

PERSPECTIVES ON PUBLIC ADMINISTRATION (DSC-102)

Theoretical Perspectives :

Neo-Classical Theories: a). Human Relations Theory (Elton Mayo)

1st Semester Honours. [L]
[SEP]

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HUMAN RELATIONS THEORY (ELTON MAYO)

The classical approach focused mostly on the structural aspects of the organisation. It has not paid much attention on the human aspects of the organisation. Subsequently, a few scholars devoted their attention to the human aspects of the organisation, thereby contributing to the emergence of the human relations approach.

The classical organisation theory has focused attention on the physiological and mechanical aspects of organisational functioning. These variables were tested in the field to increase the efficiency of the organisation but to the surprise of the researchers the positive aspects of these variables could not evoke a positive response in work behaviour in contributing to the increase in productivity. In this context, the researchers tried to find out the reasons for human behaviour at work. After the investigations they came to conclusion that the real cause of human behaviour was somewhat more than mere physiological and mechanical variables. Then they focused attention on the human beings in the organisation. This approach is referred to as the human view of organisation, or the human relations approach administrative theory.

THE HUMAN RELATIONS MOVEMENT

The human relations movement emerged in the late 1930s as an outgrowth of scientific management. This movement came from number of sources: psychologists, sociologists and anthropologists who were critical of the narrow and limited concept of organisation held by the scholars who contributed to the classical theory. They were mainly against the de-humanisation of organisation and against treating human beings as cogs in the machine.

However, a major change in organisation theory came after the results of the Hawthorne experiments, conducted by Elton Mayo and others during the 1920s. It made two significant contributions in organisation and management. These are:

- It posed a challenge to the physical or engineering approach to motivation. [L]
[SEP]

- The first real assault was made on the purely structural, hierarchical approach to the organisation.

Several socio-economic factors influenced the emergence of the theory and practice of human relations, such as: Economic depression, Capital intensive industry, Technological progress, Reaction to Taylorism, Class antagonisms.

1 Economic depression: The theory took shape in the twenties and thirties of 20th century when there was a general crisis in the capitalist countries. The unprecedented economic crisis of 1929-32. The problem became acute due to increased production as a result of mechanization which had increased mental strain. Employers found themselves compelled to focus their attention on the psychological or human factor in industry. The interest of the employees in their work began to determine the productivity levels to an increasing degree. Growing concentration and specialization of production demanded better coordination in the work of all sections of an enterprise. Researchers and executives established that the relations between members of production teams were important with regard to the attainment of this end.

2 Capital Intensive Industry: During this period, industry was becoming more capital intensive. A breakdown of equipment, strikes and high labour turnover used to cause the monopolies enormous losses. It is thus not surprising that the giants of monopoly capital started showing much more interest in ensuring that the workers showed a 'dedicated' attitude to their work and the interests of the company.

3 Technological Progress: Technological progress led to rise of the level of education and professional skills of workers. Consequently, the worker's sense of personal dignity had asserted itself and their material and cultural aspirations had changed beyond recognition. Thus the workers started demanding more and more resolutely and insistently that they be treated as human beings.

4 Reaction to Taylor-ism: The human relations approach was also partly a reaction to the one sided nature of the Taylor system which dominated the scene in the twenties and thirties. It was criticized as a design to intensify exploitation by raising productivity levels through improved organisation of production and the maximum utilization of the worker's physical capacities. **Taylor openly started that "each shop exists for the purpose of paying dividends to its owners". He regarded the worker as an appendage to the machine blindly carrying out a specific set of mechanical operations.**

Although the Taylor system did result in a certain rise in productivity of labour, eventually the system found itself at a dead end. In the thirties, apathy among the workers, depression tightened irritability and a complete loss of interest in work etc.; became widespread. These phenomena could not but arouse uneasiness among employer since they led to a drop in labour productivity, to absenteeism and high labour turnover. In addition, it led to a deterioration in relations between the workers on the one hand and the owners and the management on the other.

