BUSINESS HISTORY REVIEW
AUTUMN 2003

False Prophets: The Gurus Who Created Modern Management and Why Their Ideas Are Bad for Business Today. *By James Hoopes.* Cambridge, Mass.: Perseus, 2003. xxxiv + 308 pp. Index, notes, figures, photographs. Paper, $27.50. ISBN 0-738-20798-5.

Reviewed by Daniel A. Wren

James Hoopes, Distinguished Professor of History at Babson College, proposes, in *False Prophets,* "to use history to help today's managers gain a more realistic perspective in a morally ambiguous world where there has always been power and injustice" (p. xxi). According to Hoopes, the "gurus" of management history have created "unrealistic hopes for democracy and moral legitimacy" (p. 261) and have provided bad examples for today's business leaders.

Hoopes launches his thesis with a survey of slavery in the antebellum South, textile mills in New England, and early railroads. Photographs of a slave bearing the marks of a lash and a railroad construction supervisor holding a whip support the view supplied in one caption, alleging that the whip is "one of the oldest management tools" (p. 29). In the textile mills, we are told, although with no documentation, that supervisors commonly extracted bribes from the male workers and "sexual favors" from the female ones. Hoopes calls this opening section "scientific management," a misleading title, since these events, which occurred well before the turn of the century, preceded the introduction of that particular philosophy.

When he does arrives at that period, Hoopes describes Frederick Taylor as "the demon" and the "power-hungry boss" who used "brutal methods" and "symbolized cruel management" (pp. 31, 33). Frank Gilbreth and Henry Gantt, although viewed as more "benign" than Taylor, are nevertheless depicted as "drivers" of workers, unsparing overseers who continuously sped up the work pace. These characterizations of Taylor, Gilbreth, and Gantt are not congruent with other studies of the scientific management movement, such as Daniel Nelson's book, *Managers and Workers: Origins of the Twentieth-Century Factory System in the United States, 1880–1920* (1980), or the biography of Taylor by Charles Wrege and Ronald Greenwood (1991).

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Hoopes continues his indictment of "managerial gurus" when he takes up the human relations movement and its ultimate corruption. He labels Elton Mayo, the leading figure in the movement, "the therapist," describing how, with his Harvard colleague, Fritz Roethlisberger, he engaged in "therapeutic tyranny" at the Hawthorne plant of Western Electric. Although Mayo's interviewing program gave the workers the opportunity to vent their grievances, it did nothing to improve their situation. Chester Barnard, a chief executive officer of New Jersey Bell Telephone and another member of the "Harvard Circle," is blamed for creating "today's often unrealistic ideal of the manager as a moral leader" (p. 173). Barnard advocated adopting the vantage point of the worker toward authority, but Hoopes dismisses this strategy because it "flies in the face of experience" (p. 175).

Hoopes finds very few individuals whose views of management realistically meet his criteria for being both democratic and morally legitimate. Mary Follett, writing in the 1920s and 1930s, is praised for her ideas of depersonalizing authority, obeying the "law of the situation," and assuming "power with" rather than "power over" people. Nevertheless, Hoopes concludes that Follett's ideas are flawed by an "inadequate suspicion of power" (p. 121). Peter Drucker, "the moralist," offers "the best moral touchstone for management power in a democratic society" (p. 195). Outside of Drucker and Follett, Hoopes's list of approved exemplars from management history is exceedingly short.

Hoopes is treading ancient turf regarding the use and abuse of power. Another contemporary, Charles Handy, has asked similar questions, but he has done so without excoriating individuals. In *Understanding Organizations* (1976) and two articles published in the *Harvard Business Review* (1992, 2002), Handy revisits the exercise of power in organizations, much along the lines Hoopes advocates, but he does not demonize historical figures to make his point.

Hoopes overlooks the fact that power can cut two ways. The exercise of power without self-discipline in the pursuit of personal aggrandizement may lead to criminal activity, as recent media headlines featuring white-collar criminals demonstrate all too vividly. This is the dark side of power, and it is perhaps impossible to avoid. However, power can also be used to advance the organized pursuit of worthy goals far more

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efficiently than individuals acting on their own are able to do. Positive uses of power occur when the focus is on a collective goal, rather than on individual gain.

Hoopes struggles admirably with an enduring problem but offers little in the way of a solution. He hopes that "managers may achieve some useful moral caution and humility by acknowledging that they possess dangerous power as a matter of necessity in an imperfect world, not because they are morally qualified for it" (p. 263). *False Prophets* uncovers missteps from the past but does not present much guidance for selecting and developing individuals who possess "moral caution and humility."

I cannot agree with Hoopes's finding that the pioneers in management thought are responsible for the abuses of the present. These early industrial leaders were struggling, very much as we are now, with the age-old problem of getting the job done while preserving individual values and aspirations. If there have been shortcomings in attaining a mutuality of interests between labor and management (Taylor), or understanding and improving managers' interpersonal skills (Mayo and Roethlisberger), or developing moral leaders (Barnard), it is up to today's leaders to correct their missteps and move on from there.

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