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Mary P. Follett and Chester I. Barnard's Management Guide for Inclusive Organizations

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Following the anniversaries of seminal publications by management writers Mary Parker Follett (*The New State, 1918*) and Chester Irving Barnard (*The Functions of the Executive, 1938*), this paper looks to their work for guidance toward creating inclusive, socially responsible organizations.

Follett proposed that business should operate primarily with social rather than economic goals governed by acceptable and widely promulgated codes of conduct. Barnard urged that ethics should be central to business strategies to benefit organizations and wider society. An analysis and synthesis of their significant publications is compared with thirteen principle management theories. This comparison exemplifies the relevance and freshness of their ideas for a new audience. Follett and Barnard's great faith in the capacity of human beings to continually develop and grow intellectually informs a discussion and proposal for inclusive, social responsibility management obligations to wider society.

Keywords:

Mary P. Follett; Chester I. Barnard; inclusive leadership; management social responsibility; historical management learning.

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Introduction

Looking to the research, innovation and scholarship of management writers Mary P. Follett (1868 – 1933) and Chester I. Barnard (1886 – 1961) this paper contributes to management theory by drawing on their expertise for responsible and inclusive organizations. Beginning with a brief introduction to concept of inclusiveness, this paper continues with a look at the life, times and influences on Follett and Barnard. In summarizing their concepts of relevance to managing inclusiveness, a table of thirteen significant management theories is offered for comparison with Follett and Barnard's ideas. The comparison informs the discussion and is followed by conclusion, this paper sets out proposals for individuals and organizations of influence to create an appropriate climate and forums for debate in which leaders drive higher standards of inclusiveness and based on Follett and Barnard's principles.

Follett, described by Drucker as 'the prophet of management', presents practical steps to synergize resources through human relationships (Drucker, 1995: 9). In his assessment of Barnard, Drucker endorses Gifford's opinion that he was more a 'philosopher king' than an executive, (Gabor, 2000: 71), which is evident in Barnard's book, the *Functions of the Executive* (1938). In this work, Barnard's ontology offers managers a humanistic formula to run resilient businesses ethically. Both Follett and Barnard believed in the power of business as a force for good in society. Their insight into management was based on observation, investigation, practical experience, and scientific analysis from which they formulated lessons for management in times of stability and change, as well as times of plenty and austerity.

In response to a growing interest to move the policies and practice of diversity toward greater inclusivity, Follett and Barnard's philosophies inform the ways in which socially aware managers, as leaders, take responsibility for creating a climate of inclusion from increased levels of participation (Neal, 2017). A table summarizing the works of Follett and Barnard (Table 1) is presented, with comparisons to prompt managers and scholars to appreciate and challenge theory. This unique illustration of past and present is an additional contribution for a new generation of managers to understand the evolution of theory. Using Follett and Barnard's concepts it calls for an appraisal of the power and contribution of followers and a review of the cultivation of the idea of the extrovert as a leader, with distinctly male attributes. The absorption of those qualities has been identified as contributing to poor and even calamitous business performance (Kanter, 2010; Knights and Tullberg, 2012; Prugl, 2012). Whilst charisma, confidence, and gregariousness are viewed as essentials to effective leadership, society is at risk of repeating deleterious impacts of non-inclusive business management (Cain, 2016; McCabe and Knights, 2016). In comparison, the presence of integrity and inclusion for long-term prosperity, as advocated by Follett and Barnard, is based on cooperation, co-creation, and collaborative learning in a diverse environment.

Before considering the lives and works of Follett and Barnard and their main ideas common to the principles of inclusiveness, a short assessment is follows on the principles of inclusivity in management, contributing to sustainable, resilient and enduring organizations.

Managing inclusive organizations

It is over a decade since Nemhard and Edmondson (2006) discussed inclusiveness to cope with the challenges of cross-discipline teams operating within a well-defined hierarchy. In these hierarchies, leaders need to ensure that individuals are equipped to cope with exponential growth in knowledge, increasingly distinct specializations, and greater interdependence necessitating collaboration and integrative practices. Nemhard and

Edmondson identified these challenges in healthcare, but they are evident among many, if not most, working environments. Staying in the field of healthcare, a practical demonstration of elements of inclusion across hierarchies and disciplines is demonstrated by the concept of ‘Schwartz rounds’ (Goodrich, 2012). With its inception in the US, the Schwartz approach allows health caregivers the time and space to share and to give and seek emotional and practical support from co-workers; it is open to all hierarchical levels from domestic assistants to senior medical staff. Specific cases are brought to a group of health workers to analyse the care and to offer their experiences on the case and similar ones to achieve collaborative learning and promote compassion and generosity (www.theschwartzcenter.org).

More recent work by Randel, et al (2018) conceptualizes inclusive leadership

...as a set of positive leader behaviors that facilitate group members perceiving belongingness in the work group while maintaining their uniqueness within the group as they fully contribute to group processes and outcomes (Randel, et al, 2018: 190).

