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Executive Behaviour revisited

Perspectives on a classic work
within management research

by

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Abstract

In 1951, *Executive Behaviour*, the first systematic account about what managers are doing was published. The book is still regarded as an important source of knowledge and this article aims to explain why this is the case by shed light on some of the unique qualities of the book. *Executive Behaviour* still gives a general and complete picture about managerial work since it covers a wide spectrum of topics. Many of the conclusions have been replicated in later studies but there is also insights in the book that has been largely neglected by later research - the importance of time (the use of it) and space (the interplay between the CEO and his social and physical environment). *Executive Behaviour* can thus still be used as an inspirational source in future research.

Key words:

Managerial work, managerial behavior, executive behavior, administrative science, external control, Sweden, CEO study

Introduction

"*Executive Behaviour*" is a remarkable book. It gives an account of the first systematic study of the work of top managers ever made and it is one of the earliest empirical studies in business administration in all categories. The focus of the extensive investigation

was the elite of Swedish business life. Still, after 50 years it represents an important source of knowledge about the nature of managerial work. For instance, Rosemary Stewart, a leading researcher recommends it to all future students in this field of knowledge:

"Despite all subsequent research, Carlson's book remains a study that any researcher interested in recording work activities, by whatever methods, should read carefully." (Stewart, 1996: 3102)

The aim of the article is to explain why Executive Behavior gives a valid account about managerial work, and why it should be given a larger position than just being a pioneering work. The article is based on a deep reading of Executive Behaviour, an examination of important impetus in form of major references, literature about the Swedish economy of that time and on two interviews with Sune Carlson (December 8, 1998 and December 15, 1998).

The article starts with a resume of the content in Executive behavior, followed by a description of the context and participants of the study. The then following section provides an overview of how the study was conducted and central methodological and theoretical pre-assumptions are presented. The final section of the article gives an account of how Executive Behaviour has influenced subsequent research on managerial work.

Dedication

The article is dedicated to Professor Sune Carlson who died in September 1999.

Executive Behaviour, a resume

Executive Behaviour starts with a brief description of the origin of study, how a committee of CEOs was formed and the reasons for starting an investigation of the content and characteristics of the work of the participants (p. 13-17). Then Carlson line out the methodological consideration the guided the start of the research (p. 17-25). He argued for the need of truly operational concepts and he was criticizing the present state-of-affairs within the administrative theory; the concepts used were ambiguous and difficult to relate to actual behavior of managers. The first chapter is concluded by a presentation of previous studies of administrative behavior (p. 25-30). Particularly the study by Harold Lasswell (Lasswell, 1947) was influential.

In chapter two it is described how Carlson developed a method for studying the CEOs. Five dimensions were used: 1) Place of work, 2) Contacts with persons and institutions, 3) Technique of communication, 4) Nature of question handled, and 5) Kind of action (p. 34-39). The following section presents comments and reflections about this classification and the work of gathering the data (p. 39-50). Several techniques and many informants were used in order to collect a representative material of how the CEOs were behaving. The study was ambitious executed.

Chapter three is devoted to the social environment of the CEOs. Carlson points out that the Swedish community is rather small and that the homogeneity between the CEOs as a group is relatively high (p. 56). An important feature of the Swedish economy was the high degree of centralization, where the freedom of activity was curtailed by an increasing number of government regulations and restrictions imposed by trade associations, trade unions and employers' federation (p. 60). As a consequence of the corporativistic environment, the CEOs had to devote a considerable amount of time on public relations.

Where the CEOs were working and how much is the topic in chapter four. The CEOs spend at an average 32% of the work on activities outside the firm, a figure that Carlson regarded as maybe too high (p. 64-68). The absentee periods created in some companies disturbances in the administrative processes due to insufficient decentralization of authority and responsibilities. On the other hand, the CEOs didn't carried out inspection tours as often as they would like to since the tours often wasn't scheduled (p. 68-71), The CEOs had got a kind of "diary complex", what was not put in the calendar would not be carried out. Carlson also regarded the time for reading and contemplation insufficient, due to the lack of undisturbed time. The work alone at own office was fragmented, "[hardly time enough for] light a cigarette before they were interrupted..." (p. 73-74). The chapter is concluded by an analysis of the total working load. Carlson found that the CEO had too much working pressure, which led to long working days and to sacrifices of their private life. Also the heavy workload made the CEOs rather "narrow" in broader social and cultural affairs.

The chapter five is primarily about whom the CEOs are meeting and the techniques of communication. Carlson was surprised that the CEOs seldom used letters as a means of communications (p. 83), and that they rarely meet customers and suppliers (p. 84). The main part of this chapter is about condition that Carlson perceives as problems in the communication; the inefficient organizing of committee work (p. 85-87); the too heavy paper ballast on the CEOs desk (p. 88-90) and deficiencies in handling visitors and telephone calls (p. 90-93). With the full use of secretaries, assistants, telephone operators and physical arrangements, the CEO will have more time to think and plan for the future.

The analysis of communication is deepened in chapter six, and more administrative problems are discussed. Carlson suggested that the mapping of contact pattern could be used as a tool for diagnosing administrative efficiency, especially for the detection of shortcuts and short-circuits in the communication lines (p. 96). Another problems of

communication presented in the chapter concerns insufficient preparation of matters presented to the CEOs (p. 105-106) and a general reluctance to establish policies (p. 106-107). In the latter case the CEOs were in danger of becoming overloaded with details in a vicious circle. At the end of the chapter a very brief presentation is made of the nature of the activities (p.107-108). The main conclusions are that getting information was the most frequent activity and that there were large differences in the CEO behavior between centralized and decentralized companies.

