Readings in

HRUDEN / SHERMAN
IXTH EDITION

Managing
Human Resources

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Preface

Readings in Managing Human Resources, Sixth Edition, is a supplement to the seventh edition of our basic text, Managing Human Resources. It also may be used as a resource book in seminars and management development programs. Readings in Managing Human Resources contains a selection of articles from current literature in the personnel field, many of which are cited in our text. These articles, which cover topics of current interest, offer the reader the opportunity to draw upon the different viewpoints of those scholars and practitioners who have made a significant contribution to the growing body of knowledge in the personnel field. We hope the articles will provide the reader with an increased awareness of current developments in human resources management and with a deeper understanding of the field.

The selection of articles was made with the view of acquainting the reader with the various publications that contain articles relating to personnel management. Although most of the articles are written for the students and practitioners of human resources management, some are directed toward the lay reader. In making our selection, we tried to avoid using highly technical or esoteric articles. Thus, the reader need not possess an extensive background in personnel management to benefit from the book.

In preparing this book of readings we acknowledge with gratitude the individual contribution of each author represented in this collection. In addition, we thank the publishers of the following journals for permitting us to reproduce the articles that were selected:

Academy of Management Review
Business and Society Review
Business Horizons
California Management Review
Canadian Business Review
Compensation Review
The Conference Board Record
Harvard Business Review

Human Resource Management
International Management
Kiplinger's Changing Times
Management
Management Review
Managerial Planning
Monthly Labor Review
MSU Business Topics

Nation's Business   *Personnel Journal*
Pacific Basin Quarterly   *Psychology Today*
Personnel   *Public Management*
Personnel Administrator   *Supervisory Management*

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Part One

HUMAN RESOURCES MANAGEMENT IN PERSPECTIVE

Top management today increasingly is recognizing that human resources are one of the organization's most important assets. There also is a growing awareness that adjustments continually must be made in the management of these resources to cope with the changes occurring within the environments that affect the organization. Contemporary human resources management, therefore, requires more than merely performing traditional personnel functions independently of other organizational functions. These personnel functions must be coordinated closely with the operating functions of the organization and with the strategic planning pertaining to them. To reflect the changes embodied in the broader dimensions of this evolving approach, the term human resources management is replacing the term personnel management. The articles in this first part of the book, therefore, are intended to provide the reader with a brief perspective on human resources management as it is emerging, by discussing some of the current issues and problems relating to it.

The foundations of contemporary human resources management reflect the contributions of many early pioneers in management. One of these pioneers was Frederick W. Taylor, often referred to as "the father of scientific management." His work, its impact upon human resources management, and some of the controversies relating to it are discussed in the first article, "The Ideas of Frederick W. Taylor: An Evaluation" by Edwin A. Locke.

In the second article, "The Emerging Field of Human Resources Management," Lena B. Prewitt discusses the current approach to human resources management and how it differs from the traditional concept of personnel management. The author emphasizes the substantive changes this newer term must represent in organizations that have adopted it. Those readers who are planning a career in the field are made aware of the professional preparation currently required to gain professional status in it.

A major source of concern today within many companies and within the nation as a whole is the low rate of increase in the productivity of American workers. Unfortunately there is no single solution to productivity problems. What is required is a well-balanced human resources management program tailored to the specific needs of each organization. In his article "Avoid the 'Quick Fix' Approach to Productivity Problems," John R. Hinrichs cautions against expecting too much from any one approach or technique. The author discusses how human resources management may contribute to productivity improvement programs and offers guidelines for the human resources manager to follow in contributing to such programs.

The quality of worklife (QWL) has been receiving a great deal of attention in many organizations and in current literature. Two articles on this subject are included in the first part of this book. The first, "7 Myths About Quality of Working Life" by Gerald Wacker and Gerald Nadler, discusses some of the misconceptions concerning QWL and how to improve it. The second article, "Job Security: The Quality of Worklife Issue" by Edmund J. Metz, discusses the importance of job security in contributing to the QWL.

