

# The most suitable approach for the workplace challenges commerce essay



**ASSIGN  
BUSTER**

Organizational Behavior is the study of how people, either as an individual or as a group, behave within an organization (Mullins, 2007). This study implicated a deeper analysis of the organizations and their management so as to enhance the organizational performance and efficiency (Brooks, 2009). Although the importance of organizational behavior may not very apparent to public, this study observes people as a consolidated building block which helps organizations to achieve their main goal. Organizational behavior adopts a multidisciplinary perspective to support its study. These disciplines give a wider scope of overview on human behavior and how this behavior is influenced and modeled (Pettinger, 2010). There are three main disciplines: psychology, sociology and anthropology. In this case, only psychology and sociology will be assessed. Psychology is a narrow approach where it concerned mainly on the personality system of an individual (Brooks, 2009). Personality, defined as unique yet stable set of characteristics, distinguishes behavior of one person from another in a general manner (Beck, 2004). An example of psychological drivers of individual behavior is perception. Perception is how people process information which involves the selection and interpretation of stimuli from the environment (Mullins, 2008) . On the other hand, sociology is a broader approach which looks at how people behave, communicate and interacts in groups or society to analyze social structures and positions (McKenna, 2006) - for example, how norms, rules, and regulation are created within a team. The idea of sociology studies is to bring synergy to modern organization; also it brings the importance of orientation, whether people work for money, social or for structure.

According to Mullins (2008), there are four management theories; Classical Theory (consist of scientific management and bureaucracy), Human Relation <https://assignbuster.com/the-most-suitable-approach-for-the-workplace-challenges-commerce-essay/>

Theory, System Theory and Contingency Theory. The classical theory evolved before the industrial era took place (Ahmad, et al, 2008).

Productions in classical era were low and profoundly inefficient. Scientist then began to create the " best way" to increase efficiency in productivity, which subdivide as scientific management and bureaucracy (O'Connor, 2009). The industrial era endorsed the first classical theory pioneered by F. W. Taylor. He believed that applying scientific method on the basis developed the most efficient works. Scientific management regards workers as systematic soldiers that place money as their primary motivational value. Jobs are standardized and simplified into various parts before being distributed to the person who has been selected carefully to fulfill the right task. The division of labor allows unskilled workers to be trained in the quickest method to produce maximum output (Knights & Wilmott, 2007). For example, Henry Ford, an American automobile founder, exerted Taylors' theory to develop " Fordism" in which significantly increases productivity level in mass production (The Economist, 2009). However, the job mostly are repetitive and boring, causing worker to have low morale and unable to develop new skill. Bureaucracy, established by M. Weber, is the second classical theory which focuses on the chain of command and how organizations operate using a formal hierarchical system (Cliffnotes, n. d). In a bureaucratic organization, each worker has a clear distinct position and performs specialized task with rules and procedures system. Bureaucracy can bring efficiency in work if workers coordinate properly, however the psychological development of each individual may be inhibited due to occurrence of impersonal behavior (Mullins, 2008). WEL could apply the classical theory into the business to place workers in more systematic order.

<https://assignbuster.com/the-most-suitable-approach-for-the-workplace-challenges-commerce-essay/>

Therefore information will flow precisely so work will be done efficiently.