5 Class Antagonism: The worsening of class antagonisms and the resolute character of the Trade Union movement in the United States accelerated the introduction of the human relations approach.

A few critics stated that the interest of the monopolists can be explained largely by the growth of the labour movement and the expansion of the trade unions.

The emergence and evolution of the human relations approach must be viewed in the light of the correlation of the class forces in an international context. Here mention must be made of the influence of the October Revolution of the Soviet Union on the world. In order to retain their dominant position capitalists have found it more and more essential to evolve their own measures in answer to the challenge of socialism.

ELTON MAYO AND HIS RESEARCH FINDINGS:

George Elton Mayo is considered as one of the pioneers of the human relations approach to organisation. **His main hypothesis is that relations between employers and employees should be humanistic, not mechanistic.** Employees and workers deserve to be treated as individuals with dignity and self-respect rather than as factors of production or inter-changeable elements of the production system. **He looked upon industrial organisations as psychosocial systems with primary emphasis on human resources, their behaviour and welfare, needs and satisfactions, interactions and co-operation.** He focussed his attention on the behaviour of the workers and their production capacity keeping in view physical, economic and psychological aspects. He called this approach a clinical method. He has published books and contributed a number of research articles.

In the late 1920s and early 1930s, the Harvard Business School, under the leadership of Elton Mayo and his associates, **conducted research at the Hawthorne plant of the Western Electric Company.** This research marked a landmark in organisation theory. **Described in detail in the landmark volume, 'Management and the Worker', Mayo's work** research led to the first systematic conception of organisations as social systems, and destroyed some of the basic assumptions of the machine model. In all, four studies were undertaken

Elton Mayo in his studies concentrated on *fatigue, accidents, production levels, rest periods, working conditions, etc.*, of industrial workers in factories.

His two among many **important researches were :-**

I. Research in textile mill near Philadelphia, [L] [SEP]

II. Research in Western electricity company, Chicago (Hawthorne studies) [L] [SEP]

I. TEXTILE MILL, PHILADELPHIA

Textile mill near Philadelphia was a model organization with all facilities to workers, was well organised. The employers were highly enlightened and humane.

The labour personnel faced problem in the mule-spinning department of the mill.

Issues were :-

III. 1) **Had to hire 250% more workers than the actual requirement. So absenteeism among workers was the main issue.** [L] [SEP]

IV. 2) Management also consulted efficiency engineers, **several financial incentives were introduced, and number of schemes were launched, but they yielded no appreciable results.** [L] [SEP]

Mayo was consulted to study the problem of multi-spinning Department of the mill.

Mayo's observations :-

He studied the problems intensely from various angles i.e., physical, social and psychological.

1. He found that almost every piecer working in the mule-spinning department, suffered from foot trouble for which they had no immediate remedy. This trouble developed since every piecer had to walk up and down a long alley, a distance of 30 yards or more, on either side of which the machine head was operating for spinning frames with cotton thread. [SEP]
2. A single worker had to care 10 to 14 such machines due to which he felt miserable attending to the job. [SEP]
3. Also found that workers were afraid of the company president because he was a Colonel in the US Army in France both before and during the First World War. So, workers would never protest. [SEP]

Mayo's experiments :-

1. **INTRODUCTION OF REST PERIODS:** He introduced two rest periods of ten minutes each in the morning and again in the afternoon with every team of piercers.

Results:-

- The rest period scheme eliminated the problem of physical fatigue.
- Production increased [SEP]
- Morale improved [SEP]
- Labour turnover almost came to an end.

[SEP]2. **INTRODUCTION OF 'EARN BONUS SCHEME':** He also introduced '**Earn Bonus Scheme**'.

Under this Scheme, if the workers were to produce more than a certain percentage, they would earn bonus.

