

Effect of happiness on worker productivity



Management is the process of controlling and dealing with people, with many and varied opinions and methodologies in which management should be executed. According to Bruce and Nyland (2011) management ideas are an “ ideology”, the success of which lies in “ legitimising managerial authority”.

Frederick Winslow Taylor, commonly referred to as the ‘ Master of Scientific Management’, has arguably had a controversial status in the evolution of management and human relations. Throughout the early 20th century, Taylor’s observations in industrial engineering led to the proposition that a “ job design which stresses short, repetitive work cycles and motivation based on economic rewards” (Huczynski, Buchanan, 2013, p. 465) will lead to improved productivity and efficiency. However, this was heavily protested due to it deskilling and robotising its workers. By narrowing their focus onto an isolated section of the production process, workers were distanced from the bigger picture of the company’s main objectives. Given the opportunity to ‘ save’ the future of management, Professor Elton Mayo reacted to Taylorism and developed the Human Relations School of Thought (HRST), which could be considered a “ complement to Taylorism” (Bruce, Nyland, 2011, p. 385) . Later promoted by Maslow’s well-established hierarchy of needs in 1943 (Huczynski, Buchanan, 2013) , Mayo emphasised the importance of employees having a sense of belonging and that intrinsic motivation should be a high priority for managers. Having collated evidence from the successful real-world practices of large corporate firms, this essay will argue that given the variety of business sectors, there cannot be one ‘

best' way to manage a firm, as both Taylorism and HRST can still be relevant if implemented under the correct circumstances.

According to a report by Gallup in 2013, only 13% of workers worldwide feel a need to participate in the development of their firm and are emotionally invested in work. A company undertaking Taylorism is likely to contribute to this statistic as Taylorism dissolves a team's dynamic and collaboration is thus diminished. Employees' incentives are inappropriately aligned (*Forbes, 2015*) as there is too much fixation on individual performance. Elton Mayo, therefore, established the belief that it is intrinsic to human nature to grow, develop and feel part of a supportive team. Between 1927 and 1933, Mayo investigated a correlation between six female workers' productivity levels and working conditions (*Huczynski, Buchanan, 2013*). It was indeed concluded that the primary factor at the core of consistent high productivity levels was a secure level of social interaction and teamwork. Furthermore, in today's society, employee loyalty is hard to maintain and HRST focuses on this. By giving workers a voice, in addition to conflicts being more easily resolved, worker's feelings are acknowledged – a defining feature of humans – and thus are not just machines. Google invests heavily in this because HRST has recognised that communication drives innovation and collaborating with others allows for quick progress in finding practical solutions that are essential for a firm's survival. Additionally, Google permits 20% of employee time for knowledge expansion and engagement in “personal development” (*Sullivan, 2007, p. 1 as cited in The WritePass Journal*), thus helping to align personal growth with company growth. Particularly in the highly competitive technology sector, the ability to

differentiate and evolve new ideas is a key to success. Therefore, HRST's presence has elevated Google's status as one of the most forward-thinking companies in the world. This technique of employee engagement is somewhat lacking in Taylorism, as efficiency is not sufficient to provide sustainable organisational success.

A problematic symptom of Taylorism is 'burnout': the physical and mental exhaustion of repetition leading to lower productivity. In the corporate world of Amazon, the infamous 'time and motion studies' involving "recording techniques to make work operations more efficient" (*Huczynski, Buchanan, 2013, p. 472*), advocated by Gilbreth, are being conducted. Recently, Amazon have introduced specialist wristbands to monitor employees' productivity. As Jacobinmag (*2018*) points out, from a capitalist perspective, this looks like a "win-win situation", as bonuses are linked to output, and managers are rewarded in more products sold. However, this is where the flaws in Taylor's plan begin to unfold; Max Crawford, a former warehouse employee for Amazon, claimed to the NYTimes (*2018*) that he felt he had become "a robot", and even "fell over from dizziness". Due to this inevitable burnout, absenteeism increases and given that each worker, following the scientific management process, is specialised in their one particular task, there will be no workers to cover them, causing the production process to break down and the organisation's output to fall. Although Amazon can afford to keep up with this high staff turnover, it highlights an intrinsic flaw for all firms choosing this pathway of management, many of which will not be able to afford the costs involved. Mayo, in contrast, advocated that financial rewards are not an employee's

only motivator. As Mayo's 'Relay Assembly Test Room' experiments demonstrated, productivity levels varied under different relational factors, such as the attention levels received during the tests. This illustrated a shift in attitude towards work from economical to more social and interconnected. The school of thought maintained that "a happy worker is an efficient worker" (Thornton, 2016), recently backed up by a University of Warwick study which found that workers enjoying their job were 12% more productive (Revesencio, 2015). Therefore, a Taylorism approach could lead to less overall profit and, although achieve short-term goals, is unlikely to be sustainable. For instance, many Amazon employees do not view their job as a long-term career (Kasperkevic, 2014) and thus there is a constant flow of people coming and going. Therefore, many workers are not fully immersed in the organisation's culture which may disadvantage the firm against a human relations focused workforce that grow together and establish a common set of goals which they can consistently work towards.