Chapter seven is devoted to a general discussion about the findings in the study. Carlson was rather disappointed with the fact that he didn't succeed to develop clear operational concepts and that he lacked a general theoretical system in which the observations could be arranged in (p. 115). He considered the development of a method for measuring and analyzing managerial behavior as his most important contribution, although he recognize the need for further refinements - especially for describing the content of the behavior (p. 112). The main conclusion in Executive Behavior is that managerial work need to be studied in its social context and to be focused on the attentions, goals and attitudes of the actors. The researchers thus needed both to enter the black box of the CEO mind and to relate his behavior to the social and physical environment.

Executive Behaviour, the background

Sune Carlson was born in 1909 and grew up in a "*conservative manor milieu*" (Carlson, 1983: 21) outside Örebro in the central part of Sweden. After technical studies at secondary level he went to the Stockholm School of Economics. In 1932 he graduated for Professor Bertil Ohlin, famous for his theories in international trade, which he later was awarded to the Nobel Prize. On Ohlin's recommendation, Carlson went to the University of

Chicago where he received a Ph.D. in Economics in 1936. The dissertation, published in a revised form in 1939 "A study on the Pure Theory of Production", has been recognized as a classic (Johanson, 1995). During his doctorate years, Carlson also studied for long periods at the Vienna University and at the Columbia University.

Sune Carlson returned to the Stockholm School of Economics in 1937, first as a substitute for Bertil Ohlin in his teaching in Economics, but Carlson became more and more interested in the field of business administration, particularly on top management issues. During the war Carlson was also engaged as secretary on the National Price Control Board. In this position he made contacts with several prominent business leaders. One of them was Ragnar Blomquist, CEO of Thule, the largest insurance company in Sweden at that time. Carlson and Blomquist formed in 1943 a group of company representatives in order to discuss marketing issues. After an initial successful seminar, Carlson suggested to Blomquist that something similar could be done with top CEOs (Carlson 1983: 150ff). Blomquist found the idea worth a try.

Based on Blomquist's and Carlson's personal contacts "*The Administrative Problem Study Group*" (The A-group) was formed in the spring of 1944. During the following years the group met biannually to discuss administrative problems for a full day. Thanks to a donation from the companies in the group, a new chair was established at Stockholm School of Economics for Sune Carlson. This was the first chair in Sweden directed towards corporate administration.

In the autumn of 1946 Carlson went to the United States on commission from the A-group to study the latest developments in management research and he met for instance leading professors such as Chester Barnard and Elton Mayo. During the trip Carlson got the idea to do "*a study of what CEOs were doing hour by hour, where they were located, whom they meet, what they were reading and how all this taken together influenced their way of*

leading a company" (Ibid., 146-47). Carlson presented the idea to the head of The American Management Association, Alvin Johnson, and his research director Ernest Dale. They found the idea fascinating but they doubted that any CEO should want to participate. Back in Sweden, Carlson took advantage of this reaction and put forward it as a challenge to the A-group: *"The Americans don't think that you dare to participate"* (Interview with Sune Carlson, December 15 1998). The most members of the A-group accepted the invitation and field studies of nine Swedish CEO's were carried out 1947 - 1949.

Executive Behaviour: The participants

How many CEOs that represent the empirical base in Executive Behaviour is a matter of definition. Carlson writes early in his book that he had conducted a study of the two CEOs in the French department store Au Printemps (p. 16). Later in the book (p. 32) he states that the number of individual cases was 10, nine in Sweden and one in France¹. Furthermore, at page 55 one can read *"If we return for a moment to the nine managing directors whose behaviour pattern are the object of this present study[...]"*. Since no references are made to the French CEOs, it is reasonable to say that the empirical material in Executive Behaviour consisted of the nine Swedish CEOs that were studied. These CEOs were:

Erik Bengtsson, (born 1886) Civil Engineer in Metallurgy 1912.

CEO of Boliden 1941-49, then the second largest mining company in the country. Head office in Skellefteå in the North of Sweden.

¹ The French CEO was according to Carlson, Pierre Laguionie.

Torsten B Bergh, (1901) Bachelor of Law.

CEO of Mab & Mya 1936-1955, at that time one of the largest textiles mills in Sweden, Head office in Malmö.

Ernfrid Browaldh, (1889) Bachelor of Law 1912.

CEO of Svenska Handelsbanken 1944-1955, the largest commercial banks in Sweden. Head office in Stockholm.

Per Egon Gummeson, (1893) Civil Engineer in Metallurgy 1918.

CEO of Höganäs-Billesholm 1935-1960, a mining company with approximately 3200 employees at that time. Head office in Höganäs, Scania.

Alvar Lindencrona, (1910) Bachelor of Law 1934.

CEO of Thule 1947-1964, the largest insurance company in Sweden. Head office in Stockholm.

Ragnar Sachs, (1902) Bachelor of Business Administration 1923.

CEO of Nordiska Kompaniet (NK) 1937-1958, the third largest retail chain in Sweden. Head office in Stockholm.

