

HS-305 - **Human Resource Management**
HANDOUT # 1 : The Classical Theories of Management
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Scientific Management:

Taylor's (1911) scientific management provides a good example of the matching of human characteristics with those of the machine. This was to be accomplished by specifying a detailed programme of behaviour that would transform a general-purpose human being to a specific-purpose mechanism.

Taylor views man as one driven by fear of hunger, and search for profit. If economic reward is tied up with the efforts put on the job, the worker will respond with his maximum physical capability. Thus if wages are tied to the units produced, a worker will produce more units to get more money, and not only will a worker earn more but the organization will be able to produce more units. In these respects, Taylor's study is limited to the physical characteristics of the human body as it responds to routine and to clearly defined jobs; he visualized man functioning as an "appendage to the industrial machine".

Since physical effort does not produce constantly quality and quantity of output, and since the human body can get tired, several rest pauses were incorporated in a day's shift. In addition, jobs were designed to cause the minimal muscular fatigue. As mentioned earlier, payment was suggested by piece rate, so that wages were made a direct function of the units produced.

Division of Labour :

The concept of division of labour came from Adam Smith's (1937) classical illustration of pin makers in "Wealth of Nations". A pin maker is workman who, not having specialized in this business or acquired knowledge of the use of machinery employed in it, could perhaps make not more than 20 pins a day. But if the task is broken down into its several constituent operations, 18 specific operations are identified: such as, cutting, turning, sharpening, putting the head, etc. If these operations are performed by different persons, each trained in performing that particular function. 12 pounds or about 48,000 pins can be produced in a day, each person thus making one-eighteenth part of 48,000 or roughly 2.5 thousand per day. Division of labour is thus the most rational approach to increasing organizational effectiveness.

The subsequent work on division of labour was broadly based on Smith's idea and came to be known as "departmentalization". The general orientation of these theories is that, given the business of the organization, several tasks to achieve that business can be identified. These tasks should be grouped into individual jobs which in turn can be grouped into units and top level departments. The process should be designed to involve the minimum cost and the tasks should be clearly defined. The assumption here is that given that a worker has to perform only one or very few specialized tasks, then given some-time, he will become skillful and efficient, making the functioning of the organization more effective.

A second assumption deals with the unity of control or span of control. Each first-line supervisor controls an average of six to eight workers, and each second-line supervisor controls six to eight first-line supervisors. The process is followed to the top level. In such a system, as one moves up in the organization, the number of people with authority is reduced, thus making eventually a pyramid of control where the whole organization is controlled by one central authority.

Optimum departmentalization is achieved through four principles:

1. Specialization by purpose of the task:

Workers with similar goals or sub-goals to be grouped together under one division of the organization.

2. Specialization by process of the tasks :

Tasks following specific processes to be grouped together because they require similar skills and procedures.

3. Specialization by clientele :

All tasks directed to serve a group of client to be grouped together.

4. Specialization by geographical location :

Geographical or administrative factors sometimes necessitates the formation of smaller specialized units with responsibility for all tasks.

Theory of Bureaucracy :

Max Weber's theory of bureaucracy attempts to bring rationality and control and thus efficiency into an organization. The purpose of bureaucracy is to create social conditions which would direct each member of the organization to function in ways which further the rational pursuit of organizational objectives. Highly skilled and trained persons may sometimes be prevented from making rational decisions because of their personal bias. Bureaucracy intends to eliminate personal involvement as it is a source of irrational action. A system of rules and regulations and the hierarchy of supervision will coordinate the functioning of the each employee and department and thus bring efficiency into the organization. Lest this stress on disciplined obedience to regulations undermine individual motivation, Weber suggests that incentives be given.

Salient Common Features of examples :

There are at least four common elements in the three examples of the theoretical framework discussed. Each is different but they are not mutually exclusive.

GOAL SPECIFICITY :

All the three writers, Taylor, Smith and Weber, assume that unless the goals of the organization or of specific tasks in the organization are clearly specified, rationality cannot be achieved. The more specific the goal, the easier it is to identify the most parsimonious way to reach it because specificity helps in operationalization, which in turn helps in identifying ways to achieve the goal. From the very narrow goals set in scientific management where the specific goal of every task is to be defined, to corporate goals as in the theory of bureaucracy, goal specificity is the hallmark of the rational system model.

FORMALIZATION :

All three theories, particularly the theories of departmentalization and bureaucracy, recommended formal role structure. Each office should be under the control of a higher one and each take orders from the one above it which is responsible for its activities. Formalization objectifies the structure which in turn makes the system rational.

ORGANIZATIONAL RATIONALITY :

The three theorists, Taylor, Smith and Weber, agree that rationality should lie in the organization and not in the people working in the organization. People can be irrational. It is easier to make systems rather than people rational. An attempt to make people rational might fail because human nature resists change. On the other hand, organizations can be systematized by role definition, controls, and rules and regulations, and people may be asked to conform to this rationality.

CONCEPT OF HUMAN NATURE :

Finally all the three theorists paint a picture of human nature which depicts it as a controllable entity. Since man is driven by hunger and the fear of insecurity, human behaviour becomes more predictable. Man is a cog in the machine, and hence conformity and unquestionable obedience should not be difficult to achieve, particularly when disobedience can be punished by the institution of rules and regulations.