

## **Classical theory :-**

It is the oldest theory of management and is therefore called the traditional theory of management. The classical view point finds way to manage business organization effectively.

It includes management theories that provide foundation to the study of management.

### **Three main theories that developed in the classical school of thought are:**

1. Taylor's Scientific Management Theory.
2. Fayol's Administrative Theory.
3. Weber's Bureaucracy Theory.

## **Taylor's Scientific Management Theory.**

### **Scientific Management :-**

An approach that emphasizes the scientific study of work in order to improve worker's efficiency.

Fredrik Winslow Taylor (1856-1915) was an American mechanical engineer who sought to improve industrial efficiency. He became an apprentice mechanist , Learning factory conditions at the grass root level . He was one of the intellectual leader of efficiency movement and was highly influential in reshaping the factory system of production.

### **Principles Of Scientific Management :-**

In the words of Taylor "Scientific Management" means knowing exactly what you want man to do and seeing that they do it in the best and cheapest way. Through his experience in various companies, Taylor felt that problem lay with the management in setting work and wages. Standards and not with the worker. He suggested the following principles to overcome this problem.

#### **(1)- Rule Of Thumb Should be replace With Science :-**

In the earliest day theory of factory organization was not established. Factory owner or manager relied on personal judgement in attending to the problem they face in the course of managing their work. In the present context the use of internet has brought about dramatic improvements in internal efficiencies and customer satisfaction.

#### **(2)- Harmony Not Discord In group Action :-**

All members of the organization (Employer and employee) should work as a team. Conflict should be resolved by mutual discussion and coordination and disagreement should be eliminated employers and employees should work harmoniously and try to maximize each other's interest while worker should maximize organization output employers should pay wages to productive workers. Thus organization could benefit from account of higher profit and worker would benefit by getting higher wages.

#### **(3)- Cooperation, Not Individualism :-**

These should be complete cooperation between labour and the management instead of individualism. This principle is an extension of principle of harmony not discord. Competition should be replaced by cooperation. Both should realize that they need each other.

According to Taylor there should be an almost equal division of work and responsibility between workers and management. All the day long the management should work almost side by side with the worker helping, encouraging and smoothing the way for them.

#### **(4)- Development Of Workers To Their Fullest Capacity :-**

Industrial efficiency depends to a large extent on personnel competencies. As such scientific management also stood for worker development. Worker training was essential also to learn the "best method" developed as a consequence of the scientific approach. According to Taylor the organizational efficiency could be built in right from the process of employee selection. Each person should be suited to his\her physical, mental and intellectual capabilities. To increase efficiency they

should be given the required training efficient employees would produce more and earn more. This will ensure their greatest efficiency and prosperity for both company and workers.

## **Techniques Of Scientific Management :-**

The techniques of scientific management were based on various experiments conducted by Taylor at work place.

In order to improve worker efficiency and productivity of the firm Taylor introduced the following techniques commonly known as tools and techniques of management -

### **(1)- Separation Of Planning And Doing :-**

Taylor emphasized the separation of planning aspect from actual doing of the work. Before introduction of Scientific Management workers used to plane their work and worked under supervisors i.e. planning and doing was done by worker's themselves. It created problem in productivity.

Taylor's advocated separation of planning and doing planning should be done by supervisor and workers should only perform the task.

### **(2)- Functional Foremanship :-**

In the factory system the Foreman\Supervisor represent the key person to whom the workers are in face to face contact on daily basis and all production planning, implementation and control are centralized to him. Thus Taylor Concentrated on improving the performance of this role in the factory setup. In the process of identifying the qualities of a good supervisor\foreman he found that no single person could fit them all.

He motivate him to suggest functional foremanship thought eight person\supervisors. According to the concept of functional foremanship one set of four supervisor deal with planning function, the other set of four supervisors deal with execution\doing functions.

**These supervisors are as follows :-**

**(1)- Supervisors Concerned With Planning:-**

**(i)- Route Clerk-**

He specifies the route the workers of production should follow in performing the task i.e. how work moves from one machine to the others and in what sequence.