Sven Schwartz, (1891) Civil Engineer in Metallurgy 1916.

CEO of Stockholms bryggerier 1941-1949, the largest brewery in Sweden.

Iwar Sjögren, (1888) Master of Science 1913.

CEO of Skandia 1944-1955, the second largest insurance company in the country. Head office in Stockholm.

Nils Åhlund, (1897) Bachelor in Business Administration 1919.

CEO of SLT Göteborg, a Gothenburg-based subsidiary of the large printing companies SLT.

The participants were university graduates from the prestigious educational institutions in Sweden of that time: Royal College of Technology, Stockholm School of Economics and the Universities of Lund and Uppsala. At the time of the study the participants were between 38 and 62 years old (mean 53 years) and their experience from CEO positions ranged from 1 to 20 years (mean 9 years). The companies they represented employed between 700 (SLT Göteborg) and 3500 (Boliden) people, with a mean value of approximately 2000 employees. At that time all operations (besides international sales) of the participating companies were taking place within Sweden. The firm with the largest export activities, Boliden, exported approximately 30% of total sales.

The other members of the A-group, whose behavior was not studied, were:

- Ragnar Blomquist who retired as CEO of Thule in 1947 and therefore wasn't available as a study object.
- Nils Danielsen, CEO of Uddeholm (a metal & forestry company which then employed nearly 14.000 persons)
- Helge Ericson, CEO of L M Ericsson (one of the few truly international Swedish companies of that time, with 18.000 employees world wide)
- Gustav Söderlund, CEO of Skandinaviska Banken (the second largest bank in Sweden)

- Torsten Åström, CEO of Stockholms Spårvägar until 1947, the public transportation company in Stockholm.

The participants of the A-group were among the most influential business leaders in Sweden of that time. Ernfrid Browaldh for instance made important contributions in restructuring client companies in financial difficulties such as L M Ericsson, SCA, and Fagersta. Per Egon Gummeson, Ragnar Sachs and Sven Schwartz were board members of several external companies. Schwartz was also at the time of the study chairman of the Swedish Employers' Confederation (SAF). It is also worth mentioning that among the other members within the A-group, Nils Danielsen was chairman of the powerful Federation of Swedish Industries (Industriförbundet) and Gustav Söderlund was regarded as the leading liaison person between business, government and the labor movement (Söderpalm, 1976). Söderlund was one of the initiators of the Saltsjöbad Agreement, a cornerstone in the Swedish Model and during the war he acted as chairman of the powerful Industry Commission, which held an overall responsibility for the Swedish war time production.

Executive Behaviour: The context

The context for the CEO study in a few words was a small, expansive but a tightly regulated economy and a politically tense climate where the participants had a close interaction to each other also outside the A-group.

The government had resumed a close control of the industry during the war and when the war ended this control continued. The reasons were a fear of a post-war depression and that the foreign trade was executed within national trade agreements. There were also spokesmen who wanted to make this kind of regulation permanent, which can be seen as a

mild form of a planned economy. Heckscher (1946) views the governance in Sweden of that time as an example of liberal corporativism – where the government seeks cooperation from legally independent associations such as industry organizations, employers' federations and labor movement organizations - associations which at the same time are given political influence. When the war broke out business leaders were invited to work within several commissions, which were given the responsibility of rearmament and provision of basic goods.

The Swedish economy was very expansive during the period when the CEO study was conducted. The industrial production was growing at around 7% per year and foreign trade was expanding even faster (Bentzel, 1967). The customer demand was very strong; the growth was mainly hampered by shortages. The CEOs had to be engaged in the governmental commissions and industry associations not least in order to be able to buy and sell scarce products for their companies (Höglund 1953: 21).

During the study many of the CEOs were busy with activities related to the general expansion. At Mab & Mya, new factories were put up in the inland of Scania. Nils Åhlund was responsible for the erection of a new main factory in Göteborg and Per Egon Gummeson supervised several building investments at Höganäs.

The period during which the CEO-study took place was politically tense. The Social Democrats advocated an increased state control of business life in their postwar-program of 1944 which also suggested that important natural resources and large accumulations of capital perhaps should be owned by the State. Some of the participants were therefore working under a strongly perceived threat of socialization (Englund, 1982). They were mainly the CEOs of Handelsbanken, Skandia, Thule because of a large capital base and the CEO of Boliden because of the valuable ore fields.

In the general election of 1948, the Liberal and the Conservative opposition, now mainly represented by Sune Carlson's former professor Bertil Ohlin (who became leader of the Liberal Party in 1944), confronted the Social Democrats. Several members of the A-group did strongly support the Liberals such as Erik Bengtsson, Sven Schwartz, Helge Ericson and Nils Danielsen. The Social Democrats lost some votes but were able to remain in power. The new Prime Minister Tage Erlander favored a pragmatic and cooperative attitude towards the business life, and radical proposals of state intervention were rejected. The Swedish model went into its springtime.

In the spring of 1949 the Committee for Promoting Export and Production was set up between government, business life and the labor unions (Söderpalm, 1976). Four out of six representatives of business life belonged to the A-group. They were Ernfrid Browaldh (representing the Swedish Bankers' Association), Iwar Sjögren (The Federation of Insurance Companies), Sven Schwartz (The Swedish Employers' Confederation) and Helge Ericson (The Federation of Swedish Industries). The composition of this important committee reflects the prominence of the participants in the A-group.