The idea of extending the responsibility of leaders is referred to in a range of proposals and models advocated for the adoption and implementation of inclusive practices, including offering rewards for inclusive practices (Boekhorst, 2015). There are also examples in two British reports defining and measuring inclusivity and methods for creating it from diversity practices (Thompson, 2017; Wallace and Pillans, 2016). In *Creating an Inclusive Future*, Wallace and Pillans identify the

...reasons that management attention and investment in diversity and inclusion programmes have not yielded better results is that organisations have focused on increasing the proportion of people from underrepresented groups, rather than tackling the underlying culture (2016: 1)

This idea of tackling the culture of organizations is noted by Thompson (2017), who cites the diversity and inclusion statements of leading companies, which are encapsulated in the Dell company’s statement that

It’s about diversity of thinking, leadership, skill set and style. Diversity represents a way of doing business that is barrier-free and all-inclusive, allowing the unique ideas, experiences, cultures and backgrounds of all our people to come together for creating the most innovative products and best customer experience (www.dell.com; Thompson, 2017)

Dell’s approach is reflected in the model devised by Shore, Cleveland, and Sanchez (2018), which emphasizes top management committing to diversity and inclusion that is operationalized by managers and includes participation in decision-making.

Extracting crucial interpretations of inclusion from published research produces some key factors. Foremost among these factors is the importance of leadership promoting and facilitating participation across boundaries, raising expectations, accommodating diversity of thought, and ensuring systems allow for dissent and conflicting ideas. Thus, engaging under-represented groups is not enough; rather a willingness to challenge and change existing culture and practice is required. These factors are inherent in Follett and Barnard’s work and so support the rationale for looking to their ideas on inclusion.

Mary Follett and Chester Barnard and inclusive management

In the canon of management writing, Follett's credibility was established by being one of the first to be recognized as identifying systems theory (Barnard, 1939; Checkland, 1994; Woodward, 1958) and seeing organizations as one unit, emphasizing the importance of relationships between managers, the workforce, and the wider community (Graham, 1995; Kanter, 1990). Follett's ideas are germane when discussing leadership in terms of diversity and inclusion, organizational conflict, and sustainable, resilient economic models benefiting society, which are endorsed in scholarly works (Barton, 2011; Martin, 2010; Mawer and Crotty, 2013, 2015; Melé, 2007, 2012). In a similar vein, Barnard advocated a systems approach to organizations, taking account of the cause and effect of behaviors and stressing the importance of communication so as to involve the greatest range of participants in decision-making. Barnard's proposition for business longevity is a concept worthy of consideration for today's business leaders as it is based on social responsibility and inclusivity and driven by the morality of individual business executives (Malcolm and Tabor Hartley, 2010; M. Novicevic et al., 2013).

Biographies of Mary Follett and Chester Barnard

Mary Follett (1868 – 1933)

At its core Follett's work is formed from a fusion of disciplines that coalesce to create enduring concepts invaluable in the art of management. Despite the intricacies of the process informing her concepts, they are not complex constructs but are inherently accessible to understand and apply. Follett's wide-ranging studies persuaded her to decry the compartmentalization of ideas, especially in management. She urged scholars, managers, students, and others to adopt lateral and creative approaches to problem solving using theories from seemingly disparate sources (Graham, 1995; Tonn, 2003).

Influences on Follett

Two years after the end of the American Civil War, Mary Parker Follett was born in 1868 into an established New England Quaker family. Her early life was turbulent; her father's alcoholism and mother's depression forced a young Follett to take on responsibilities for the home and her younger brother (Tonn, 2003). Fortunately, family connections enabled her education which took place in America at Harvard Annex for Women and in England at Newnham College, Cambridge (Graham, 1995; Metcalf and Urwick, 1941; Tonn, 2003). Reading history and political science at Cambridge sparked an interest and affection for British life, which was sustained with several spells living and working in England (Metcalf and Urwick, 1941).

Follett's scientifically analytical approach was evident in the first of her three books, *The Speaker of the House of Representatives* (1886). In this work Follett dissected the potency and balance of power through meticulous research and interviews, from which grew her fascination and belief in the importance of personal relationships in management and negotiations (Graham, 1995; Tonn, 2003). This publication won her many admirers, including Theodore Roosevelt (US President, 1901 – 1909) and initiated Follett's focus on democracy and the importance of building relationships rather than relying on the authority of office (Tonn, 2003).

Roxbury Neighborhood House, in a socially deprived part of Boston, was the venue for Follett's launch of her debating club in in the early 1900s and so began her service to the

community. Her social work informed *The New State* (1918) a book setting out her ideas about democracy and the synthesis of group and individual efforts (Ryan and Rutherford, 2000). Continuing her work in Boston, educating and developing people in urban poverty, galvanized Follett's thoughts on the vital importance of community and its contribution to greater democracy (Graham, 1995; Metcalfe and Urwick, 1941; Tonn, 2003). These experiences in communities and serving on minimum wage boards developed Follett's ideas for her final book, *Creative Experience* (1924). In this publication, anatomizing group power and the organic growth of movements were likened to a biological structure insofar as it constantly evolved to support life (Graham, 1995; Tonn, 2003). This organic process was how Follett saw business organizations and identified the need to continually nurture and develop individuals for their contribution to the success and durability of organizations and society. Following *Creative Experience*, Follett gave numerous lectures in the United States and in the United Kingdom, which were incorporated into *Dynamic Administration*, (1941) compiled by her admirers Metcalf and Urwick.