These two Schemes made the workers happy. But very soon, these new schemes faced problem as the supervisors were not under these two schemes so they never liked the workers enjoying rest period. Therefore, they suggested that workers should 'earn' their rest periods. This New system was launched

Results :-

- Within a week the production fell. [SEP]
- The workers became unhappy. [SEP]
- The old symptoms started reappearing. [SEP]

So, the company president looked into the problem. He discussed with Mayo and his research team, and ordered that:-

[SEP]**The spinning department should be shut down for ten minutes, four times a day and that all hands from the supervisors down to the workers should enjoy the rest period.**

Also, he gave the control of the rest period into the hands of workers.

Results :-

- **Old problem disappeared.**
- **Production increased.**
- **The workers started earning bonus.**

CONCLUSIONS FROM TEXTILE MILL AT PHILADELPHIA

1. Spinning produces postural fatigue and induces absenteeism and passivity.
2. Rest periods relieve postural fatigue, and end absenteeism and passivity.
3. Rest periods are more effective when they are regular.
4. The life of the worker outside the mill has improved as workers become more interested in their families and become soberer.
5. Prevailing problem in the mill was not the result of working conditions but the result of emotional response of the workers to the work performed.
6. Monotony was not the problem but repetitive work done under conditions of isolation.

II. HOWTHORNE STUDIES

Mayo's studies at *the Western Electricity Company, Chicago* is popularly known as *Hawthorne Studies*. It was a research programme of National Research Council of the National Academy of Science at the Hawthorne Plant of Western Electricity Company.

In the early 20th century, it was realized that –

- There was a clear-cut cause and effect relationship between *the physical work, environment, the well-being and productivity of the worker.*
- Also, there was relationship between *production and given condition of ventilation, temperature, lighting and other physical working conditions and wage incentives.*
- It had been believed that – *improper job design, fatigue and other conditions of work* mainly block efficiency.

So to establish the relationship between man and the structure of formal organization, Hawthorne Studies conducted.

The studies were conducted in the following four phases.

- A. Illumination Experiment (1924-27)
- B. Relay Assembly Test Room Experiment (1927)
- C. Mass Interviewing Programme (1928-31)

D. Bank Wiring Experiment (1931-32) [L] [SEP]

A. *ILLUMINATION EXPERIMENT (1924-27)*

It was done to determine the effect of different levels of illumination on workers' productivity.

In this experiment, two group of female workers were located in separate rooms, each group performing the same task. The rooms were equally illuminated with stabilized room temperature, humidity, etc. Slowly the conditions of work were changed to mark change in production. After a period of one-and-a half year, it was concluded that – illumination doesn't affect productivity of workers.

B. *RELAY ASSEMBLY TEST ROOM EXPERIMENT (1927)*

This experiment was conducted to observe the effects of various changes in working conditions on the workers' output and morale. In this experiment a small homogeneous working group was constituted. **Several new elements were introduced in the work environment such as—shorter working hours, proper rest periods, improved physical conditions, friendly supervision, free social interaction among the group members, and so on.**

During the period of the experiment, productivity and morale increased. **Productivity and morale were maintained even if the improvements in the working conditions were withdrawn. The researchers concluded that socio- psychological factors such as the feelings of being important, recognition, participation, informal work group, non-directive supervision etc. held the key for higher productivity.**

C. *MASS INTERVIEWING PROGRAMME (1928-31)*

It was launched to explore the employees' feelings (i.e., human attitudes and sentiments) by the worker's social group (informal organization)

The workers were asked to express freely and frankly their likes and dislike on the programmes and policies of the management, working conditions, and behaviour of their boss with workers, etc.

After a few days there was a change in the attitude of the workers, however no reforms were introduced. That change was seen because of the following reasons:-

- **The workers thought that the working conditions were changed because of their complaints.**
[L]
[SEP]
- **They also felt that the wages were better although the wage scale remained at the same level.**
[L]
[SEP]

After interviewing 21, 126 workers, and analysing their complaints, it was found that – *there was no correlation between the nature of complaints and the facts.*

It was concluded that – the experiment succeeded in identifying the following three aspects :-

- I. Workers feel elated if they were allowed to express freely. They develop a feeling that the conditions in the environment were changed to the better although no such change took place.**
- II. Subordinates should be allowed to comment freely about their supervisor.**
- III. It is difficult to understand the real problems, personal feelings and sentiments of the workers derived from both an employee's personal history and his social situations at work, without appreciating their feelings and sentiments.**

D. BANK WIRING EXPERIMENT (1931-32)

This experiment was done to observe and analyse the group behaviour, workers performing a task in a natural setting.

