

What are fordism and post fordism management essay



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Fordism is a form of industrial production developed from Taylorist methods; the main aim is product maximisation through tight control over movements and separating planning from executing tasks. Henry Ford (Fordism's proprietor) became famous for both his Model T car invention and his revolutionary system of mass production. His company, based on highly productive, mechanistic and continuous production methods, formed in 1903 as he believed craftsmen (original car producers) could not meet consumer demand Ford would create with their methods. He believed the deskilling of car production was required to achieve 'continuous improvement' and mass production. Whilst other observers argue Ford's motive was to effortlessly control labour and substituting it should it be uncontrollable. The skilled mechanical craftsman then became the lowly-skilled, specialised machine operator (Huczynski & Buchanan 2001: 426). Like Taylor's scientific management, Ford wished to further his control by establishing certainty in work practices, which would increase productive efficiency by creating an authoritarian management system overseeing supervision and machine-led repetitive tasks. The threat of an increasing labour turnover rate led him to slash hours worked daily and doubling the wage rate to \$5.00 per day. Although this placed Ford in favourable light, a further motive was so that workers could afford to purchase his cars. Ford developed Taylor's idea of fragmenting and simplifying work tasks, which had above average wages however, generally was low paid due to lowly skilled repetitive tasks, had autocratic management, low business overheads, strict division of labour and little employee empowerment/decision making. A standardised production method producing standardised goods for the mass industrial and consumer

markets. The machine dominates the worker; the worker is subordinated to the machine's pace.

Scientific management principles were applied to Ford's River Rouge plant. Which were successfully applied universally across many companies. Ford and his followers were influenced largely by the theory of rationalism (meaning that work actions and cognition are based upon reason and knowledge as opposed to emotion and religion). A logical approach is taken characterised by calculability in all decision-making and that laws can be written (i. e. task procedures) to enable predictability, which creates organisational order. However, some sociologists argue this is over-implemented, creating irrationality. Rationality according to Weber was the defining point of modernity (Lawson & Garrod 2000: 232); therefore, Taylorism and so Fordism are associated with modernity developments.

Even in the 20th century, Fordism is still influential in organisations with the key concepts of system and control universally applied to achieve order and predictability (Huczynski & Buchanan 2001: 430). The value placed upon supervisor's roles in organisations shows control importance whilst the significance of information technology systems is vital for daily running of organisations. However, it was the assembly line which was the invisible control not supervisors, this directed the work pace whereby they were unable to slow the pace as other workers depended on their work performance; Huczynski & Buchanan (2001: 430) state "one worker's output is another's input". Ford also gained control over the environment, namely his suppliers who would cause hold-ups whereby he bought land so to

produce his own parts (Huczynski & Buchanan 2001: 430). This also gave Ford the certainty he required with the elimination of unreliable suppliers.

Hethrington (2002) claims there was a crisis of Fordism in the 1970's due to changing consumption patterns and labour resisting work processes through trade union strikes. This era signified a new production system; Post-Fordism.

Alternatively, Post-Fordism is flexible in its methods as it can respond to sudden increases in consumer demand by rapidly increasing supply to meet it. Computer technology is relied upon heavily as mass demand diversification requires rapid design and production processes. This is especially important in contemporary western climates, which are characterised by volatile consumer preferences. Clothing company Benetton is an example of this; it varies products frequently and uses different suppliers to compete in fashion markets (Haralambos & Holborn 2000: 714). Piore (1986) supports this, identifying these Japanese principles of flexible specialisation occurring in many contemporary capitalist economies. The Japanese Just-In-Time (JIT) production method allows companies to gain supplies just before its intended use, hence flexibility to the economic conditions of demand. However, it could be argued that JIT is a Fordist regime. But, not all companies can afford to implement such systems (technology is expensive); it could be argued only national/multinational corporations can meet the cost, so flexibility is limited. The view that industry has now become Post-Fordist is supported by Savage et al (1992) whereby firms are less hierarchical and produce small batches of specialised commodities. (Haralambos & Holborn 2000: 73), as opposed to Fordist
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massively produced homogeneous products. The manufacturing sector diminishes in favour of tertiary services as manufactory labour is significantly cheaper. Service industries allow greater flexibility to consumers and employees e. g. telephone banking and flexi-time.

Atkinson (1985) focused on Post-Fordist firms, identifying that core and periphery workers are vital to flexibility. Factors such as recessions, less trade union sovereignty, reduced working weeks and technology encouraged this flexibility (Haralambos & Holborn 2000: 714). The core group are managers, designers, skilled workers whose jobs are relatively secure whilst the periphery group are less secure and closer controlled e. g. clerical and supervisory who have common labour skills so can be flexibly recruited.

Likewise can the increasing proportion in labour markets of part-time, temporary, agency workers, etc. (Haralambos & Holborn 2000: 714).

Although, this is not solely due to the firm's flexibility need, social changes e. g. family, require flexible work arrangements. However, Pollert (1988) criticises flexible/Post-fordist theories, providing her own evidence; flexibility doesn't always require multi-skilled workers, traditional skills are needed, the peripheral workforce was always there and Fordism wasn't as dominant as believed (Haralambos & Holborn 2000: 715).