An effect of the relatively small size of the Swedish economy combined with the intense cooperation on industry and governmental level was that the participants often had close interaction also outside the A-group. Occasionally they were in conflicts with each other. At Uddeholm a conflict emerged between the CEO Nils Danielsen and the board in which Ragnar Blomquist and Per Egon Gummeson were members. On the basis of an investigation by Gummeson, the board wanted to pursue a radical restructuring of the company (Jakenberg, 1991). Danielsen rejected this idea and at the annual shareholders' meeting in 1949, he won an election and the board had to resign. Sven Schwartz was elected as chairman of Uddeholm and Gustav Söderlund, a fifth actor from the A-group also became a member.

Sven Schwartz also took part in a conflict on the board of Thule. Alvar Lindencrona, the CEO of Thule since 1947 criticized in an article from 1949 the fact that the Liberal and the Conservative Parties were receiving money from trade and industry (Englund, 1982). This topic was highly controversial and three members on the board, among them Sven Schwartz and Helge Ericson, started a counterattack. Sven Schwartz had recently replaced Erik Bengtsson as CEO of Boliden and during the election of 1948 a contribution of 50.000 SEK from Boliden to the Liberal Party had caused a virulent debate. In 1950, however, the board members who were still supporting Alvar Lindencrona won the election and Schwartz and Ericson resigned consequently. Ragnar Blomquist, the former CEO, re-entered the Thule board as a substitute on this occasion.

In what way the conflicts at Uddeholm and Thule affected the work in the A-group is an interesting question, but unfortunately Sune Carlson didn't remember this events in the interviews. It is also uncertain whether he had an insight into the conflicts, since they mostly took place behind closed doors.

Executive Behaviour: Conducting the Study

Before Sune Carlson started the empirical work, he had access to two earlier empirical studies of administrative behavior, the first on how 21 city managers distributed their working hours during a week (Nolting 1942) and the second by Harold Lasswell (1947). The latter is perhaps the single most influential source for Carlson since it was used not only for the preparation for the empirical work but also for the interpretation of the results. Lasswell describes in the article how administrators are influenced by external factors, which direct their focus of attention, often in a counterproductive way, and he presents a method for the analysis of such deficiencies. The method is self-observation in a way, which does not

interfere with the natural work processes. Pocket-sized forms easy to fill in were presented as the solution.

In the beginning of the empirical work, it was mainly people close to the CEO who were responsible for the data collection but soon the CEOs were also given a standardized form, due to the fact that some information could only be provided by the CEO. The intention of not letting the investigation interfere with their daily work was generally successful but in one case the behavior of one CEO was changed:

"Ivar Sjögren at Skandia, he had an office with two entrances so that he didn't have to pass his secretary who he had a lot of respect for, and my technique didn't work then because the secretary didn't always know whether he was at his office or not. So we had to lock the door during the investigation period, but it changed his behavioral pattern. When I was interviewing his co-workers they said that before he came to our offices and we were just talking. Now they had to go to his office and he had become a totally different person."

(Interview with Sune Carlson December 8, 1998)

Executive Behaviour was a very ambitious project, a huge empirical material was gathered by the use of several data sources:

- diaries from the CEOs themselves
- contact sheets made by secretaries, telephone operators and porters
- interviews with the CEOs and their subordinates,
- listings of all in- and out-going written communication and all longer external trips during a year.

Besides the material of the behavior of the CEOs, information about the structure and processes of each organization were collected. In many cases it was Carlson and his assistant

Rune Höglund, who constructed the first formal organizational charts of the studied companies.

The idea was to do individual case studies, not to make a statistical study of "mean behavior". Carlson was more focused on comparing the CEO behavior with the structure of the formal organization. The CEOs should ideally devote their working efforts in a systematic way reflecting the formal organization. Carlson seems to view large deviations between the formal and the informal organization as bad regarding efficiency (Jönsson, 1995).

The presentation of the results is rather general and most of the quantitative data refer to a "typical" CEO. One reason for the rather summary presentation of the results was due to the "customized" categorization there the existing functions and the direct-reporting managers of each company were used as categories. The inductive nature of data collection, (see for example the secretary form on page 40) made tabulations difficult to do. What kind of data and how it was collected also evolved over the study period, thus making it difficult to compare individual studies. A pure observational approach from the start was later complemented by interviews and a CEO diary form (p. 46). Furthermore differences in quality of material gathered (p. 51) seem also to have been an obstructing factor in the compilation work.

But the biggest obstacle surely must have been to compile such a huge empirical material without assistance from computers. For just one CEO it was registered 744 activities (Höglund, 1953: 14) and each activity consisted of several (up to 10) descriptors. To tabulate several thousand activities in all the dimensions seems almost to have been an overwhelming task at that time.

As often in social science research there is a connection between theoretical perspective and the generated results in Executive Behaviour. In the following sections the

philosophy of positivism, the preoccupation with rationalization and the inspiration of social sciences will be discussed.

Empirical positivism as the point of departure

Executive Behaviour was written at a time when social science was under a strong influence of natural science. The speculative nature of many theories in social science was under criticism from advocates of empirically grounded theories. The seemingly rigorous methodology of natural science with the use of clearly defined and operational concepts and testing of hypotheses in order to reveal general laws of causation was regarded as an ideal.