**(ii)- Instruction Card Clerk-**

He drafts various instructions for completion of the work i.e. types of tools and equipment used, at what speed the work to be performed and other technical details.

**(iii)- Time And Cost Clerk-**

He determines the time and cost at which work should be performed.

**(iv)- Disciplinarian-**

He indulges in planning of maintaining discipline in the shop floor\production area by observing that workers are working according to factory rules and Regulations.

**(2)- Supervisor Concerned With Execution of Work:-**

**(i)- League Boss-**

He performs the primary operational work like how workers should work on machines, Assessing the requirement of tools and equipment at workplace and arranging them.

**(ii)- Speed boss-**

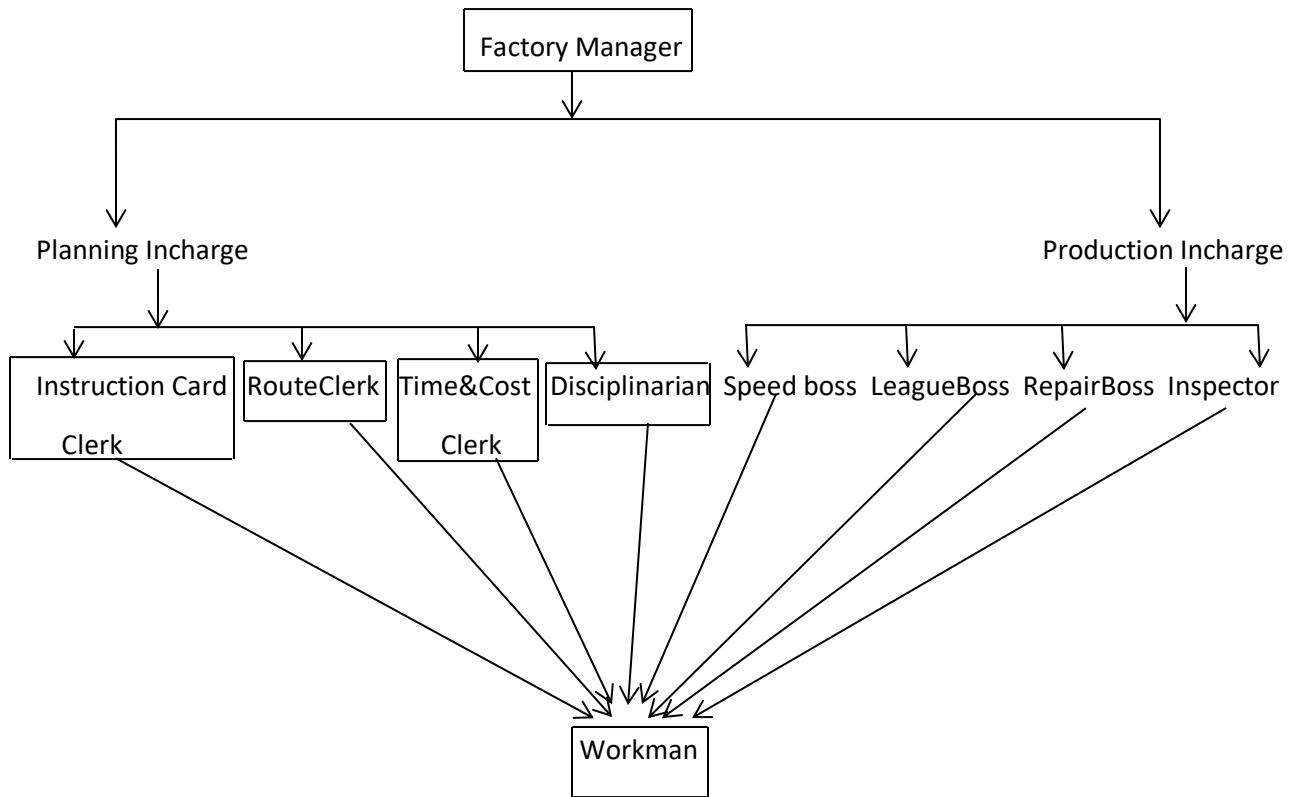
He is responsible for timely and accurate completion of the job.