Distinctions between Fordism and Post-Fordism can be analysed on four levels; by the labour process, the regime of accumulation and the modes of regulation and societalisation (Jessop 1991: 1). In terms of the labour process, Fordism is mechanistic, Taylorist, rigid and machine-paced production that is supply-led to produce as much as possible in one cycle, achieving productive economies of scale (low unit costs). Alternatively, Post-
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Fordism is more flexible in its approaches and systems; the development of information technology and communications facilitates this as 'real-time' technologies allow the flexibility to respond to different conditions that the Fordism era could only dream of. Jessop (1991) argues that 'the influence Post-Fordism has in influencing the emerging economic system is far greater than Fordisms'. Therefore, Post-Fordism allows flexibility in both the manufacturing and service economies both in public and private fields (Jessop 1991: 13). Post-Fordism is also demand-led; levels of consumer demand depicts levels of supply as supply excess is very inefficient. The JIT method is flexible to demand conditions, allowing companies to gain supplies just before their intended use. Also, JIT requires a skilled and trained workforce due to varied work and quality discussion circles on how to improve production; thus Post-Fordism requires a higher trained workforce than Fordist managed strictly controlled labour. However, it could be argued that JIT is a Fordist regime. Also, Fordism had resource usage problems e. g. extreme use of natural resources (fuel, energy, etc); Post-Fordism sought to address these problems with new technologies. (Jessop 1991: 13). The labour market is more flexible in Post-Fordist, they have to be to make the flexible firm and social changes require this flexibility.

With the accumulation regime, Fordism is involved in the growth cycle based upon mass production and consumption with the objectives of gaining economies of scale and increasing productivity, linked to rising incomes which increases demand (Jessop 1991: 2). Alike Weber's 'Protestant Work Ethic' notion, profits gained are then reinvested from wages and business activity. Reinvestment is also characterised in Post-Fordism, however the

emphasis is on stable economic growth. Fordism focused upon the expansion of the domestic market whilst Post-Fordism concentrates on global markets and competition. (Jessop 1991: 14). However, it would be a tragedy for any mode of production to completely ignore domestic markets. For Post-Fordism to succeed it should recognise this. Post-Fordism does indeed recognise the Fordist predicaments and differentiates itself by renovating methods and extending them by new market segmentation and is unrestrained by domestic demand conditions (Jessop 1991: 14). This is questionable as explained above.

Distinctions between production forms can be viewed through regulation modes; the norms, social networks/conduct and institutions that direct production regimes. Fordism has large, hierarchical, bureaucratic plants with semi-skilled labour and little creativity (Jessop 1991: 3). Whilst in Post-Fordism, flatter and leaner structures are present (Jessop 1991: 14). Flexible conditions allow various innovations by skilled/professional workers and there is emphasis on core workers, also important are peripheral labour (temporary, part-time, etc) that are generally low-paid and insecure.

Continuous innovation from Post-Fordism is required to satisfy increasingly diverse consumer demands. Some corporations will target niches; others will produce a diverse product range. Hypermarkets and shopping centres are viewed as Post-Fordist (Jessop 1991: 15).

Finally, societalisation modes; ' patterns of social cohesion and integration' show that Fordism highlighted increasing personal consumption of uniform mass-produced items (Jessop 1991: 4); the hegemony of personal indulgence (e. g. cars, tourism, etc) was significant in Fordist production and economic

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growth. As Fordism extended living standards, it could be argued growths in the middle class was evident, but not everyone benefited. It is unclear yet how Post-Fordism affects societalization; it is too early to evaluate its effects on society, class, etc.

In conclusion, it seems there are more differences than similarities, which is to be expected considering they are based upon diverse principles and exist in distinct historical environments. In brief, the similarities are that they are both modes of production, both aim to achieve efficiency and profit increases and both reinvest resources. Whilst the differences are the different historical epochs both exist in, the training/skills/qualifications required from workers, flexibility to consumers and workers, technological/communication differences, the consumer/industrial markets operating in, product expense from standardisation or not and low or high labour costs depending on skill required. I believe the most important differentiation is Fordism's rigidity and Post-Fordism's flexibility as both are central themes. It is easier to analyse Fordism as it is a historical construct; Post-Fordism is still at the early stages of development and faces competition from other models such as Japanese production; there may be pluralistic modes of production. It is evident that change promotes further change and Post-Fordism resulted from Fordist/Taylorist production techniques stagnation and the growing demand for differentiated products e. g. wanting various coloured cars. One negative effect of the shift from Fordist to post-Fordist production is provided by Mingione (1996); the shift to the service sector and smaller production cycles from mass production increases the number of temporary and part-time jobs

thus increasing job insecurity. Taylor (1998) also supports this believing insecure employment increases crime.

Post-Fordism/flexible firms do occur in some places, however this isn't universalistic like some assume. Tomaney (1994) argues workplaces arrange production differently depending on management/worker relations (Haralambos & Holborn 2000: 717). Quality circles won't happen if management do not trust workers. The mode of production depends on economic conditions at the time, the business and its capital; a highly technological firm producing in prosperous conditions may adopt Post-Fordist methods as they have the machinery/computation and finance to do it.

In terms of work's future; Braverman's deskilling theory is pessimistic whilst Atkinson's flexible firm is optimistic. However both believe work is heading in one direction, but empirical studies show diverse production developments (Haralambos & Holborn 2000: 717). It could be argued that we have moved from industry based upon the worker subordinated to machine pace towards one based upon the worker's knowledge/specialism – but still reliant upon machines (computers and internet/communications). Spatial organisation is central in how specific tasks and resources (labour and capital) are placed in certain places; it is this reorganisation that characterises new production methods. If Fordism was central to modernity development, perhaps Post-Fordism is central to Post-modernity. Overall, there is more published Fordism material than Post-Fordist as we are now in Post-Fordist era so a fair comparison could only be made when more is known about the latter's history.

(1900 words)