An important reference in Executive Behaviour is Gulick (1937) who advocates the development of clear concepts and unambiguous measurements in administrative research. Furthermore, Carlson argued that the concepts used should be operational – the physical concept of length was regarded as an exemplary operational concept with reference to Bridgman (1928). The methods of measuring length were clearly defined, and not dependent on the judgement of the researcher. To determine the length of an object is a matter of accuracy and Carlson argued for the need of more precise methods of measure administrative behavior.

Carlson concluded that the then present literature on managerial work was of little use since it was mainly speculating about what a manager should do or actually did. Abstract concepts such as coordinating and commanding were rejected by Carlson since it were not possible to relate them to clearly defined sets of operations (p. 24).

Carlson's skepticism towards the current administrative theory was a major reason for choosing an inductive approach. The inductive strategy did however not work when categorizing the dimension of "kind of action". In order to do a meaningful

classification Carlson had to choose one perspective on what a CEO was supposed to do and after some hesitation he viewed the CEO as a decision-maker:

"In simple terms one may perhaps say that the main task of an executive is to take decisions or to see to it that decisions are taken by others, and to make sure that these decisions are carried out by the members of his organization." (p. 38)

In the interview of December 8, 1999 Carlson stated that he had constructed this classification on basis of a few days of direct observation of Per Egon Gummesson of Höganäs. The use of direct observation of CEO behavior is not mentioned in the book.

In order to gain knowledge about the nature of managerial work, an observational method appears to be much more reliable to Carlson than for instance interviews, which could contain subjective information. Observation is of course the suitable method in empirical research within natural science and systematic observation fits very well together with a positivistic epistemology. The dedication of the book is obviously in line with this epistemology: *"To the managing directors who courageously and graciously have played the rôle of guinea-pigs in this study"*

Maybe Carlson became overly critical of the empirical material because of the positivistic epistemology. He was not able to present clearly formulated hypotheses. He found it problematic that the study partly had to rely on the CEO's opinion of his own behavior (and not his factual behavior) and he couldn't develop new administrative concepts which corresponded to clearly defined sets of operations. 50 years later the situation seems not to have changed much in this regard, solid knowledge in a positivistic meaning is rare even today (Hales, 1986, Mintzberg, 1991). If Carlson had adopted a "weaker" epistemology he might have regarded his material in a more positive way. Executive Behaviour probably still represents the most extensive and best empirically grounded study of CEO work ever made. CEO work is difficult to describe in terms of facts and laws, but it is a major loss for the

advance in research, that the richness of illustrative episodes and leader characteristics which almost unavoidably became revealed in a unique study like this, never were published.

Rationalizing administrative work: the use of work analysis and other techniques for revealing administrative pathologies

A striking feature in Executive Behaviour is the preoccupation with administrative rationalization. The time and motion-studies so often used in order to develop more effective methods of conducting manual work now became used for describing and analyzing CEO work. Carlson explained their approach in the concluding chapter: *"Our immediate practical interest generally was the saving of executive time, the most efficient behavior meant in most instances that behavior which resulted in the accomplishment of a certain task in the shortest possible time."* (p. 114)

The assumption that the purpose of administrative work is to reach the highest possible efficiency can be connected with the work of Frederic Taylor and other prominent figures within the scientific management movement but also with influential researchers such as Luther Gulick, Chester Barnard and Herbert Simon. In Sweden the efforts to reach increased efficiency through careful planning and the uses of scientific methods was labeled "the rationalization movement" (DeGeer, 1978). The rationalization movement consisted of practitioners, consultants and professors who worked for the diffusion of scientific management ideas and practices.

Several participants of the A-group were reputed representatives of the rationalization movement in Sweden. Ragnar Blomquist, the chairman of the A-group was widely recognized as an expert on rationalization since as the CEO of Höganäs between 1925 and 1935, he was able to rescue the company from a serious financial crisis. Ragnar Sachs did

during the period belong to a similar kind of committee as the A-group since he was a member of the International Association of Department Stores, consisting of eight different department stores around Europe (Pasdermajian, 1950). This association was founded in 1928 by an initiative from the International Management Institute in Geneva with the purpose to share experiences about scientific management in a systematic way between the member firms.

Among the other participants it is worth mentioning that Gustav Söderlund was a member of the governmental rationalization committee during its existence between 1936 and 1939 and that Helge Ericson, likewise Blomquist, had led recognized rationalization efforts during his career (Attman & Olsson, 1977: 159ff). Furthermore, Carlson said (in an interview December 8, 1998) that Tarras Sällfors, the perhaps most prominent member of the Swedish rationalization movement was a regular visitor at the A-group meetings. Sällfors had been professor of Industrial Organization at the Royal College of Technology but was during his career more directed towards practical rationalization than academic research (DeGeer, 1995).

Carlson was as earlier mentioned inspired by Harold Lasswell who had initiated studies of self-observation of administrators that had got into trouble (Lasswell, 1947, 280ff). Simple recordings revealed external and internal processes that had led the administrator to behave in an unwanted way. A large part of *Executive Behaviour* is devoted to describing such deficiencies in administrative work. Later in the book the concept of "*administrative pathology*" is used to describe these deficiencies which according to Carlson represent "*deviations from admittedly more efficient procedures*" (p. 114). These occurrences of activities of more or less pathological nature in administrative work represent one of the main results in *Executive Behaviour* and many of them is still of high relevance, and has been affirmed by later studies. The analysis of administrative deficiencies also reveals a good

picture about what was considered as "normal" behavior in order to understand the main conceptions about efficient management of that time.

