

Influence of the theory of scientific management in the design of the modern orga...



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Introduction

Scientific Management is one of the earliest theories in management, created by Frederick Winslow Taylor (1856-1915) for the purpose of factory production. He believes that the main objective of a manager should be to secure the maximum prosperity for the employer, which will be coupled with the same for the employee (F. W Taylor, 1911, pg. 9) In this essay we will discuss the theory of Scientific Management its principles and influence, on the modern organisations such as MacDonalld's or Amazon and the impact or organisational design.

F. W. Taylor was an engineer, who studied and analysed the science of factory production. Whilst doing this he created a style of, management of resources and factors of production, which would focus on maximising output and efficiency through productivity and a direction of goal. This is also known as a Rational Goal Theory/Approach, one of the four competing values (Quinn & Rohrbaugh, 1983). He named this Scientific Management. He advocated 5 principles in his Scientific Management Theory; the first is to analyse techniques and methods to identify the best way of an employee doing a task, instead the usual 'rule of thumb' method. Another is to select the best employee for the task. The third is to, develop the employee to be able to execute planned procedures accurately (Boddy, 2016). The fourth principle mentioned, is to managers offering special incentive to workers who work more than the average worker (F. W Taylor, 1911, pg. 87). The final principle is to move the responsibility of planning and organising the work from the employee to the manager.

The essay will now discuss modern organisations, which have been influenced by Scientific Management Theory, and it's impact on them respectively in companies such as Amazon and McDonalds.

Impact of Scientific Management on Modern Organisations

In 1951 Hamburger University was founded as a school, to teach employees, franchisees and potential managers, and to “ become the company’s global center of excellence for McDonald’s operations training and leadership development“ (Corporate McDonalds, 2018). Training at Hamburger University will ensure these future managers will be trained how to manage, lead, control, plan and allocate the resources whilst working. Such as Taylor said the best way and best person for the job are principles in which improve efficiency. Also manager must be able to plan, control/monitor and organise the work for the lower level employees. There is reference to this in a statement by F. W Taylor stating, “ The first object of any good system must be that of developing first-class men” (Taylor, 1911).

Over the years McDonalds have had, different organisational changes and decisions, which aided the company’s success, that are also still used today. One of them is the implementation of the Made for You, kitchen system in the late 1990’s, which consisted of new communication equipment and machines in the kitchen and also new processes and methods of making the food. The objective of their service is to deliver fast food, which satisfies consumers, resulting in profit. By bringing this new of technology they are trying to achieve their goal by delivering hotter, tastier and fresher food. (McDonalds HK, 2018). With employees following guidelines and defined

instructions on how to make burger, the customer will receive their food, hotter and fresher accomplishing their target of improving service. In relation to Taylor's "best way of doing" this is an example of McDonalds trying to find the quickest and most efficient way of employees delivering food to their customers. A weakness in this principle is that it will be very costly to buy new top of the range kitchen equipment and communication systems to all their stores. In addition to this it will be costly and hard to train all kitchen staff, new and old.

One of the negative effects of Scientific Management is the high human cost in which it causes. The repetitive tasks with no requirements for the employee to be creative or think outside the guidelines given, can prove to be too boring and dull for employees. Also the focus on maximising output and efficiency of an organisation tries to achieve this by appealing to the financial needs of employees rather than their social wellbeing. In addition to this employees may begin to feel exploited due to the fact they may not be rewarded as they see fit for their contribution in higher profits for the business, generated by their higher productivity. These factors and others can lead to employee unrest, unemployment and strikes. An example of this is the first strike McDonalds experienced in the U. K, in two separate restaurants, as well as protests due to pay and work conditions and environment in the company. (the Guardian, 2017).

Amazon is a modern organisation that has in the past recent years and has gained extreme success. Amazon's Fulfilment Centres, where the objective of employees is to package, sort and prepare the deliveries, prime examples of scientific management are evident. In order to fulfil the enormous amount
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of deliveries to their customers, Amazon employees are “ guided and monitored” by technology. They are given handheld machines which tell them where they are going to pick item from and what route to take. It has used the software/algorithms to calculate the best way/route for employee to do their task. This is an example of Taylors’s theory of using science and/or data analysis to find the best method of doing a task and also removing planning from the employee, removing planning from their responsibilities.

In addition to this these same handheld devices, in some stores, are used to monitor the employees performance, for example counting down time remaining to complete task. This reinforces Taylor’s principle that there should be specific targets/goals calculated using information and given to employees and also tasks should be broken into to smaller tasks, to help monitor each employee’s productivity, rather than using “ rule of thumb methods”(BBC, 2015). Another modern business Ryanair has also become very successful, low cost airline boasting the largest short haul network in Europe. They also have a focus on maximisation of output of flights (The Guardian, 2017). Their efforts to highly output focused has definitely helped them and focus on low costs. However, like amazon, can have negative affects. For Ryanair they take 25 minuets to turnaround an aircraft for the next flight. The decreased the time used to clean the aircraft, allows them to save time and cut costs (Telegraph, 2018).

The problem with these two examples mentioned in Amazon and Ryanair is that their focus on goals, for example low cost and maximum output. Neither equally consider any consideration for worker’s social needs and health and wellbeing. Having no regard for these things and not rewarding employees

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sufficiently can begin to cause employee unrest, possible strikes and mounting pressure from Unions for fair treatment of their employees. An example of this is Amazon workers protesting for workers rights and higher pay outside an event where the CEO was being presented an award (Daily Mail, 2018). As for Ryanair their dedication to low cost, and poor treatment of staff has also led to them having a not so good reputation also to protests and strikes from pilots causing them to have to cancel thousands of flights.

Brief on examples of opposing and developments of Scientific Management Theory

Elton Mayo (1880-1949), helped birth the model of Human Relations Model, which understands and highlights the importance of social relationships in the workplace. It also shows the importance of communication between the low and high levels of management e. g. managers and low-level employees. He used studies such as the Hawthorne Experiment (prior and after his involvement) to back his theory (Pugh and Hickson, 2007). This is what is known as the human Relation Model. One of his experiments consisted of placing workers in rooms with different levels of light and seeing the affect it had on the workers productivity.

In addition to this Douglas McGregor (1906 – 1964) developed the Theory X and Y. It supports beliefs that division of labour and specialisation better labour productivity. This assumes the view managers have on human performance at work. Theory X, assumes the employee has a negative attitude to work which means managers will have a more controlling leadership style. Whereas Theory Y, assumes; employees have a positive

attitude to work, does not need to be dictated and co-operation and ideas between employees can help achieve the goals of the organisation (Douglas McGregor, 1960).

Conclusion

I believe that the impact that Scientific Management has on modern organisations is good in terms of profit and productivity, for certain individuals of the organisation such as shareholders and senior management. The reason for this is their focus on maximising output and clarity of goals. The clear direction and vision of a company is known. Also the idea that management should control and monitor their employees to ensure quality and rate of labour of is suffice. However, on the other hand, Scientific Management dehumanises its employees, by making them work like machines and causes human costs. I feel that modern Organisational design needs to focus more on the social aspect of workers in the modern day and age, (Human Relations Model), and Theory Y and other models not mentioned, as well as, rather than exclusively on Scientific Management. Also improving communication between employees and managers. These can improve the work environment for employees allowing them to feel willing and happy about working to achieve organisational goals, thus leading in higher labour productivity and better results for both parties.

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