For the experiment, a number of employees consisting of three groups of workmen whose work was inter-related were chosen. Their job was to solder, fix the terminals and finish the wiring. It was known as '*The Bank Wiring Experiment*'.

Wages were paid on the basis of a group incentive plan and each member got his share on the basis of the total output of the group.

It was found that workers had a fixed clear-cut standard of output, which was lower than management target, however they were capable of increasing their output.

It was also found that the group did not allow its members to increase or decrease the output. They were highly integrated with their social structure, and informal pressure was used to set right the erring members. The following code of conduct was maintained for group solidarity:

- One should not turn out too much work. If one does, he is a '**rat buster**'.
- One should not turn out too little work. If one does, he is a '**chesler**'.
- One should not tell a supervisor anything detrimental to an associate. If one does, he is a '**squealer**'.
- One should not attempt to maintain social distance or act officious. If one is an inspector, for example, he should not act like one.

After the study Mayo and his team identified the following views of the workers:

- The workers felt that the behaviour of the research team had nothing to do with the management or general economic conditions of the plant.
- The workers viewed the interference of the extra departmental personnel, such as 'efficiency men' and other 'technologists' as disturbance.
- They thought that the experts follow the logic of efficiency with a constraint on their group activity.

- The supervisors as a separate category represented authority, to discipline the workers.
- The logic of efficiency did not go well with the logic of sentiments, which had become the cornerstone of 'social system'.

The Mayo and his team concluded that:

- One should not miss the human aspect of organisations, while emphasising technical and economic aspects of the industries.
- The Hawthorne experience suggested a new mix of managerial skills. In addition to technical skills, the management should handle human situations, motivate, lead and communicate with the workers.
- They also felt that overemphasis on the technical progress and material life at the expense of social and human life was not good.
- The concept of authority should be based on social skills in securing cooperation rather than expertise.

Based on the Hawthorne studies, scholars have identified the following concepts:

- **Social Norms:** The level of organisational effectiveness is determined by social norms. Principles of administration such as division of work or the physiological capability of the worker are not critical factors in productivity.
- **The Group:** Group standards are a major influence on the behaviour of individuals in organisations; workers do not act or react as individuals, but they do as members of the group. Groups set standards of productivity and enforce them upon all members. The group also provides a shield against executive reprisals. In both ways, the informal group acts as a restraint on executive power.
- **Rewards and Sanctions:** Instead of economic incentives, non-economic rewards such as social rewards and group sanctions are the strong job motivators. They play significant role in guiding the behaviour of the workers.
- **Supervision:** Supervision is most effective when the supervisors involve and consult the group and its informal leaders in order to ensure their acceptance of organisational objectives. Human relations scholars believe that effective communication, supplemented by a willingness to allow workers to participate in decision-making, is the key to effective supervision.
- **Democratic Administration:** Workers achieve the highest level of effectiveness when they are allowed to manage their own affairs without bossism from their formal supervisors.

CONCLUSIONS FROM HAWTHORNE STUDIES BRIEFLY

- a) The social and psychological factors at the workplace, not the physical conditions of the workplace determine the employees' morale and output.
- b) The organization is a social system.

- c) Non-economic rewards and sanctions significantly affect the workers' behaviour, morale and output.
- d) Workers are not inert or isolated, unrelated individual; they are social animals.
- e) Division of labour strictly on specialization is not necessarily the most efficient approach.
- f) The workers have a tendency to form small groups (informal organizations). The production norms and behavioural patterns are set by such groups.
- g) Leadership, style of supervision, communication and participation play a central role in workers' behaviour, satisfaction and productivity.