**(iii)- Repair Boss-**

He ensures security and maintenance of the machine on which work is performed.

**(iv)- Inspector-**

He ensure that work is done according to the quality standard.



## **Job Analysis :-**

### **Time Analysis-**

It determines the standard time taken to perform a well-defined job. Time measuring devices are used for each element of task. The standard time is fixed for the whole task by taking several readings. The method of time study will depend on volume and frequency of the task, the cycle time of the operation and time measurement cost. The objective of time study is to determine the No. of workers to be employed frame suitable incentive schemes and determine labour costs.

### **Motion Study :-**

Motion study refers to the study of movements like lifting, putting objects, sitting and changing positions etc. Which are undertaken while doing a typical job. Unnecessary movements are sought to be eliminated so that it takes less time to

complete the job efficiently. Taylor used stop watches and various symbols and colours to identify different motions.

Through motion studies Taylor was able to design suitable equipment and tools to educate workers on their use. The results achieved by him were truly remarkable.

### **Method Study :-**

The objective of method study is to find out one best way of doing the job. To determine the best way there are several parameters right from procurement of raw material till the final product is delivered to customer every activity is part of method study.

The objective of the whole exercise is to minimize the cost of production and maximize the quality and satisfaction of customer.

### **Fatigue Study :-**

In order to increase the capacity to work to their maximum potential workers require rest between the work activities. The amount of rest and the frequency of rest intervals helps in removing the fatigue and enhance their work potential.

Rest period help them to regain energy and bring change in the quality of performance. This increases productivity and profits.

### **Standardization of Work :-**

In order to ensure uniformity in work operations, work should be standardized. It ensures that everyone works according to same standards framed in respect of time, cost, amount of work, working conditions, quality of work process, machinery methods etc.

The Objective of Standardization are :-

- (i)- To reduce a given line or product to fixed type, size and characteristics.
- (ii)- To establish interchangeability of manufactured parts and products.
- (iii)- To establish standards of excellence and quality in material.
- (iv)- To establish standards of performance of men and machine.

## **Differential, Piece Wage Systems :-**

Taylor was a strong advocate of piece wage system. He wanted to differentiate between efficient and inefficient workers . The standard time and other parameters should be determined on the basis of work study. Taylor wanted to reward efficient workers so he introduced different rate of wage. Payment for those who performed above standard and for those who performed below standard. For e.g.

It is determined that standard output per worker per day is 10 units and those who made standard or more than standard will get Rs. 50 per unit and those below will get Rs. 40 per unit.

Now an efficient worker making 11 units will get  $11*50 = 550$  Rs. per day whereas a worker who makes 9 units will get  $9*40 = 360$  Rs. Per day.

## **Scientific Selection and Training :-**

Scientific selection involves selecting the right person for the right job workers should be selected on the basis of knowledge ability and experience and place at the most appropriate job for which they are suited. Training enhances their skill to make them more effective and productive on job.

## **Task Planning :-**

Task refers to the work to be performed. Scientific task is the task that all average worker can perform in a day. Task planning refers to setting standards of performance in term of task features such as skill variety, task identity, task significance, autonomy and feedback.

## **Scientific task planning involve planning involve these following five functions :-**

### **(1)-Routing :-**

It determines -

- (i)- Operation
- (ii)- Sequence of operation and the path through which the operation will be performed

**(2)-Loading :-**

It refers to assigning the work to a machine in advance so that best machine can be selected.

**(3)-Scheduling :-**

It enables different operations to be finished on time so that subsequent operation do not suffer and goods can be delivered in time.

**(4)-Dispatching :-**

It involve issuing orders by the head operation department to start the operations.

**(5)-Expediting :-**

This is like a controlling function. It ensure that production activities are carried according to plans.

**Mental Revolution :-**

Mental revolution involves a change in the attitude of workers and management toward one another. Both should realize that they require one another.

Both aims to increase the size of surplus. This would eliminate the need for any hesitation. Management should share a part of surplus with workers. Worker should also contribute with their fullest capacity so that company makes profits. In the long run only worker's well – being will ensure prosperity of the business.