A new challenge for Follett came in 1926 when she began working in the League of Nations in Geneva. Soon after arriving in Geneva, Follett's close friendship with Dame Katherine Furse began. Within months the relationship blossomed, and Follett moved into Furse's London home remaining there for most of her final five years (Tonn, 2003). Whilst with the League of Nations Follett gained further chances to study the relationships between states and examine them from her conceptual perspectives of integrating interests and sharing and pooling power. Dame Katherine's social ranking and Follett's standing in the business world allowed her to extend studying business management in England and become involved in practical research with companies including the chocolate manufacturer, Rowntree & Co (Metcalf and Urwick, 1941:18). Although displaying great energy to research and lecture, Follett continually suffered from poor health. In 1933 she returned to America to deal with financial affairs and have medical treatment, including surgery. In December, shortly after an operation, she died at the age of 65 (Metcalf and Urwick, 1941; Tonn, 2003).

Chester Barnard (1886 – 1961)

Developing his early theories in the same eras as Follett, Chester Barnard was also influenced by the changes in society against a backdrop of dreadful memories of World War 1. Driven by a search for more ethical and enduring ways of doing business, Barnard began to look at the social and interlocking systems of organizations. Believing that promoting social cohesion was an anti-dote to revolutions, Barnard considered that business executives were essential players in building a cooperative and moral model for business and wider society.

Influences on Barnard

Chester Barnard's mother died five years after he was born in 1886 leaving him to be raised by his father who worked as a mechanic and his grandfather, a blacksmith. Describing his home-life as 'quite intellectual' (Wolf, 1991: 168), Barnard reflected that his upbringing in a musically talented and intellectually curious home gave him an appetite for philosophical thinking. With poor eyesight and physical clumsiness, Barnard channeled his energies into reading and studious pursuits. After leaving school Barnard worked as a piano tuner which, with other jobs, funded his education at Harvard until he ran out of money a few months before his course finished, leaving him unable to graduate (Wolf, 1991).

Serendipitous opportunities opened for Barnard. One of the first was by way of a family connection leading to his appointment as a statistician at AT&T in 1909 (Wolf, 1991). In his early days at AT&T, another quirk of coincidence saw Barnard reunited with an old

school friend, Grace Noera, whom he married in 1911 (Myers, 2000). By 1927 Barnard had risen through the company to the post of president of the New Jersey Bell Telephone Company. Becoming connected through the business to a group of Harvard social scientists opened doors to Barnard ironically allowing him to lecture at the university he left without qualification. At Harvard, which was establishing itself as an educator of the burgeoning management class (Gabor, 2000), Barnard brought to his lectures his successful experience of running a large, dynamic empire, which he attributed to understanding interconnections in systems, human nature, and showing moral leadership. He combined these experiences with an avaricious appetite for knowledge, which was fed by information about research into human relations and management science. Within his Harvard circle, Elton Mayo was conducting experiments formulating the principles of human relations management, motivation and leadership (Gabor, 2000). Clearly Barnard's writings reflect an emerging spirit of the times, exemplified by Mayo's work, in which account is taken of employees as human beings, subject to the ups and downs of relationships and inspired by more than financial reward. Throughout his years and experiences, Barnard's contribution to management understanding is relatively small in quantity yet the impact of his seminal work, *The Functions of the Executive* (1938), is profound. To date it remains one of the texts most widely cited in recommended management literature and was clearly informed by his many years as a manager, observer of people and philosopher.

Embracing new experiences drove Barnard's passion for continual learning, illustrated by his view that each experience was a 'laboratory' where he could find out 'how people really work; I couldn't do it sitting outside.' (Wolf, 1961: 172). During his working life Barnard proved himself an energetic and copious contributor to committees, which included those relating to older workers, emergency relief, health, U.N. Atomic Energy Commission, arts, philosophy and science associations, among others. A chance meeting led to Barnard becoming involved with the Rockefeller Foundation, a charitable institution which he eventually took over as president. The devastating impact of the death of the Barnard's daughter during childbirth, in 1951, was followed shortly by his retirement from the Rockefeller foundation. Chester and Grace Barnard lived out their retirement in New Jersey during which time Chester's health deteriorated and he died of heart failure in 1961 at the age of 74 (Scott, 1992).

As a self-educated man, Barnard set himself apart by synthesizing knowledge with his own experiences (Gabor, 2000; Scott, 1982; Wolf, 1961). Where he stands out is in his focus on ethics, morality, their impact on sustainable business prosperity, and the vital part managers, as leaders, play in developing, maintaining and executing that focus. That impact has a contemporary resonance in modern management education as ethics, social responsibility, inclusion, and long-term perspectives are advocated to enable leaders to achieve sustainable, resilient prosperity (Shore, Cleveland, and Sanchez, 2018).

Main concepts of Mary P. Follett and Chester Barnard

As illustrated by their biographies, Follett and Barnard's ideas were shaped by many influences. Moreover, their insightful creativity and boldness, led to formulating many concepts that are evident in modern management. Some of their thinking remains ahead of its time and warrants consideration for research and practice for future generations of managers.

