

McGregor's Theory X and Theory Y are two opposing views on employee behavior and motivation. Managers who adhere to Theory Y tend to pursue a more participative and empowering leadership style by encouraging employee participation and empowerment and providing opportunities for personal and professional development. They might impose strict guidelines on workers, restrict their ability to make decisions, and mostly rely on outside incentives and sanctions. This suggests that employees need to be closely monitored and controlled to ensure they achieve company goals. Theory X-adopting managers typically establish a more hierarchical and controlling workplace. Developed by Douglas McGregor in the 1960s, these theories have had a significant impact on management practice and organizational outcomes. Lower productivity and increased turnover rates can be the result of disengaged and less devoted workers. When workers feel empowered and respected, productivity increases.