strategy, product development, advertising, etc. We think there is a very important distinction to be made between variables that can be controlled (resources) by the manager/organization and those which can be potentially influenced but not directly controlled (environmental variables). Because of the dyadic relationship between a focal organization and its environment, it seems obvious to note that elements considered as environmental variables to the focal organization will, by necessity, be resources to some other entity in that organization's environment — and vice versa.

### A Final Word

In concluding their discussion, Longenecker and Pringle assert that "... dissimilarities or situational differences do not become a general theory ...". We agree, but it seems to us that GCT can be used as a binding structural matrix for in-

tegrating currently disjointed theoretical elements of management. Longenecker and Pringle go on to echo our own call for "... something more positive than a general contingency theme which says 'it all depends'". We sincerely believe that an *operationalized* GCT has much more to offer than a vague "all depends" approach. Clearly the conceptual framework and functional contingency expressions briefly described in our article on GCT in no way attempt to be an operationalized GCT per se. Nor are we suggesting that at present there is a viable body of contingency theory that exists in any significant state of generality. Our basic purpose was to suggest a contingency-based methodology to guide the *continuing* development of specific theoretical relationships into an ever more synthesized and integrated general theory of management.

Our developmental research into the construction of an automated information system designed to operationalize the GCT matrix has left us with an appreciation of the complexity of the task. There is no question that the problems of operationalizing GCT as proposed are numerous, complex, and difficult. However, our preliminary work does indicate that operationalizing GCT on a practical level is indeed feasible and its potential for organizing and integrating a variety of theoretical relationships is anything but an illusion. We hope to be reporting the results of this effort in the future.

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