Follett and Barnard in question

Although the central purpose of this paper is to learn from Follett and Barnard, their ideas are not flawless. Adverse comments about Follett include charges of being utopian, ingenuous,

and naïve (Graham, 1995; Nohria, 1995; Tonn, 2003). Given the often unaccountable, multi-layered, global and volatile systems of the 21st century (Petrick, 2012), these criticisms are valid. A book review by John E Lind in the New York Times in 1924 showed that she did not escape censure from her contemporaries when her notion of integration to deal with conflict was dismissed as unworkable where disputing sides could not agree (Davis, 2015).

Barnard too has been the recipient of negative comments, which, like those levelled at Follett, dispute the assertion that problems are soluble by applying a certain set of techniques. Nikezić, Dželetović and Vučinić (2016) note that Barnard's recommendation for leadership to deal with crises relies too much on a preconceived level of cooperation, which is often unrealistic.

In relation to inclusiveness, however, Follett and Barnard offer more than other management theorists. Their vision and practical advice on creating and maintaining organizations with drive and purpose to constantly evolve and survive, whilst ensuring the wellbeing and commitment of the workforce, are essential pre-requisites for inclusivity. Thus, for all the limitations of Follett and Barnard, their concepts can be applied to inclusive business organizations capable of adaptation and longevity.

Follett

Integration

When conflict arises, it should be regarded as a positive occurrence creating energy to produce something new and bringing in diversity and invention. Problems can be solved by analyzing the constituent parts of conflict and integrating them to produce novel and innovative solutions (1941: 32).

Coordination

Through direct contact, parties - selected on experience and not hierarchy - combine ideas and expertise to reach decisions, for which all take responsibility (1941: 297).

Power-with

Relationships grow power, which produces power-with to unify groups to reach their goals. The alternative is power-over in which an individual, group, or nation maintains power over others, which depletes its resources leading to a stronger power taking over (1924: 187).

The law of the situation

Each situation should be analyzed to identify its unique combination of facts so that they can be dealt with by those with the most expertise, irrespective of status. By using integration to deal with differences and power-with to pool authority and expertise, optimum, beneficial, and long-term solutions can be found (1941: 57).

Leadership and followership

The ability to transform organizations and communities lies with leaders and followers combining power and expertise. Leaders, therefore, should 'not induce others to follow' (1941: 289) but should enable others to participate in leadership (Bennis, 1995; McLarney and Rhyno, 1999).

Barnard

Effective and efficient systems of cooperation

Although formal organizations are pillars of business and society, their longevity is often less than the average human lifespan. Those organizations that survive into the longer term maintain both efficiency and effectiveness in achieving their objectives where all members maintain a sense of their inclusion in contributing to fulfilling group goals (1938: 296, 1940: 9).

Communication

The foundation of cooperation depends on the executive communicating effectively. Communication leading to collaboration and participation is underpinned by ensuring clarity and access to channels of communication, which should be short, and the quality of communication unambiguous and reliable (1938, 1945).

Authority

Authority can be exerted by executives if it is conferred by their workers. Authority is earned through the power and veracity of executive communications setting set out the morality and purpose of the organization to promote inclusivity through contributions to its future direction (1938).

Motivation

Incentives should focus on building a sense of power over one's part in the system and rewarded by developing self-esteem and pride in work, which involves more than offering financial rewards (1938).

Moral management

Ethical behavior and morality must be displayed by the executive to create an environment of trust and faith in oneself and the organization; it engenders a sense of purpose and cooperation that benefits all participants in an effective system (1938: 283, 1958: 13). A 'zone of indifference' defines the parameters in which workers operate with very little questioning of the rights or wrongs of what they are doing. Thus, it is incumbent on the executive to convey the ethical nature of the zone of indifference and to ensure that 'how things are done here' is moral and defensible (Barnard, 1938).

The foregoing are summaries of the main concepts of Follett and Barnard, which have been compared with an analysis of thirteen significant management theories in Table 1. Here, the impact and relevance of Follett and Barnard's works are presented to justify their credentials and pertinence to modern business practices. The strength and prescience of their ideas validates the argument that Follett and Barnard can make a powerful contribution to socially responsible and inclusive organizations to deal with societal and economic challenges.

Insert Table 1 about here

Table 1 illustrates how theories of management have emerged through several eras of social attitudes and economic imperatives. Some, like Taylor's Scientific Management (1911), disrupted the old order being based on empirical analyses of tasks with an optimum time for their completion to maximize efficiency. Taylorism is criticized for a compassionless approach to human capital (Nelson, 1977), yet, although at odds with Taylor's regard for workers as units, Barnard's system's approach bore many similarities to Taylor's advocacy of cooperation between workers and management (Parayitam, White, and Hough, 2002). Follett also believed in a scientific, analytical approach saying,

...cooperation is not...merely a matter of good intentions, of kindly feeling. It must be based on these, but you cannot have successful cooperation until you have worked out the methods of cooperation by experiment after experiment, by a pooling of results. 1941: 123

In recent times with the rise of the 'gig' economy's predominantly short-term contracts, self-employed conditions, and erosion of workers' rights, significant advances in management theory and practice are beginning to look fragile (Barley, Bechky and Milliken, 2017; Fleming, 2017). Furthermore, other concepts, such as McGregor's motivational theories (1960), have been criticized for being overly optimistic and idealistic (Nohria, 1995). With the inexorable advance of technology in management, particularly artificial intelligence, and the fast pace of innovation (Kolbjørnsrud, Amico, and Thomas, 2016), many theories will become obsolete, and existing and potential managers will need to challenge and discriminate between prevailing methods whilst acquiring the capability to develop replacements. Developing new policies and practices will necessitate the widest range of participation. Learning about the antecedents of modern theories, therefore, offers an insight into the past to emulate Follett and Barnard whose great strength lay in challenging concepts, creating new ones, communicating ideas for discussion and pooling capabilities, which is discussed next.