The exceptional situation of right now (wishful thinking)

Carlson noted that many of the CEOs perceived that they were living under extraordinary times but that future held in promise of a return of the normal time (p. 65). He viewed this as a tendency towards wishful thinking and that the future would not be more easy to handle. Therefore the CEO should made necessary readjustments and reorganizations in order to handle the present situation better. The existence of wishful thinking in managerial work has been acknowledged in later studies on strategy formation (Jönsson & Lundin, 1977).

"The diary complex"

Another revealed pathology was that the CEOs use of time was determined by the notes in the calendar in such large extent that more spontaneous, but important, activities seldom took place (p. 71). The CEOs for example greatly valued inspection tours but since they often were not scheduled, no time for them became available. The appointment diaries sometimes also did not reflect what was of the most importance for the CEO but what was important for other people. The diary complex has a clear parallel to Herbert Simons proposition that programmed activity tends to drive out nonprogrammed activity (Simon, 1965: 67). The role of the calendar for determining the content of managerial work is an important insight, but the author is not aware of a study, which investigate this question more deeply.

The lack of time for undisturbed work

Carlson noted that the periods of time working alone were difficult to use effectively since an interruption was likely to occur at short notice (p. 72ff). Therefore, the CEOs had to work

very early in the morning or at home with tasks that required high concentration. In one case Carlson did recommend one of the participants (Ernfrid Browaldh) to hire an executive assistant since he seemed to be working in a very fragmented way (Interview December 8, 1999). However the advice turned out not to be so good, as Browaldh had difficulties working with an executive assistant and the assistant himself worked more like an executive than as an assistant should. The fragmented nature of managerial work and its consequences has been further recognized and discussed in later studies, not at least in Mintzberg (1973).

The too heavy work load

The general opinion of the CEOs and particularly of their secretaries was that they had a too big working load (pp. 75ff). The CEOs' working conditions were not sustainable in the long run, and they had to sacrifice their private life to a large extent. Carlson also felt that, due to the working conditions, the CEOs often developed a narrow technical and commercial orientation and he also felt that there was a general need of industrial leaders with a wide knowledge of social and cultural affairs. The extensive workload in managerial work has been recognized in several later studies.

The inefficient organization of committee work

Meetings between several groupings on a regular basis were a time consuming task for most of the CEOs. The committee work did however have a tendency to involve too many people; to take more time than planned, to be badly integrated and coordinated with other activities and committees, etc (pp. 86ff). Many of the CEOs were part of external governmental committees and they were required to attend at short notice, which could cause disturbances in the internal administrative work. The experienced committee worker of today will probably still find Carlson's description to be relevant.

The unwillingness to establish policy

Finally Carlson noticed that activities of policy character were relatively rare (pp. 106ff). Even if it could be the case that the reason for this was the existence of a well functioning policy system or a general need for flexibility, Carlson mainly perceived the lack of policy matters as a pathology. The CEO could for instance still be running the company in the same detailed manner as when it was considerably smaller. Also, the CEO could avoid taking policy decisions since they generally are more difficult and time-consuming to do. But, by behaving like this, the CEO would be caught in a vicious cycle with an overload of details according to Carlson.

The pathologies mentioned above, together with some other administrative deficiencies of more or less pathological character such as non-systematic distributions of contacts, the too extensive paper flow to the CEO, the inefficient handling of visitors and a the lack of proper preparation of activities through expert consultation (p 104), can be used in order to interpret streams of thought in Executive Behaviour. How should "normal" management be constituted according to Carlson?

The picture one is given about efficient administration is a manager that works as a policy-maker and decision-maker, who establishes policies and makes decision based on systematic and rational analysis. The CEO should primarily be at his office in order to influence the organization and also allocate a huge proportion of his time towards reading, reflection and planning. The more reactive CEO who worked fragmentally and seldom made decisions appeared to be inadequate now that administrative work was to be rationalized.

The CEO and his environment: Insights from social sciences

There are several references made to researchers in social science in Executive Behaviour, and influences primarily from anthropology, sociology and political science are traceable. Lloyd Warner's study of urban life in a small New England town (Warner & Lunt, 1941) probably inspired Carlson to do a separate chapter (chapter 3) about the social environment of Swedish CEOs. Carlson's analysis of the informal status symbols in administrative work (pp. 77ff) has definitely strong connections with Warner's study which has a focus on the signs of social stratification. Carlson also mentions in the preface that he had felt like a social anthropologist when conducting the study (p. 9)

As an answer to the direct question about what results he considered to be the most important result in Executive Behaviour, Carlson said without hesitation: "*The importance of geography*" (interview December 8, 1998). The geographical dimension is both related to whether the head office was located in a big city or in the countryside and the physical arrangements of office buildings. In the former case the CEO tended to be the head of the whole district at that time. In the latter case Carlson was able to identify a link between office layout and communication patterns:

"A different part of the building or even different floor from that where the chief executive's office was situated meant in most cases a definite contact barrier." (p. 96)

Carlson recalled in the interview that he had made a comment to the CEO of Thule, that he was meeting his Finance manager every day and that there was no need to do that. Carlson suggested that the Finance manager was moved upstairs and switched office with the manager for property insurance, as there was a need for close contact since that unit was in difficulties. This move changed the contact pattern of the CEO. The significance of physical arrangement in determining communication patterns has largely been neglected by the organization theory, with its focus on either the formal or the informal organization.