Great emphasis was thus placed on the development of human relations skills, which would help supervisors to effectively bridge the gap between the informal and formal organisations. Thus, the findings of Hawthorne studies revolutionised the organizational thought, and gave rise to a new theory called **Human Relations Theory.**

FEATURES OF ELTON MAYO'S HUMAN RELATION THEORY:

The main features of the Human Relations Theory/Approach are the following:

- (a) Since management/ organisation is getting things done through and with people, a manager must have a basic understanding of human behaviour in all respects—particularly in the context of work groups and organisations.
- (b) The managers must study the inter-personal relations among the people at work.
- (c) Larger production and higher motivation can be achieved only through good human relation.
- (d) The study of management must draw the concepts and principles of various behavioural sciences like Psychology and Sociology.

CRITICISMS OF MAYO'S HUMAN RELATION THEORY

- a) This theory lacks scientific base.
- b) This theory is not based on actual behaviour of workers as they were influenced by their feelings of importance, attention and publicity they received in the research setting. Workers react positively and give their best when they know that they are being observed.
- c) **It is anti-union and pro-management. Mayo underestimated the role of Unions in a free society as well as never tried to integrate unions into his thinking.**
- d) **This theory neglected the nature of work and instead focused on interpersonal relations.**
- e) **It ignored the environmental factors of workers' attitudes and behaviour.**
- f) Evidence obtained from the experiments does not support any of the conclusions derived by Mayo and the researchers.
- g) **It lacks economic dimension.**
- h) It does not consider effects of 'conflicts' and 'tension' on the workers.
- i) This theory gives much attention to informal relations among workers and between workers and

supervisors, but little to the formal relationships with informal ones.

CONCLUSION

In spite of its shortcomings, Mayo's human relations approach marked a major turning point in the history of administrative theory and practice. According to Bertram M. Gross, Mayo made an attempt to understand the problem of the workers from an angle different from that of the traditional approach of the scientific management era. Indeed, it is regarded as a major development in the American administrative thought of the period, 1900-1939. It has a great deal of impact initially on business administration, but also in the administrative system of state, particularly in the case of bureaucracy.

Mayo's findings have profoundly changed the nature of organisation theory. His most important finding is to identify the roots of work satisfaction as non-economic and to connect it with the interest taken in a worker's performance. These findings reverse Taylor's emphasis on the incentive of monetary rewards and disprove the rigid Taylorist philosophy of self-interest of the worker.

The Hawthorne studies developed a more realistic model of human nature. As a consequence, human beings are recognised as social entities and an influential input into organisational performance. Human beings are regarded as key contributors to organisational efficiency, productivity, and to its goal attainment and hence they have a respectful place in the organisation.

An important discovery of Mayo and his team is the concept of proper management- worker's communication, especially between the lower rungs of the organisation and the higher levels. Communication with the leaders of the informal groups is also considered equally important.

Both Taylorism and the Human Relations schools were a response to the changing needs and problems of an industrial society, albeit with different theoretical frameworks. Taylorism emerged during the heyday of the individual ethic, according to which the individual, acting intelligently in pursuit of his own self-interest, would eventually contribute the most to the good of the group. This ethic has never been completely rejected, but with the human relationalists it coexists with a social ethic that "affirms the value of human collaboration and social solidarity". As William G. Scott notes, "The conditions existing in pre-20th century America caused an ethic of individualism to make sense for management. Equally, the changing conditions in 20th century America created a climate in which the social ethic has progressively enlarged its role in management philosophy". Peter Drucker observed in 1973 that management practice did not reflect the key approaches of the human relations school led by Elton Mayo.

But, to the extent to which it has been accepted and acted upon the human relations approach becomes an explicit central facet of organisational theory and behaviour.

RELEVANCE OF MAYO'S HUMAN RELATIONS THEORY

Even though its criticism it is regarded as a major development in administrative theory till date and you will find his techniques being used in all organisations like rewards and orders, parties and celebrations, group outings and appraisals to boost morale and motivation in present day world of business and administration,

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