Discussion

Follett and Barnard's ideas are largely in harmony and in keeping with new approaches to responsible durable business management in the 21st century that incorporate diverse talents and thinking (Freeman and Auster, 2011). The disruption and challenges to the world order in 2017 and 2018 with scandalous abuses of executive power, and public disaffection of business (Daudigeos et al., 2018), present an opportunity to create more accountable, ethical and inclusive leadership, described by Petrick as 'community capitalism' (2012: 93). An interesting question is prompted by the notion that to learn from history and guard against a repeat of economic, democratic, and leadership crises, what would Follett and Barnard suggest? (Schilling, 2000; Wolf, 1996). The following invokes some of their foresight.

Follett and Barnard: Leading the way

The likelihood is that they would expect an integration of interests, all of which would be driven by leaders in management who want to create and maintain socially responsible prosperity, on which Follett commented thus:

I think business management by far the most interesting human activity at present, because we are pioneers, because we are working out something new in human relationships, something that I believe goes to the very bottom of the whole question and is going to be of great value to the world. (Follett, 1924: 249)

Furthermore, Follett's ideas concerning relationships, power-with, and nurturing the individual, are feminist in nature, which are conducive to an evolved approach to management (Enomoto, 1995; Kanter, 1977, 1995; McCabe and Knights, 2016; Roberts, 2012; Yeager, 2015). Such a stance is a sharp contrast to the approach identified by Knights and Tullberg (2012), which cited egotistical masculinity in management as a cause of the 2007/08 financial crisis and an impediment to the restoration of robust economic foundations (Roberts, 2012; Seguino, 2010). Barnard's remedy for addressing ego was committing personal responsibility to contribute to society

...each accepts a responsibility for choice can enter into a communion of men from which arise the higher purposes of individual and cooperative behavior alike (Barnard, 1938: 296).

A consequence of accepting a duty to fulfil one's self-development, brings about a wider collective contribution to greater human wellbeing and inclusivity. This responsibility as an individual, and a member of a group, is inherent in a process of ensuring that managers and leaders fulfil a pioneering role in integrating interests (Follett, 1924). As such it places the onus on leaders to develop their own capabilities to create inclusivity and those of others to constantly learn, adapt, and create value in organizations and communities; herein lie three significant factors common to Follett and Barnard's philosophies, which are explored next.

Leadership and followership

By treating leadership and followership as a single topic, Follett and Barnard's proposition is for leaders and followers combining to transform their communities, whether in business or society. The best leaders make followers aware that they possess power and how to develop and pool this power, or, in Follett's words, to have 'power-with' (Follett, 1924: 187). According to Barnard, participation depends on educating managers and future leaders to use their power for stability and durability, whilst being prepared to relinquish power to instill democracy and responsibility in individuals and groups (Barnard, 1938, 1945). Achieving effective leadership and followership necessitates giving and receiving learning so that it never ceases, as addressed in the next section.

Lifelong learning

Although their education followed different routes, both Follett and Barnard shared the experience of studying at Harvard University but not receiving degrees (Gabor, 2000; Tonn, 2003). Barnard ran out of funds and Follett, as a woman, was not entitled to a degree. Yet, they both strongly advocated, practiced, and anticipated principles of lifelong learning that have emerged in modern management (Argyris, 1991; Revans, 1998; Salimath and Lemak, 2004). These notions of lifelong learning are compatible with equipping people to deal with cultural exclusivity as identified in Wallace and Pillans' 2016 research. In a lecture in 1928 Follett spoke of the need to become 'experience-conscious'; that is for teachers, managers, and leaders to raise awareness of the meaningfulness of experience and to organize experiences into a learning encounter (Follett, 1970: 6). Apart from being evident in Kolb's theory of experiential learning (Kolb, 2014), this capability of drawing on previous experience is identifiable in Reg Revans' concept of action learning, a much used and

respected management learning technique (Revans, 1998). By using principles of action learning, where people learn from each other, they have a greater chance of becoming empowered and confident to take part in decision-making. Thus, by participating in a forum to air ideas and concerns - particularly outside conventional systems - they may engage in continual learning.

Barnard foresaw the limitations of traditional executive education and wanted students to be taught the skills to develop novel concepts to challenge the status quo, including demarcation lines between levels of authority in organizations (Barnard, 1945). Importantly, educators ought to ensure that people constantly update their capabilities so that authority could be delegated confidently (Barnard, 1945: 181). In so doing inclusive and open environments may be formed, which Barnard believed would enable executives to acquire new understanding of human interactions, potential and relationships and be prepared to take on wider social responsibilities, which is addressed next (Barnard, 1945, 1958).

