

History and evolution on personal management

[History](#)



The Industrial Revolution as from late 1700 AD led to the emergence of large factories and the displacement of the cottage-based guilds. Hand-made goods were replaced by machine-made goods, cottage industries were replaced by large factories and small-scale production gave way to large-scale production. The new system required an extremely well-organized structure and led to the recruitment of a large number of people. The workers in the early factories faced long hours of work under extremely unhygienic conditions and mostly lived in slums.

The unhygienic and arduous work in factories eventually led to many labor riots and strikes and forced the governments to step in to provide basic rights and protection for workers. The first Personnel Management department to look into grievances, safety, dismissals, court cases and also record keeping and wage management in the aftermath of a bitter strike and lockout in 1901. The Personnel Management during this time was an instrument in the hands of the employer to ensure maximum productivity.

The Personnel Management, side-by-side with providing training and wages, broke strikes by blacklisting union members and forcing workers to sign an agreement not to join unions. The Personnel Management was more administrative in nature, dealing with payroll, complying with employment law and handling related tasks. The dominant philosophy, an approach which led to Frederick W Taylor scientific management theory, during this time was that employees would accept rigid standards and work faster if provided training and more wages. Personnel Management gained a more professional role in the aftermath of World War 1.

The demands of wartime production led to the enactment of several provisions to ensure that issues related to wages or working conditions did not hinder production. Among the social security measures initiated were agreements listed unfair labor practices. However, the Hawthorne Studies (1924-1932) of Elton Mayo concluded that human factors or non-monetary rewards were more important than physical factors or monetary rewards in motivating employees. Trade unions now began to challenge the fairness of Taylor's scientific management theories, forcing employers to take a more behavioral-oriented approach.

Personnel programs now expanded to include new benefits such as sick benefits, vaccinations, holidays, housing allowances and similar measures and to implement the new behavioral-oriented theories. A host of new theories emerged based on this new behavioral perspective. Some of these popular theories were Douglas Mac Gorge's Theory X and Theory Y and Abraham Maslow's hierarchy of needs theory that recognized the concept of individuals aspiring to reach a state of self actualization and esteem.

The post World War II era marked a distinct change in human resource management history. This era was influenced by ideas such as human rights and self-actualization, taking the various behavioral oriented management philosophies to heart and adopting management philosophies that encouraged incorporation of newer ideas and initiatives. The changes manifested as an increase of labor legislations such as the Equal Pay Act (1963), the Civil Rights Act (1964), Occupational Safety and Health Act (1970) and the Employee Retirement Income Security Act (1974).

The need to comply with such legislation increased the importance of the human resource function. Employees were held as valuable resource, to be obtained cost effectively, used sparingly, and developed and exploited to the maximum to further corporate interests. The new business environment in the post Cold-War age (1947-1991), combined with the widespread use of computers and internet for commercial purposes, radically altered ways of doing business, and workforce management was not immune to change.

The increase of service-oriented firms, the infusion of more and more women into the workforce, and other changes all made obsolete the traditional beliefs of people management. The highly skilled knowledgeable workers of today control the machines, and with technology freely available, the skills of such workers become the major source of competitive advantage for firms. The Human Resources refer to the qualities assessed by the workforce or employees in an organization. These qualities include knowledge, values, skills, abilities, recognition, beliefs, commitment, etc.

The Human Resource Management tries to retain such knowledgeable workers by facilitating a conducive work environment, enriching the work, communicating objectives clearly, The "Harvard Model" of Beer et. Al. (1984) advocates leading people through communication and motivation rather than managing them. It underlines the strategic human resource management approach. This Human Resource Management's approach considers employees as assets, far more valuable than resources.