The success that Japanese companies have had in competing with American companies has focused a great deal of attention on human resources management policies and practices in Japan. Unfortunately there have been many misconceptions concerning the Japanese approach to management as well as the mistaken belief that American companies will increase employee productivity by emulating Japanese companies. The article "Productivity: The Japanese Approach" by Yoshi Tsurumi clarifies some of the misconceptions concerning the reasons for high productivity in Japanese companies. This article emphasizes that productivity problems of American companies are not likely to be resolved merely by adopting Japanese management practices.

The contemporary environment in which an organization operates should be an important consideration in the management of its human resources. Louis E. Davis, in his article "Individuals and the Organization," discusses some of the changes occurring within society and the impact of these changes upon the attitudes and values of the employees who are to be managed.

Managers typically are interested in maximizing the use of their subordinates' talents. Many managers are aware of the importance of delegating authority but are psychologically unable to assume the risks inherent in the process of delegation. In the article "How to Reduce Dependence on the Boss," Thomas W. Zimmerer gives some excellent advice and encouragement to managers who are not sure when to delegate and need a plan of action to work with subordinates who are qualified and willing to take on greater responsibility.

1—The Ideas of Frederick W. Taylor: An Evaluation*

Edwin A. Locke

Few management theorists have been more persistently criticized than has Frederick W. Taylor, the founder of scientific management, despite his being widely recognized as a key figure in the history of management thought (Wren, 1979). Taylor and scientific management frequently were attacked in his own lifetime, prompting, among other responses, Gilbreth's *Primer* (Gilbreth, 1914/1973), and the criticisms have continued to this day.

The present author agrees with Drucker (1976), although not with all of his specific points, that Taylor has never been fully understood or appreciated by his critics. Many criticisms either have been invalid or have involved peripheral issues, and his major ideas and contributions often have gone unacknowledged.

Wren (1979) did a superb job of showing how Taylor's major ideas permeated the field of management both in the United States and abroad. However, Wren was not concerned primarily with evaluating all of Taylor's techniques or the criticisms of his ideas. Boddewyn (1961), Drucker (1976), and Fry (1976) have made spirited defenses of Taylor, but more by way of broad overviews than in systematic detail. The present paper summarizes Taylor's major ideas and techniques and considers both their validity and their degree of acceptance in contemporary management. In addition, the major criticisms made of Taylor are systematically evaluated.

TAYLOR'S PHILOSOPHY OF MANAGEMENT

An essential element of Taylor's philosophy of management, as the name of the movement implies, was a scientific approach to managerial decision making (Taylor, 1912/1970b; Sheldon, 1924/1976). The name was intended to contrast his approach with the unscientific approaches that characterized traditional management practices. By scientific, Taylor meant: based on proven fact (e.g., research and experimentation) rather than on tradition, rule of thumb, guesswork, precedent, personal opinion, or hearsay (Taylor, 1911/1967).

There can be no doubt that this element of Taylor's philosophy is accepted in modern management. This is not to say that all contemporary managers are

fully rational decision makers. Clearly this is not the case. However, most would subscribe to the principle of scientific decision making and many actually practice it, at least with respect to some of their decisions. In most business schools there now is a specialized field called management science (which includes operations research), but the scientific approach is reflected in other areas of business as well (e.g., cost accounting). [See Kendall (1924/1976) for a discussion of Taylor's early influence.] Taylor's goal was to forge a "mental revolution" in management, and in this aim he clearly succeeded. Drucker wrote that "Taylor was the first man in history who actually studied work seriously" (1976, p. 26).

A second element of Taylor's philosophy of management, and the other key aspect of the mental revolution that he advocated, concerned the relationship between management and labor. At the turn of the century, management-labor strife was widespread, violence was not uncommon, and a number of radical labor groups were advocating the violent overthrow of the capitalist system. Many believed that labor-management conflict was virtually inevitable.

Taylor argued that this view was false, that, at root, the interests of both parties were the same. Both would benefit, he argued, from higher production, lower costs, and higher wages, provided that management approached its job scientifically. Taylor believed that there would be no conflict over how to divide the pie as long as the pie were large enough (Taylor, 1912/1970b).