Managerial social responsibility

Follett saw business management comprising an ‘exchange, or interchange, of services’ (1941: 133). Businesspeople, therefore, should consider their work an essential function of society and their contribution should not ‘increase private profit at the expense of public good’ (Follett, 1941: 133). Barnard also subscribed to this philosophy and distinguished his leadership during the Great Depression by ensuring that no workers were laid-off by negotiating reduced hours to keep his workforce employed (Gabor, 2000: 79). Moreover, Follett and Barnard considered that the welfare and unity of society was possible by equipping and developing workers to become responsible members of groups and communities (Barnard, 1938, 1940; Follett, 1918, 1924). This notion of managerial rather than corporate social responsibility, operationalizing diversity and inclusion, shifts the onus from the executive, or C Suite, to all levels of organizations. In that way the foregoing three factors of leadership and followership, lifelong learning, and managerial social responsibility, combine to drive inclusivity concepts and practices, wherein lie implications for research.

Research implications: Two Topics for Research

Reaffirming Follett and Barnard’s view that management, as a profession, has the capability to make great contributions to the development of humankind, this paper uses their philosophy to propose a topic for research: lifelong learning in socially responsible and resilient business methods. Follett’s view of the world of the 1930s that, ‘Our political life is stagnating; capital and labor are virtually at war, the nations of Europe are at each other’s throats’ (1918: 3), mirrors contemporary challenges and conflict evidenced in Europe and internationally (Gould, Bourk, and Joullié 2017; Hobolt, 2016).

Thus, this paper proposes developing and supporting managers to champion inclusivity in their organizations and in wider society, which is explored next.

Leaders of inclusive management

Both Follett and Barnard believed in communication skills for effective, ethical and inclusive leadership. Follett described this skill as ‘the invisible leader’, setting out the vision of the leader and the part that followers might play in realizing that vision (1970: 1). Barnard pointed out that communication was the ability to express oneself and check comprehension. A prerequisite to understanding being learning to listen and demonstrating inclusivity by welcoming contributions with respectful acknowledgement (Barnard, 1945; Fernández, 2010;

McCabe and Knights, 2017; Randel, et al, 2018; Shore, Cleveland, and Sanchez, 2018). He was not, however, proposing high oratory as an especially favorable quality. In this regard Barnard pre-empted recent challenges to the notion that leaders need to be charismatic extroverts capable of drawing followers with their magnetism (Cain, 2016; Farrell, 2017). Again, Barnard's insight into leadership is a topic that management training and education may be well advised to institute. It is possible that assessing potential managers and students largely on their presentational skills is not in the best interests of organizations and is inherently exclusive and divisive. Rather than promoting the qualities of extroverts and assigning capabilities of natural leadership to individuals who are more forceful (and more masculine), paying attention to quieter introverts may generate greater benefits for the future of sustainable business management (Cain, 2016; McCabe and Knights, 2017). Thus, establishing leadership skills depends on communicating an inclusive and non-discriminatory message that requires continual learning, which is addressed in the following section.

Lifelong learning in socially responsible and sustainable business methods

The second topic for research is for management education to prepare students for lifelong learning so that they build portfolios of knowledge (Follett, 1970). This notion of educators' responsibility to ensure students are equipped with the knowledge to take on their continual development (Salimath and Lemak, 2004) is of high importance in terms of operating in a volatile business world (Barnard, 1958). In 1945 Barnard put forward a powerful argument against a primary focus on students 'strictly intellectual capacities'; instead he urged greater understanding that

...human relations are the essence of managerial, public, and political relations; and, in most cases, these rather than science, technology, law, or finance are the central areas of executive function. (Barnard, 1945: 177).

He went on to ask that management education teaches students about 'complex interdependencies in which no simple cause-and-effect logic is accurate or even intelligible.' (1945: 180). In the absence of understanding those interdependencies, managers would not be able to lead organizations that are 'organic and evolving social systems' and 'ever progressing or regressing with changing states of equilibrium of the human forces involved' (1945: 178). In this respect, Barnard echoed Follett's notion that

An effective organism functions by integrating its components for the greatest benefit and is never complete but is always reaching forth for union. (Follett, 1918: 65)

In reaching forth to develop and grow, Barnard reiterated the importance of extending and maintaining the 'moral factor' in management (Barnard, 1958: 13). Although he would probably be reassured to see social awareness and ethics being addressed by business schools, Barnard hoped that morality would become embedded in organizations (Neal, 2017; Podolny, 2009). Again, management educators play a pivotal part in embedding inclusion by ensuring that skills are taught for self-directed lifelong learning, which both Follett and Barnard advocated and engaged in personally (Graham, 1995; Scott, 1992; Tonn, 2003). Fundamentally, diversity and inclusion that maintain and nourish individual fulfilment and led by business management is in everyone's long-term interest; as Follett's commented:

Each remains forever himself that thereby the larger activity may be enriched and in its refluece, reinforce him. The activity of co-creating is the core of democracy, the essence of citizenship, the condition of world-citizenship (Follett, 1924: 233).

