## People and Organizations

## Discuss the extent to which the principles of "Scientific management" (F.W.Taylor) are still relevant to modern organizations.

At the beginning of the Second World War, Taylorism "disappeared" and was replaced with another form of work organization: Fordism. Fordism appeared when Ford started producing Model T cars but by basing his production upon Taylorist lines. Scientific management was still used; there was an explicit distinction between management and workforce, each employee had a specific task to do and their task was timed. Fordism seems more closely attached to the production system of modern organizations than Taylorism does, since it includes Taylor's ideas but by also introducing new ones, and this is why this essay will be centred on the link between Fordism and today's production system: Toyotism.

At the end of the 1980s, Fordism, which had been at the base of economic growth in the country for thirty years, fades away. Changes in demand, rise in the workers strikes... the organizations must react and readapt themselves, also in order to face the rise in foreign competition. The Japanese model of organization used since the end of the Second World War, Toyotism, was then adapted in Europe and the USA during the 1980s. But what can we say about this post-fordism twenty years later? The worker, who now sees his work as more interesting, where he has more responsibility and importance, is he now liberated from his constraints? Haven't things changed, especially in the tertiary, which had been kept out of scientific management for so many years? And finally, wouldn't it be more specific to talk about neo-fordism rather than Toyotism? We shall see that scientific management is still relevant to modern organizations in a first part, and then shall see that this isn't completely true anymore.

In modern organizations, hierarchy is still present. It will probably always be like this, somebody needs to be in charge or else there would be too many conflicts. Hierarchy is one of the three most important points of scientific management, along with the specialisation of the worker's task and the timing of this task so as to impose a cadence. What Taylor wanted to show was that the old way of organizing work in the 19<sup>th</sup> century was too slow, there were too many gaps in the production process and that this led to a very low productivity. Taylor wanted a "separation of planning from execution", and this is still the way that it works in the time of Toyotism. Every organization has a manager who will plan the work, see the objectives of the product or service, and then leave it to the workers to fulfil the concept. Nowadays, the hierarchy doesn't only stand out through the fact that there is a manager and that there are workers, but also with subdivisions. In organizations we now find a managing director general, a manager, a submanager, foremen and so on. These all have different tasks, from planning to execution, so this shows that Taylor's idea is still used nowadays.

Leadership is therefore still present nowadays but it seems to be going through some changes. Alvin Gouldner, in "Studies in Leadership", said that traditional authority does not command the respect and ready obedience that it once did. To achieve this obedience it seems like leadership is the step to take. Fred Fielder made a theory on how

to be a successful leader. He based it on three "interrelated factors": leader-member relationships, task structure and power of the position. The higher these three factors are the better leader you are (Horn: "The development of modern management"). It seems as if they are taking Taylor's idea about hierarchy and developing it.

Taylor had realised that to improve the productivity of an organization he had to time the tasks and make sure that they were done in the fastest time possible. This way every worker would produce more of a product per day and the profitability of the organization would also increase. This led to difficulties in the workers lives; they would feel stress and this wouldn't be good for them neither mentally nor physically. This was one of the reasons for the Fordism crisis in the 1980s, the workers contestations led to strikes and managers saw that it was time to change the production system. What the workers were timed by during Fordism was the work chain, parts and pieces would pass on a rolling carpet in front of them and they would have to assemble them so as to be passed on to the next worker. Today the work chain still exists for it has proven to work well although the workers don't benefit from it.

In the fordist system organizations didn't wait for the demand for them to produce, because they knew that the demand existed. Organizations produced in vast quantities and stocked the products before they were sold. They therefore needed stocking space, people to look after them, and all of these made supplementary production costs. Nowadays, organizations wait for the demand before they produce. It is for this reason that, for example, if we are buying a car we have to wait a while before we actually receive it. There are no stocks, no papers, and these organizations also want there to be no delays. There is also a research of quality, and all of these factors impose a rhythm on the workers that they must respect, so it comes back to the same timed conditions that there were in Fordism and Taylorism.