In logic, one cannot argue with Taylor's fundamental premise of a community of interest between management and labor. There were virtually no strikes in plants in which he applied scientific management (Taylor, 1911/1967; 1912/1970a). Wren (1979) argues that during the 1920s Taylor's hopes for union cooperation in introducing scientific management and in reducing waste were realized to a considerable extent in two industries. Unfortunately this attitude of cooperation ended in the 1930s when unions turned their attention to the passage of prolabor legislation.

In general, management-labor relations now are far more amicable than they were at the turn of the century, but all conflict has not been eliminated. One reason for this is that no matter how big the pie is, there still can be disagreements over how to divide it up. Taylor did not anticipate that as the pie got bigger, aspirations would rise accordingly.

TAYLOR'S TECHNIQUES

Time and Motion Study

Before Taylor, there was no objective method for determining how fast a job should be done. Most managers simply used past experience as a guide. Taylor's solution was to break down the work task into its constituent elements or motions; to eliminate wasted motions so the work would be done in the *"one best way"* (Taylor, 1912/1970a, p. 85)—a principle even more strongly

emphasized by Frank Gilbreth (1923/1970); and to time the remaining motions in order to arrive at an expected rate of production (a proper day's work).

Time study now is used routinely in industrialized countries. However, there has been no final solution to the problem of (partially) subjective elements in time study (e.g., fatigue allowances); nor has worker resistance to time study disappeared, although it should be noted that resistance is most likely when there is a lack of trust in management (Bartlem & Locke, 1981). Such lack of trust often is earned by practices such as rate-cutting—something that Taylor explicitly warned against.

Standardized Tools and Procedures

Before scientific management, every workman had his own private tool box. This resulted in great inefficiencies because the proper tools were not always used or even owned. Taylor pushed strongly for standardization in the design and use of tools. The tools and procedures were standardized in accordance with what designs that experiments had shown to be most effective in a given context (e.g., the best size and shape for coal shovels).

Like time study, the principle of standardization is now well accepted. Combined with the principle of designing tools to fit people, the technique of standardization has evolved into the science of human engineering. Standardization also has been extended beyond the sphere of tool use to include other types of organizational procedures, especially in large firms.

The Task

Taylor advocated that each worker be assigned a specific amount of work, of a certain quality, each day based on the results of time study. This assigned quota he called a "task" (Taylor, 1911/1967, p. 120). The term task (which was not original to Taylor) is roughly equivalent to the term goal. Thus, the use of tasks was a forerunner of modern day goal setting. It is worth noting that Wren's (1979) discussion of scientific management at DuPont and General Motors implies that there is an historical connection between it and the technique of management by objectives (MBO). Pierre DuPont adapted Taylor's cost control ideas in order to develop measures of organizational performance (such as "return on investment") for the DuPont Powder Company. One of his employees, Donaldson Brown, further developed the return on investment concept so that it could be used to compare the efficiency of various departments *within* DuPont. When Pierre DuPont became head of General Motors, he hired Brown and Alfred P. Sloan, who institutionalized Brown's ideas at General Motors. Thus, although the technique of MBO may have been an outgrowth of scientific management, it developed more directly from the concepts of feedback, performance measurement, and cost accounting than from the task concept. Taylor had introduced an interlocking cost and accounting system as early as 1893 (Copley, 1923, Vol. 1).

Drucker acknowledges that Sloan was one of the earliest users of the MBO technique, but the term evidently was coined by Drucker (1954) himself, based not just on his studies at GM but on his work at General Electric with Harold Smiddy (Greenwood, 1980). At GE, the technique of MBO came to mean objectives set jointly by the manager and his superior rather than simply assigned objectives and/or work measurement.

Another term used widely today is organizational behavior modification (OB Mod); most OB Mod studies merely involve goal setting with feedback, described in behavioristic terminology (Locke, 1977). Virtually every contemporary theory of or approach to motivation now acknowledges the importance of goal setting either explicitly or implicitly (Locke, 1978).