Co-creating robust organizations and communities in which business management plays a full part, depends upon communicating a message of inclusivity and responsibility. In Follett and Barnard's philosophies, this message is conveyed to communities by managers, so that the public know what to expect from business and may hold management to account (Carroll, 2003; Melé, 2012).

Conclusion

By offering the works of Mary P. Follett and Chester I. Barnard this paper aims to prompt leaders, managers, and educators to consider business management as a social function driven by managerial commitment to fairness, responsibility, diversity, and inclusivity. The incentive for following Follett and Barnard's philosophies is to create durable organizations able to deal with challenges and take advantages of opportunities, particularly in volatile social and political environments. Implicit in the narrative is the prescience displayed by Follett and Barnard and their anticipation of many management theories and practices, which have been adopted by business and contributed effectively to prosperity, human welfare, and progress.

As described, Follett and Barnard's ideas draw valid criticisms; yet many of their ideas have come full circle. Matters of workers' dignity, rights and self-esteem diminished by practices that exploit workers in uncertain job tenure, are increasingly in the news, especially in the 'gig' economy (Fleming, 2017). Taking the best of Follett and Barnard's ideas and categorizing them under the headings of leadership and followership, lifelong learning, and managerial social responsibility, illustrates their relevance to the 21st century and validates their ideas in relation to accepted management theory. Yet Follett and Barnard bring advice on the practical implementation of these notions.

It is simply not known to any wide degree what are the number and character of moral problems that are faced by those who do the world's work. It is here, I think that the universities in the future have a great opportunity...to give appropriate study to the nature of moral problems which they face... (Barnard, 1958: 13).

In making decisions about the skills and attitudes of business management and leadership, consideration should incorporate Follett's interpretation of the nature of work in that it is the greatest contribution to human welfare (Graham, 1995). Even so, Follett noted that by ensuring diversity in work organizations conflict is likely to arise, which should be welcomed as it leads to creativity and invention, as Follett observed:

We may wish to abolish conflict but we cannot get rid of diversity. We must face life as it is and understand that diversity is its most essential feature...But fear of difference is dread of life itself. 1924: 232

Follett's view of diversity and inclusion and Barnard's prediction of the greatness afforded by opportunity to teach ethical, socially responsible management reinforces Archie Carroll's proposition for robust, ethical corporate standards to be embedded in organizations. It is for managers to ensure that they differentiate between what Barnard's views as moral, amoral, and immoral conduct, which inevitably includes ensuring a prevailing ethos of dignity, respect, diversity, and inclusion (Barnard, 1938, 1958; Carroll, 2003; Neal, 2017).

Barnard's call for managers to have broad, continual education and to welcome new experiences was summed up by Follett who saw 'the full advantage of diversity' (1918: 308) long before it became fashionable. Whilst institutions and companies are run by narrow

elites, Follett and Barnard's concepts for promoting prosperity through diverse and inclusive systems will not be achieved. Indeed, the cost to the corporations of unethical behavior perpetuated by small power bases is now becoming problematic with long-term repercussions (Antonetti and Maklan, 2016; Mawer and Crotty, 2013, 2015; Schafer and Jenkins, 2013).

Finally, the lessons in the antecedents and evolution of theory can help future business managers and leaders to understand, critically appraise and challenge theory. Whilst acknowledging that Follett and Barnard do not provide the answers to managers grappling with incidences of social injustice, this paper offers a summary of the power of their ideas for inclusive workplaces and society.

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TABLE 1

Management theories and concepts compared with Mary P. Follett and Chester Barnard's philosophies

Theory and key features	Follett (1918, 1924, 1941, 1970)	Barnard (1938, 1940, 1945, 1958)
Theory of the firm By capturing value through reducing costs of transaction, wealth is created for the owners. (Coase, 1937; Cyert and March, 1963)	Business is primarily a social not an economic function.	All economic development requires organization of capital and physical factors cooperation based on communication.
Scientific management Standardized processes; workers not trusted; work monotonous; controlled by rewards, sanctions and output targets (Taylor, 1911)	A scientific standard in business is necessary. Managers need knowledge about technical aspects to allocate responsibilities and build capacity in workers' capabilities.	Success is limited by unpredictability which is reduced if managers specialize. Executives specialize in coordination, communication and facilitating cooperation.
Human relations Treating employees fairly and rewarding well; managers of similar status cooperating across departments; knowledge workers developed for long-term business prosperity (Drucker, 1987; Fayol 1988; McGregor, 1960)	All work should contribute to the greater good of society. Authority assigned according to knowledge and the situation regardless of hierarchical position, which promotes pride and satisfaction in work.	Authority is exerted from above. Motivating workers requires more than material incentives. More effective is a mutually beneficial moral environment created by pooling effort and giving a sense of the relationship of each worker to the whole.
Morality and ethics in business Ethical managers should take account of spiritual and welfare needs of employees; a social conscience is a prerequisite for business to be run with integrity (Bowen, 1953; Freeman and Auster, 2011; Melé, 2012)	Management develops the spiritual side of work and enhance society. The over-exploitation of natural resources is detrimental to humanity. Control by big business of societal systems is undemocratic and machinery is needed to make companies accountable.	An organization can be moral, immoral, or amoral. The ethos is defined by the conduct of its executive. Waste is sinful, business is part of the fabric of society whose executives have a responsibility to steer technology and profits ethically.
Systems theory Flexibility, cross-functioning in matrix configurations. Awareness of a whole system where each part may affect another in a circular process (Galbraith, 2008; Kofman and Senge, 1993; Lawrence and Lorsch, 1967)	The influence one individual has over another affects whole systems. Management operates in a circular response internally and externally to involve wider society (stakeholders) in decisions for the greater good.	Systems comprise physical, personal and social factors in which executives use awareness of human relations and ability to communicate to coordinate activities for optimum results.