Geography should perhaps be considered as important as authority lines and social groupings for explaining organizing processes. To put it differently, organization theory is focussing structures and processes but not so much on *the space* that is surrounding the structure and the processes. Carlson also puts a focus on *the time* that is an always present feature in activities of organizing. Organizational activities (processes) can be described in a frozen picture as structures but they also take place in a space during a certain period of time. To understand the processes and structures, there is a need of analyzing the content of time and space.

Executive Behaviour could have been a rather dull piece of research given its methodological approach, which is based on natural sciences and its rationalistic view on administration. Many books have been written in an analytical/rationalistic tradition, where prescriptive hypotheses on managerial work are presented. What Carlson experiences as a failure (he didn't develop new theoretical concepts and testable hypotheses) should rather be viewed as a learning process where Carlson gained insight about the intricate nature of managerial work. He became aware of the subjective character of management, the CEO and his co-workers often perceived the same situation completely different (p. 118). To put it clearly the CEOs were part of a larger social system which they interacted with. Effective management should therefore not be seen as execution of the individual traits of the CEO but as a collective performance.

In the most quoted passage in Executive Behaviour, Carlson writes that in the beginning of the study he perceived the CEO as a conductor of an orchestra, but now in some respects he sees him as a puppet in a puppet-show (p. 52). This gives a fairly good description of the learning process where empirical observations and insights from social science counterweighted the more instrumental view of rational administrative behavior. The focus on the social and physical environment and the behavioral approach together contributed to the development of what can be perceived as an external control perspective. In this connection,

Lasswell (1947) was a source of inspiration since he in a lucid way presents how administrative behavior can be influenced by external factors. In the article Lasswell points out that material conditions in the environment have influence on the focus of attention of the actor. Administrators are capable of, and recurrently do, intentional acts, but their intentions are to a large extent governed by their focus of attention, which in its turn is influenced by the social and physical environment.

Also, the behavioral approach, which is related to the ideology of behaviorism, often results in conclusions where the freedom of the actor is downplayed. The behavior of an actor is likely to be viewed as a response to an external stimulus. However, it should be pointed out that Carlson never adopted the behaviorism of B F Skinner, only that a behavioral approach easily can contradict a voluntaristic view of the CEO as a rational decision-maker. Rather, the results in Executive Behavior indicated that the CEOs were to a large extent caught in a web created by the persons in their environment.

The importance of Executive Behaviour

The possibilities of further research for Sune Carlson were very good after the publication of Executive Behaviour. A large empirical material had been gathered, and only a minor part of it seems to have been used in the book. A cooperation with a prominent group of CEOs was well established and Carlson made good use of their willingness to participate in, and great experience of, committee works. Such a trustful and intensive cooperation seems to be very rare between researchers and this kind of practitioners. Subsequent studies have mostly been directed towards middle and lower managers, often in connection with some management training. Since Carlson was doing the study at a time when management research was in its infancy, the possibilities of creating an important school of thought was promising.

The situation after the publication of Executive Behaviour has similarities with the situation of the Hawthorne study in the late twenties when Elton Mayo and his research group started to find new theoretical explanations of the inconclusive results from the earlier experiments of illumination and fatigue. Mayo and his group gradually abandoned the positivistic approach and the social environment of the workers was put in focus. Carlson had for instance the opportunity to pursue a deeper investigation into the interplay between the CEO, and his most important co-workers - thus being able to more precisely describe in what way the CEO was able to maintain influence over the organization and how his attention was controlled by others.

The possibilities of further research were not fulfilled. The main reason was that Sune Carlson started a managerial career within the United Nations in 1952. Carlson had since early years a strong international orientation and he valued traveling and working in different countries. Perhaps he wanted to practice himself what he had learned from the CEO study. In 1958 he returned to Sweden and to academic research, when he accepted a chair as professor of a new department in business administration at Uppsala University. At that time he didn't want to create a small replicate of Stockholm School of Economics but rather to develop a new orientation in the same way as he had done when he became specialized on corporate administration during the war. Carlson chose the field of international business, and thus left the research path he had pointed out in Executive Behavior:

"The first book I wrote [when I had returned to research] was Financial Investment Decisions and then I became totally directed towards international business. There I had an ideal background. I had had [Jacob] Viner as one of my teachers. He and Bertil Ohlin were world leaders in that field and I had been working abroad. I felt it obvious that I was going to do studies in international business." (Interview with Sune Carlson 1998-12-08)

The observation of the extensiveness of public relation activities and the accompanying experience that they were inefficiently organized constituted the reasons for the realization of a second extensive research project within the A-group. This project was carried out by Carlson's assistant Rune Höglund and resulted in 1953 in one of the first doctoral dissertations in business administration in Sweden. In focus of the dissertation was the organization of contacts between five of the companies represented in the A-group and the government/public sector.

In 1954, Höglund left Stockholm School of Economics for the position as administrative consultant in Svenska Handelsbanken. In 1960 he became deputy CEO and during the period 1966-1970 he was the CEO of the bank. He then succeeded Tore Browaldh, who in his turn had succeeded his father (and A-group member) Ernfrid Browaldh. The fact that both Carlson and Höglund left research led to an end of the activities within the A-group and the empirical material had most probably been dispersed during the following years.