I believe that in certain industries aiming for cost reduction, Taylorism can work more in a company's favour. An archetypal example of this is McDonalds who market themselves around cheap food and quick delivery. The consistency of their products is well established and thus there is little need for constant innovation, with their classic 'Big Mac' burger and fries being the most popular meal choice worldwide (Jones, 2018). Being a strong advocate of Taylorism, McDonalds begins to cast some doubt over the modern emphasis on HRST. There can be a difficulty for managers in a real sense to understand what each individual employee wants, and this can make HRST very costly and time-consuming. Herein lies a limitation of HRST,

as it may not be practical for a firm's objectives. Realistically, those who are part of the McDonald's workforce know what they signed up for. With this in mind, one could make sense of the surprising conclusion from Gould's study (2010) that many McDonald's workers are satisfied with their job. Gould discovered that McDonald's strategy was " compatible with the needs and aspirations of industry-suited crew" as many workers simply want to get the job done (Huczynski, Buchanan, 2013, p. 485) . The extent to which HRST is worth utilising, in this case, is questionable as studies have found that, after six months, people working at the front line get bored due to the repetitive nature of their task (Huczynski, Buchanan, 2013) and thus the company will still likely have a high turnover rate. Subsequently, along with the cost of re-training, if HRST were to be implemented, managers would be continuously identifying the optimal reward for each new employee which is both time-consuming and costly. For unskilled and semi-skilled roles, such as those at McDonalds, Taylorism is generally more applicable (for the reasons cited above), particularly if accompanied by team-building, namely Kaizen (*Teambonding, 2018*), which is the forefront of Toyota's operations – a motor company grounded by Fordism. Kaizen is inexpensive yet is resourceful in empowering employees. The simplicity of Taylorism has been implemented by Toyota and, with the added value of Kaizen, workers are encouraged to take a step outside their robotic mind-set and work collaboratively to make improvements to even the most minor details. Combining this concept with cross-job skill transference (*Hamilton, 2012*), workers can be efficient as well as flexible. Despite these potential improvements to Taylorism, for skilled roles, HRST wins hands-down, as the requirement to retain highly-skilled employees is paramount.

After taking into consideration contemporary real-world practices of large corporate firms operating in a variety of business sectors and under different objectives, it is clear that there is no single conventional way to manage a firm's workforce. Due to the varying nature of job roles, Taylorism and HRST both have their place as suitable and effective management strategies. HRST drives innovation but can be costly, whereas Taylorism creates narrow-focused work conditions but is efficient to implement. Taylorism's lack of social interaction and mechanistic working style, can damage a company's long-term productivity. By identifying the severity of this issue, HRST aims to provide more intrinsic motivators, which will enhance an employee's productivity and attitude to work much more so than financial rewards. Nevertheless, in this exploration I have uncovered that Taylorism does appear to have retained relevance with a range of companies still pursuing its ideas; perhaps because Taylor's argument aligns with the companies' objectives such as sales maximisation. Therefore, the ways in which HRST can be considered better than Taylorism are dependent on the balance of a company's skilled and unskilled workers. For a company reliant on highly skilled labour to contribute to their success, using HRST to ensure that they are working to their full potential in a gratified way is essential to retaining employees' loyalty to the company and its goals. However, an intrinsic lack of team-building exists in both HRST and Taylorism, which all companies should prioritise to ensure a productive, efficient and loyal workforce that every company desires.

References:

- Bruce, K., & Nyland, C. (2011). *Elton Mayo and the Deification of Human Relations*. *Organization Studies*, 32(3), 383-405. doi: 10.1177/0170840610397478
- Crabtree, S. Gallup Inc. (2013, October 08). *Worldwide, 13% of Employees Are Engaged at Work*. Retrieved from <https://news.gallup.com/poll/165269/worldwide-employees-engaged-work.aspx>
- Dodson, P. C. (2015, July 31). *Why Happy Employees Are 12% More Productive*. Retrieved from <https://www.fastcompany.com/3048751/happy-employees-are-12-more-productive-at-work>
- Hamilton, V (2012). *Career pathways and cluster skill development: promising models from the United States*, OECD Local Economic and Employment Development Working Paper 2012/2014 OECD Publishing, Paris.
- Huczynski, A. A., & Buchanan, D. A. (2013). *Organizational Behaviour* (Eighth ed.). Harlow, UK: Pearson Education.
- Jones, M. (2018, February 27). *The 10 bestselling McDonald's menu items of all time* . Retrieved from <http://uk.businessinsider.com/the-best-selling-mcdonalds-menu-items-of-all-time-2018-2?r=US&IR=T>
- Jones, O. (2000). *Scientific Management, Culture and Control: A First-Hand Account of Taylorism in Practice* . *Human Relations*, 53(5), 631-653. doi: 10.1177/0018726700535002
- *Kaizen: A Japanese philosophy could change your team structure for the good*. (2018, June 05). Retrieved from <https://www.teambonding.com/kaizen-for-team-building/>

- Kasperkevic, J. (2014, May 04). *Homeless and working for Amazon: The trap of the seasonal job cycle*. Retrieved from <https://www.theguardian.com/money/2014/may/04/amazon-seasonal-work-homeless-jobs-unemployment>
- N/A, (2016, October 19). *Case Study: An Analysis of Google Inc –The WritePass Journal*. Retrieved from <https://writepass.com/journal/2016/10/case-study-an-analysis-of-google-inc/>
- Stefanova, K. (2015, October 25). *Is Amazon's Ruthless Management Culture Hurting Its Stock Price?* Retrieved from <https://www.forbes.com/sites/katinastefanova/2015/10/24/why-amazons-management-practices-will-likely-hurt-its-stock-price-in-the-long-run/#1c93dfca77ef>
- *The New Taylorism*. (n. d.). Retrieved from <https://www.jacobinmag.com/2018/02/amazon-wristband-surveillance-scientific-management>
- Thornton, G. (2016, December 27). *Is a Happy Worker Always a Productive Worker? – Thrive Global – Medium*. Retrieved from <https://medium.com/thrive-global/is-a-happy-worker-always-a-productive-worker-f825342c425b>
- Yeginsu, C. (2018, February 01). *If Workers Slack Off, the Wristband Will Know. (And Amazon Has a Patent for It.)* . Retrieved from <https://www.nytimes.com/2018/02/01/technology/amazon-wristband-tracking-privacy.html>