<p>Contingency theory Ultimately, there is no one best way of running organizations but an optimal one arrived at by diagnosis and adaptations to the environment (Galbraith, 2008; Lawrence and Lorsch, 1967; Woodward, 1958).</p>	<p>Each situation is approached differently and should be analyzed to identify core issues. The true issues are addressed and those with the most expertise lead on the best course of action, regardless of hierarchy.</p>	<p>Corporate culture is organic and influenced by many factors. Leaders institute systems that are flexible, adaptable to challenges where leaders understand and capitalize on informal networks driven by personal relationships.</p>
<p>Learning All organizations need to learn and apply their learning to survive. Firms, communities and states should put in place a system to capture learning and share and acquire knowledge (Argyris 1991; Revans, 1998; Senge, 1990)</p>	<p>Management should be part of a whole system of societal learning about democracy and rights. People should organize experiences into portfolios of lifelong learning to become part of life in and out of work and facilitated and driven by management as a profession.</p>	<p>Leaders should continue self-development and engage in activities outside work to acquire communication and other skills. A broad interest and understanding of one's impact on wider society should be included in a manager's education (1945).</p>
<p>Stakeholder theory Acknowledge groups upon which an organization's existence depend individually and as combined forces and challenging shareholder primacy with moral and social responsibilities weighed against generating profit (Freeman, 1984, 2010)</p>	<p>Power gained from individuals as a group forms an effective force. Management skills grow co-active control and power-with to drive democratic participation and educate the public, as stakeholders, about what to expect of business.</p>	<p>Executives are responsible for consolidating and creating new moral codes to be followed for the benefit of wider society. Inter-relationships that contribute to group goals, subordinate individual interests for the good of the organization both internally and externally.</p>
<p>Social contract Business gains from systems and structures to which all have contributed. Thus, an integrative social contract requires morality and support from business towards society (Donaldson and Dunfee, 1994; Handy, 2002; Locke, 1947; Mill, 1864; Polanyi, 1944, 1947)</p>	<p>The classic concept of the social contract did not grow social power from an integration of interests but tended towards giving assent and not participating in decision making. Instead individuals should be equipped to create a foundation of power to advance society.</p>	<p>Leaders manage by consent of their workers. Establishing authority depends on the morality of executives who set standards of behaviors of members of organizations and the entire organizational ethos.</p>
<p>Innovation Creative destruction leads to entrepreneurial innovation but can destroy organizations in the process. A climate is needed where ideas are generated to challenge the status quo (Drucker, 1987; Schumpeter, 1934)</p>	<p>Conflict produces energy, which can be harnessed and exploited. Integration and coordination produce diversity, novel ideas and methods that engage with groups, communities and the wider community.</p>	<p>Accepting an ideology of disruption is undesirable. Analysis of physical, personal and social factors should be carried out to inform planned decisions.</p>

<p>Bottom of the pyramid The lives of the world's poor are improved by business activities and products. Ways should be found to finance personal and group enterprise to lift people out of poverty (Prahalad and Hart, 2001; Yunus and Jolis, 2003)</p>	<p>Communities engage with industry in a combination of capital and labor, pressing for representation at national levels, integrating interests to form power bases for the greater good of society.</p>	<p>Organizational success is important for community achievement. The power of business capital to transform societies is possible with executives possessing a capability to initiate and sustain wider prosperity.</p>
<p>Empowerment Employee autonomy and entrepreneurship facilitated through development and devolving responsibility. Sharing information and experiences encourage taking responsibility (Peters, 1991; Wilkinson, 1998)</p>	<p>Working across hierarchies and developing 'power-with', promotes pooling power beyond the workplace to ensure that society should be organized for standards and power to evolve together (1924:193)</p>	<p>Giving and obeying orders depends on trust and effective communications. Incentives to follow instructions need to be more than inducements and include increasing power, prestige and self-esteem.</p>
<p>Feminist management Feminist ethics inform non-hierarchical principles, embrace diversity and redress the powerlessness of certain sections of society (Grosser, 2009; Knights and Tullberg, 2012; Morton and Lindquist, 1997; Roberts, 2012)</p>	<p>'Power-with' unifies reciprocal relationships that are fundamental to ethical business management. Integrating interests promotes diversity to introduce sustainable business models working towards the long-term interest for the widest prosperity.</p>	<p>An innate sense of responsibility and empathizing with the points of view of others and are moral and essential. However, as long leaders generated respect and authority greater emphasis on hierarchical and single decision makers was acceptable to Barnard.</p>