At Stockholm School of Economics Carlson was replaced by Paulson Frenckner and Gunnar Westerlund but they didn't continue the same kind of research Carlson had done. Almost 30 years passed before a similar study was conducted in Sweden (Forsblad, 1980) and during that time the knowledge development in the area of managerial work went on outside Sweden. Executive Behaviour inspired a stream of further research studies, especially in Britain (Thomason, 1966). These studies, which engaged a broad spectrum of managers in self-recording ranged from Burns (1957), Brewer & Tomlinson (1964), Horn & Lupton (1965) to Stewart (1967). The latter is the most extensive study of managerial work ever conducted, no less than 160 managers on all levels participated and more than 40.000 activities were registered all together. The British studies used the same positivistic methodology which Carlson was about to abandon and the interpretative and qualitative results in Executive Behaviour were largely neglected.

The major US studies on this subject (Sayles, 1964), (Mintzberg, 1973), (Kotter, 1982) and (Luthans, 1988), mostly make references to Executive Behaviour in order to acknowledge its pioneering role, but don't make much use of it. The important exception is Mintzberg's study "The Nature of Managerial Work" in which Executive Behaviour is a major source of inspiration. Mintzberg's analysis resembles Carlson's and his attention towards administrative pathologies. Mintzberg also felt that the CEOs were in need of some help in order to restructure their work, since they worked in a too reactive and superficial way. The CEO work was not enough programmed (compare with the unwillingness of Carlson's CEOs to create policies) which led to ever increasing work pressures. Mintzberg argued that the help of a management scientist could break up this vicious cycle.

The unique qualities of Executive Behaviour appear to have been more recognized during the last few decades. The lack of rigorous presentation of results seem not to be such a large drawback with the book, with the consideration of changing ideals of what is constituting good research and also due to the fact that many of Carlson's results have been replicated in later studies anyway. Two of the leading researchers within the field, Henry Mintzberg and Rosemary Stewart, acknowledged the great contribution of Sune Carlson in a seminar at Uppsala University in 1989. Mintzberg then stated that Executive Behaviour *"remains perfectly contemporary and insightful"* (Mintzberg, 1991: 98) and Stewart pointed out the she has always been conscious of *"the debt that studies of managerial work and behaviour owe to Sune Carlson"* (Stewart, 1991: 120). Stewart also stresses that she had found the concept of administrative pathologies useful and encouraged others to do research in this subject.

Conclusions

Executive Behaviour still occupies a central position in behavioral oriented management research. It combines a pioneer role with a contemporary position, since there are characteristics in managerial work that have remained relatively unchanged over time. Carlson wanted to do an empirical field study in order to counterbalance the influences of more speculative theories of management. He started the investigation with a positivistic methodology and a rationalistic view on management, but he also became inspired by research within social science. The anthropological observations and the sociological interpretations generate an interesting contrast to rationalism and positivism. Carlson was thus able both to identify the deficiencies in the current management theory but also the deficiencies of the positivistic approach in management research. This is a lesson which subsequent researchers in the field should have learnt much earlier. An unambiguous description of what a manager does, or should do, can not be constructed.

It appears that Carlson was about to abandon the rational view on management and instead focus on the social environment and the interplay between the CEO and his co-workers, thus viewing management as a collective accomplishment. Given the rich empirical material gathered and the intense cooperation with the Swedish business elite, the prospects of establishing a central school of thought within management and organization theory were good. But the full potential of this research project was never realized due to the fact that Carlson became a management practitioner himself.

Maybe it is the amalgamation of systematic research and creative insights presented in an honest and openhearted way that makes Executive Behaviour fruitful reading after all these years. Carlson honestly admitted the limitations of the study in a way that one had liked to read more often. Compared with the following studies during the fifties and the

sixties Executive Behaviour appears to have the most to say to students of management and organization theory.

Regarding the most important conclusions of the book, it is striking how broad the analysis is. Carlson was studying how the CEOs used their working time, the appearance of the formal and informal organization, the execution of good and less good processes of administration, and stressed the importance of the social and physical environment. Structures, processes, time and space are together shaping a general picture of managerial work in the book. Executive Behaviour should therefore still be used as a source of inspiration in future research in management and organization theory.

Appendix: The Thule house

Picture of Thulehuset, Sveavägen 44, Stockholm

The "Thule house", erected in 1940 can be used as an illustration of the research carried out within the A-group. The Thule house was the first office building in the functionalistic style in Sweden. Ragnar Blomquist, the spiritual leader of the A-group, designed it to a large extent. It was designed in same way as a factory in order to get such an efficient flow of paper and short walking distances for the employees as possible. Work analysis was used in the development of the office layout. The Thule house represented a radical break from other head offices of insurance companies, which had conservative architecture. Thule had during the period the image of being the most progressive company in the field of insurance (Englund, 1982)

The constituting meeting of the A-group was held at the Thule house. The members of the A-group had strong beliefs in science as a means to create a better society. As the modernization process of Sweden was carried on, the CEO-function should also be

reformed. Old traditions and charismatic leadership should be replaced by working methods based on systematic analysis. The perfectly rational organization, however, remains a dream.

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