In both the taylorist and the fordist systems, the worker wasn't qualified, he had one task to do and was taught how to perform this task. This also led to conflicts; the worker felt that he was dispossessed of his knowledge and skills so with the new production system the workers became qualified. They learnt about different working posts, they could move around so as to feel more responsible. But through mechanization and the upgrading of computer systems the worker once again feels dispossessed of his knowledge and skills. Machines start replacing men, all that the worker has to do is to program the machine and it will do the rest. The workers feel that it isn't even worth having the qualifications anymore since they can be trained within a few hours. It isn't only industrial workers that feel this way, but it is also starting to affect the workers in the tertiary sector.

In 1974, Harry Braverman wrote a book entitled "Monopoly Capital: The Degradation of Work in the Twentieth Century", which later became known as the Braverman thesis. This is now referred to as the McDonaldization thesis, showing the deskilling of work in fast-foods (Huczynski and Buchanan: "Organizational Behaviour: An Introductory Text"). The work in fast-foods is standardised, they produce the same hamburgers over and over again, so the work is also very repetitive. The employees are trained within a few hours, and the start at their work post. This reminds us a lot about Taylorism and Fordism; you have one work post and you stay at it. Either you fry the meat, warm the bread or serve the customers. There are other examples in the tertiary, such as the new information technology in banks, which simplifies the work of the

workers. In the end they just have to write down some numbers in their computer and it will give them their answer. Cadences also exist in other areas of the tertiary, for example room cleaners in hotels who only have a certain amount of time per room.

In Taylorism the motivation used for the workers was a system of economic rewards. These rewards were attributed to a worker when they saw that he was working hard, for example by beating the cadences imposed on him. Today salaries are a lot more individualised, but systems of economic rewards still exist. They are called raises, and they are achieved the same way that they were almost a century ago.

It here seems as if we can rather talk about neo-fordism rather than Toyotism or Japanization, but there are other aspects that show that nowadays we use a completely different production system.

Under other aspects, we can see that Toyotism is a new production system and that there are differences between it and both Fordism and scientific management. These differences are mainly to do with the workers tasks which expand, the new "bottom-up" style of working and the new remuneration system.

Oliver Sheldon said that "there may be a science of costing, of planning, of manufacturing, of dispatching, but there can be no science of cooperation" (H.Pollard: "Development in management thought"), or in other words that in order to make things run smoother on the workers side there were changes to be made. He said this in the 1920s and it wasn't until sixty years later that these changes were made. These changes included task rotation, where the worker would occupy several different posts in order to break the monotony of his work, to make him feel more responsible and to allow him to get a more complete vision of the production process. So as to help the workers cope with their new work tasks the organizations set up education and training for them which once again also allows the workers to feel more important (Noon and Blyton in "Organizational Behaviour: An Introductory Text"). The work expands to more interesting aspects such as the upgrading of the machinery and the control of the quality.

During Taylorism and Fordism the organization was what was called "top-down", the orders came from the manager and the worker would have to do with it without having his say. Today this has changed, it is now considered as a "bottom-up" way of organizing the production. This means that the worker can give his ideas, and he is encouraged to do this through the installation of teams that work together. They have an objective to fulfil but they organise their own work. There is less hierarchical control and the group is responsible for its production. Quality circles are also put into place where groups of volunteers discuss problems and suggestions or solutions. Individual or collective rewards are given out if a suggestion is applied with success.

The nature of the organization changed with post-fordism. There were changes in demand, the people now are after different products rather than standardised ones, with a research of quality, and organizations also must look out for foreign competition. During the time of Fordism, the companies tried to compete with each other through the price of their products; nowadays the price isn't the only competition between them, there is also the aspect of quality which is now very important.

During Fordism, as soon as there was a fluctuation in the salaries it was generalised, there would be a collective rise in wages. With the passage into post-

fordism, the salaries became much more individualised with the return of rewards as in Taylorism, but now not only for good work but also for good suggestions.

Toyotism is seen as a new form of work organization, but in relation to Fordism, Taylorism and scientific management, some things haven't changed, and this is not always for the best. We can say that post-fordism is fordism which has been humanised in social relations, it allows the worker to participate in the improvement of the production through the quality circles, and gives him more "liberty" in his work. On the other hand, hierarchy is still present, the working conditions are still poor in some cases, some workers still have very repetitive work and all of this leads to stress and to poorly physical conditions. Toyotism can therefore be described as a sort of neo-fordism as opposed to post-fordism since some of the aspects remain present.

## References

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- -C.A.Horn: "The Development of Modern Management", 1983