

# The concepts of taylorism and fordism



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Taylorism “ is the attempt to make business decisions on the basis of data that is researched and tested quantitatively.” Taylorism was advocated by Frederick Winslow Taylor, “ He considered it to be management’s duty to identify ways in which costs could be accounted for precisely, so that efficiency could be improved.”

Fordism “ is the application of Henry Ford’s faith in mass production run by autocratic management. This implies high division of labour and little workplace democracy, but with the consolation of high wages”.

Henry Ford was highly influenced by efficiency expert Frederick Taylor, he was the first to use scientific management techniques at his factory, Taylorism meant dividing vehicle production into uncomplicated repetitive steps there would be no need for skilled workers, men could learn to do any job quickly. In 1913 Ford introduced his most revolutionary change yet, his idea was, instead of workers moving around to assemble the product, why not get the product to move past the workers and thus he created the assembly line. Soon assembly lines were operational in Ford’s factory. The lines became the key to mass production, a system that would remain nearly unchanged for most of the century. Few stood the pace of the mass production, workers began to quit, but Ford was making record profits, so he could afford to increase pay. Henry Ford introduced the opportunity for a new pay system which was entirely different from Taylorism. It was a simple rule high pay for hard work.

The new production methods which emerged in the early twentieth century were theorised initially, in 1911, by F. W. Taylor.

Taylor coined his approach 'Scientific Management'.

Taylor had been trained as an engineer in a steel works.

Taylor emphasised cooperation between management and workers.

He aimed to increase productivity through reducing inefficiency caused, for example, by malfeasance.

Believed that eliminating malfeasance would result in higher wages, shorter working hours, and better working conditions (Taylor, 1967, 15).

Scientific management engaged a number of advances e. g. time and motion studies

Division of labour is a process where you "Break a job down into small, repetitive fragments, each of which can be done at speed by workers with little formal training".

(David Lines, Ian Marcouse & Barry Martin, 2006)

The implications of the wage system is in equilibrium the quantity of labour demanded will be the same as the quantity of labour supplied so, the market will clear and there will be no unemployment.

However, by paying an efficiency-wage, above the equilibrium wage rate, the labour market is thrown into disequilibrium, creating unemployment.

Taylor used his time-and-motion studies to develop a productive division of labour system. Taylor argued that even the most basic, mindless tasks could be planned in a way that dramatically would increase productivity, and that

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scientific management of the work was more effective than the “initiative and incentive” method of motivating workers. The initiative and incentive method offered an incentive to increase productivity but placed the responsibility on the worker to figure out how to do it. To scientifically determine the optimal way to perform a job, Taylor performed experiments that he called time studies, (also known as time and motion studies). These studies were characterized by the use of a

stopwatch to time a worker’s sequence of motions, with the goal of determining the one best way to perform a job.

It was supported on the division of work, this breaks down the industrial processes into several simple operations that could be precisely timed and organised. “Taylor advocated bureaucratization of the shop floor (through time and motion study) as a means to solve the problems of coordination and reintegration raised by the increasingly complex division of labour”. (Ash Amin, 1996)

A well applied Taylor system would improve the labour returns, although an important limitation of Taylorism is that it treats people like machines, or even (economic) animals, whereas they do not want to be treated as though they were. It is very monotonous work with little space for any creativity.

In contrast with Taylor, Ford has a great insight in the market factors, he saw and exploited the fact that mass production needs mass markets. With Fordism every worker has a specific task in a limited space, while the car bodies moved along the assembly line. But the maximised productive efficiency of the assembly line production had its drawbacks. The main

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problems were the extremely high rates of absenteeism and labour turnover. The costs of these problems even exceeded the very low training costs of the workers. Another problem for Fordism like production plants is that the set up is extremely expensive, and it is also very difficult to alter a product because of the standardization.

T > F or F > T because...(150)

Bi

Taylor and Ford were respectively the main thinker and practitioner of scientific management / managerial control based in deskilling / decomposition. Taylorism / scientific management: an attempt to transform the organisation of work to enhance profitability and to reduce work control based in craft skills.

The gap between management and labour therefore grew vastly when the management took control of organising the labour process. No longer was the skilled worker irreplaceable. Now one worker was much the same as another, in fact the less skilled the worker the better in Taylorist factories.

Stifles creativity

Places people in vertical skill pipelines

Reduces workforce flexibility

demotivates many individuals

Reduces teamwork

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Promotes boredom and staff churn

Treats people as wealth producing units

Promotes a division between workers and management

Depending on your outlook, promotes unionism and collective bargaining

Fordism is the organisation of work which extends the dynamics of Taylorism and in particular is centred on the use of the assembly-line. More broadly Fordism can be thought of as operating at the social level and centres on state efforts to harmonise mass production and mass consumption.

Changes in patterns of consumption would therefore require changes in the work organization or else render Fordist production inappropriate. Some commentators have argued that such changes in consumption occurred towards the end of the twentieth century, and that now people are increasingly demanding specialized rather than standardized goods.

They argue that instead of mass markets, there are niche markets, and that, to supply these markets, work must be organized in new ways which allow for greater flexibility. They label this new approach post-Fordism.

the main changes from Fordism to post Fordism are flexible production or flexible specialization, customized production , vertical disintegration, cooperative network

### **structure, creativity and innovation, new labour division.**

Taylorism and Fordism increasing productivity at the expense of employee job satisfaction

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Secondly, Fordism is a regime of accumulation. As a stable mode of macroeconomic growth it involves a virtuous circle of growth based on mass production, rising incomes linked to productivity, rising productivity based on economies of scale, increased mass demand due to rising wages, increased profits based on full utilisation of productive capacity and increased investment in improved mass production equipment and techniques.

As a mode of regulation, Fordism appears linked to the Taylorist concepts and involves the separation of ownership from control in large corporations with a distinctive multi-divisional, decentralised organization subject to central controls. Thus, it is a mode of social and economic regulation that can also involve monopoly pricing, union recognition and collective bargaining, wages connected to productivity growth and retail price inflation with monetary emission and credit policies orientated to securing effective aggregate demand.

Fordism can be seen as a general pattern of social organization. In this context it involves the consumption of standardised, mass commodities in nuclear family households and provision of collective, standardised goods and services by the bureaucratic state. It also manages the conflicts between capital and labour over both the individual and social wage

the Taylorist organization of work: increasing intensification of work, deskilling, monotony and alienation lead to forms of resistance which affects the level of the regulatory interest-bureaucracy and increases costs regarding absenteeism, sloppiness and sabotage;

Taylorism altered the way work takes place by...(175)

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T > F or F > T because...(150)

Taylorism had a widespread influence, but in Japan working in teams was very important

Both Taylorism and Fordism are justified in terms of enhancing production / profits but both require links to mass consumption. Both require large-scale production (and hence large-scale consumption) to be viable.

Most effective overall in extending Smith's division of labour & altering the way in which work takes place...(250)

“ Taylorism was a tool for monopoly capital to strengthen its position”