The main effect of the post-Taylor research has been to support the validity of his practices. For example, it has been learned that specific challenging goals lead to better performance than do specific, easy goals or vague goals such as "do your best" or "no" goals (Locke, 1968; Locke, Shaw, Saari, & Latham, 1981). Taylor anticipated these results. The tasks his workers were assigned were, in fact, both specific (quantitative) and challenging; they were set by time study to be reachable only by a trained, "first class" workman (Taylor, 1903/1970). Remarkably, Alfred P. Sloan himself said: "The guiding principle was to make our standards difficult to achieve, but possible to attain, which I believe is the most effective way of capitalizing on the initiative, resourcefulness, and capabilities of operating personnel" (Odiorne, 1978, p. 15).

Further, it now seems clear that feedback (knowledge of one's progress in relation to the task or goal) is essential for goal setting to work (Locke et al., 1981), just as it is essential to have goals if feedback is to work (Locke et al., 1968). Again Taylor anticipated these findings. His workers were given feedback at least daily indicating whether or not they had attained their assigned task (Taylor, 1911/1967). A precursor of evaluative feedback for workers, developed a century before Taylor, was Robert Owen's "silent monitor" technique, described by Wren (1979, p. 72).

The Money Bonus

Taylor claimed that money was what the worker wanted most, and he argued that the worker should be paid from 30 percent to 100 percent higher wages in return for learning to do his job according to scientific management principles, that is, for *"carrying out orders"* (Boddewyn, 1961, p. 105), and for regularly attaining the assigned task.

Although money has been attacked frequently by social scientists from the time of the Hawthorne studies to the present, on the grounds that it is an inadequate motivator, Taylor's claim—that money is what the worker wants most—was not entirely misguided. A plethora of new incentive schemes have developed since Taylor's time, and new ones are still being tried (Latham & Dossett, 1978), not only for workers but for managers as well. Most labor-management conflicts still involve the issue of wages or issues related to wages, such as seniority, rate setting, layoffs, and fringe benefits. New anal-

yses of the Hawthorne studies indicate that their disparagement of money as a motivator was wrong (Carey, 1967; Franke & Kaul, 1978; Sykes, 1965; Lawler, 1975), and recent books and articles again are advocating the use of money to motivate workers (Lawler, 1971; Locke, 1975; Vough, 1975).

Pay has become a major issue even in the famous Topeka experiment at General Foods, which was intended to stress job enrichment and participation (Walton, 1977), and it is a key element in the still popular Scanlon Plan (Frost, Wakeley & Ruh, 1974), long considered a human relations/organizational development technique. The pendulum now clearly seems to be swinging back toward Taylor's view (Locke, Feren, McCaleb, Shaw, & Denny, 1980). It is notable that one of the most outspoken contemporary advocates of money as a motivator is, like Taylor, an industrial engineer, Mitchell Fein. Fein has developed a new plant-wide incentive system called "Improshare" (Fein, 1977), which is coming into increasingly wide use.

Individualized Work

Taylor was a staunch advocate of individual as opposed to group tasks, as well as individual rewards, because he believed that group work and rewards undermined individual productivity, due to such phenomena as "systematic soldiering." Taylor wrote, "Personal ambition always has been and will remain a more powerful incentive to exertion than a desire for the general welfare" (1912/1976, p. 17). In this respect, Taylor's views are in clear opposition to the trend of the past four to five decades, which has been toward group tasks.

Nevertheless, Taylor's warnings about the dangers of group work have proven to have some validity. For example, Janis (1972) has demonstrated that groups that become too cohesive are susceptible to groupthink, a cognitive disorder in which rational thinking is sacrificed in the name of unanimity. Latané, Williams and Harkins (1979) have documented a phenomenon called "social loafing," in which people working in a group put out less effort than when working alone even when they claim to be trying their hardest in both cases.

Studies of group decision making indicate that there is no universal superiority of groups over individuals or vice versa. Although a group might outperform the average individual member, the best group member is often superior to the group as a whole (Hall, 1971).

The current view seems to hold that although people may work less hard in groups (as Taylor claimed), the benefits in terms of cooperation, knowledge, and flexibility generally outweigh the costs. Overall, the evidence is not conclusive one way or the other. Most likely the final answer will depend on the nature of the task and other factors.

Management Responsibility for Training

In line with his emphasis on a scientific approach to management, Taylor argued that employees should not learn their skills haphazardly from more