Later in the 1920s, E. Mayo did a research called the Hawthorne Experiment that has remarkable influences in the second management theory. The experiment was initially based on scientific management where the workers of Western Electric Company are believed to be affected by working conditions, skill of workers and financial incentives (Hall, et al, 2008). Over five year period, the study concluded that changes in working conditions and financial rewards have minor effect on productivity, hence the increment of output is the consequences of greater motivation due to extensive cohesion and communication within a group of people (Hall, et al, 2008). The research then entrenched the human relation theory, which will also be supported by the following theories. A. Maslow believes that motivation is achieved when the main human needs are satisfied (Stimpson, 2010). These needs are sorted in hierarchical format of Psychological Needs (food, water, shelter and rest), Safety Needs (job security and protection from threat), Social Needs (friendship and teamwork), Esteem Needs (status and recognition) and Self-Actualization (reaching one's full potential). Although Maslow's idea brought motivation to the fore front of organizations' goal, not everyone agree with the classification of needs. Meanwhile, F. Herzberg aims to find out what motivated people at work. His survey on 203 professional qualified workers resulted in two factors, Motivators (these factors give workers job satisfaction) and Hygiene Factors (these factors maintains worker being dissatisfied of work) (Mullins, 2008). According to Crainer and Dearlove (2001), this theory has an effect on payment and benefit packages offered by companies. However, Herzberg's research is considered unreliable because of limited sample and the respondents could be biased (Tulsian, <https://assignbuster.com/the-most-suitable-approach-for-the-workplace-challenges-commerce-essay/>)

2008). If WEL start to deploy Herzberg hygiene factors, local staff will be compensated properly. The third management theory derives from the integration of the previous theories (classical and human-relation). System theory is also known as Socio-Technical system which attempts to unite the psychological and social factors with technology and structural factors. Organization can be seen as an open system. An open system takes in external factors and transforms them through a sequence of activities before the outputs are released (Mullins, 2008). Any changes in the external environment have intense effects in the internal management (Takahashi, et al, 2004). Expansion of socio-technical system is supported by these theories. Trist and Bamford accentuate that if human side and technological side are not working harmoniously, it will interfere the whole organization (Dalton, et al, 2008). This statement was verified with an experiment carried out in Durham coal mine in 1951 when new technology was brought in order to increase productivity. Workers initially worked in face-to-face groups before the " longwall method" was introduced. Result showed that the new technology disrupted the social relation and did not bring any advantages at all; productivity did not change while labor turnover and absenteeism rate roses (Jackson, 2000). 26 years later, Hersey and Blanchard further developed the system theory with a model of situational leadership based on the " readiness" of subordinates to carry out particular tasks with confidence (Mullins, 2008). The characteristics of Hersey-Blanchard theory are social, structural, informational and technological. Application of system theory in WEL may solve the problem where employees are lack of internet-based-order training

The final management theory is Contingency. This theory rejects the " best way" while focuses more on the situations and the nature

<https://assignbuster.com/the-most-suitable-approach-for-the-workplace-challenges-commerce-essay/>

of task undertaken (Pettinger, 2010). There are three factors to be considered for contingency theory; organizational size, technology and competitive environment. The Aston studies suggest that the organizational size determine the structure used, along with the common communication issues. Woodward then added a point where the structure is influenced by manufacturing technology. Lastly, globalization has caused in more competitive environment which indicates how external environment can have either stable or turbulent effects to the organizations. Although contingency is only effective in large companies who position itself in a rapid-changing market such as the IT industry, it might help WEL to be more flexible in the case of increasingly competitive market. It appears that WEL is confronted to major problem in managing diverse workforce and increasing job satisfaction. The appraisal conducted suggests that WEL local staffs are not very happy. Happiness might not be the motivators, but as in Herzberg theory, it is a hygiene factor. Since most of the international staff is the managers, the local staff felt inferior towards them and there is no coherence of people as they are separated by ethnicity. Human relation approach seems to suit the current challenges. Local staff can be offered with fringe benefits to increase job satisfaction while giving positive feeling to the worker, thus they are more motivated. Demotivation can lead to high absenteeism and labour turnover, and eventually to "job hopping". In addition, the problem where local staffs earn less money than international staffs needs to be considered. According to Maslow hierarchy of needs, money is essential for psychological needs. Furthermore, it is important that the manager enable everyone to have equal opportunities. Provide diversity training and respecting culture is an ethical way to manage a diverse

<https://assignbuster.com/the-most-suitable-approach-for-the-workplace-challenges-commerce-essay/>

workforce. In conclusion, a successful business is dependent on the people working underneath the organization.