

Elton mayo on modern business

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The Hawthorne Experiment was conducted with the original intent to study the effect of a workplace's physical factors on productivity (The British Library 2013) and the main conclusions reached by Condorcet (1985) which challenges prior hypothesis of work behavior are as follows: 1) Individual work behavior results from a complex host of factors. It is seldom determined by simple interaction. (2) Employees developed a set of informal work norms which regulates individual needs with that of the work environment. (3) Status pegged to the job position is carried down to that of social structures in informal settings. 4) Management need to gather personal feedback to better understand and accommodate individual needs and satisfaction. (5) Being aware of employee's opinions and participation would help facilitate their resistance to change. The above conclusions of Mayo's findings have been instrumental in shaping industrial organizational psychology and present day businesses (Gouging 1975). However, despite much praise of intellectual brilliance of the experiment by the wider community (Kimball 1946; Friedman 1955), as with all famous research, it is not without its critics.

Critics of the 'Hawthorne Experiment' Though many researchers acknowledge the significance of Mayo's research, not all embraced it entirely due to fundamental differences in assumptions and perspective with regards to the nature of capitalism. Sociologist Bell (AAA) criticized Mayo for being a "cow sociologist" implying Mayo's pro-managerial stance and his negligence of the role of trade unions in modern work society. Mayo's call for management to be solely responsible for work plans was deemed anti-union (Benedict & Fisher 1949).

Do strong, independent unions complement Human Resource Management (HRM) initiatives? Or do they cause overbalance and lax work behavior?

The evidence from that unions are compatible and even crucial to a corporation's success (Wells 1993). The establishment of competent trade unions is thus beneficial in securing employee's welfare, overcoming market failure, increasing productivity (Waver 1997) and therefore should not be disregarded. Another criticism by Lynn (1937) raises Mayo for being a fascist and a capitalist.

Bell (Bibb) supports the latter claim when he describes that Mayo was only concerned with "adjusting man to machine" which goes against the interest of employees. No denying, capitalism is extremely productive. However, its cons are more than worthy for concern. Capitalism fundamentally supports inequality, labor exploitation, is anti-democratic and is environmentally unsustainable (Naiad 2006). The Hawthorne Experiment it seems condoned the usage of manipulative techniques with the intention of limiting and controlling the workers in the name of production (Grandsons 1951 ; Kookiest 1953).

The arguments made by the various sociologists against Mayo's research are compelling as they cover the flaws and explore the limitations of the experiment. However, consideration have to be given on how Mayo's research is translated to actual HRM practices as most critics only focus their criticisms on academic conclusions (Landlubbers 1958). Types of Businesses in Singapore Singapore, one of four Asian Tigers, including Hong Kong, South Korea and Taiwan, have had characteristically strong economic growth due to its open, free and diverse economy (Barron 1998).

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Fig. 1: Singapore Nominal GAP 2012 Source: Singapore Department of Statistics (29 July 2013) [http://www. Signings. Gob. So/ statistics/visualizing_data/Singapore-Economy. PDF](http://www.Signings.Gob.So/statistics/visualizing_data/Singapore-Economy.PDF) (retrieved September 2, 2013) (retrieved As per Fig. 1, Singapore key industry clusters consists of mainly of manufacturing, trade, business and financial services and transportation and industries to cater to their specific needs and Job structure. Fig. 2: Occupational Distribution Of Employed Residents By Industry, June 2012 Source: Ministry of Manpower Singapore [http://www. Mom. Gob. G/Documents/statistics-publications/manpower-supply/report-labor-2012/Mrs. _laboratories. PDF](http://www.Mom.Gob.G/Documents/statistics-publications/manpower-supply/report-labor-2012/Mrs._laboratories.PDF) (retrieved September 2, 2013) Three cases of Singapore businesses would be explored. They are 'SMART Corporation (SMART)' for the Transportation sector, 'Bee Change Hang' for the Food and Beverage (F&B) sector and 'United Overseas Bank Limited (I-JOB)' for the financial service sector. These companies were selected in variation of their nominal GAP contributions as shown in Fig. 1, and also the majority level of Job skill pegged to each industry as shown in Fig. , for a wider perspective of application from Mayo and his detractors. Singapore Business: SMART Corporation (Transportation) SMART Corporation (SMART) is a Singapore public transport operator, operating bus, train, cab and other transport services. 46. 4% of the workforce in the transportation and storage sector as shown in Fig. 2, consist of 'Production and Transport operators' and 'Cleaners and Laborers', which are deemed low skilled work (Momma 2012). Singapore public transport system though having often been dubbed 'world class' is not without areas for improvement, such as in HARM.

Even with strikes criminals in Singapore (GAG 2011) and the bus operators being part of the National Transport Worker's Union, on 26 November 2012, SMART bus operators from China went on an legal strike citing unhappiness due to the inequality in wages compared to Malaysian and Singapore bus operators and also for poor living conditions in their dormitories (SST 2012). This shows that worker's dissatisfaction at work should not be undermined and it exposes flaws in union's feedback system.

Mayo's findings on appreciating individual needs and feedback through communication are applicable in this case. Chinese nationals are culturally different from Singapore and there is a language barrier between them. English, unlike for Singapore, is not their first comfortably to the union. As such, a Chinese national who is effectively bilingual with Chinese and English could be promoted to higher ranks within the union to better voice and represent the China Chinese community within SMART as with other bus operators of different nationalities.

Therefore, a business's feedback system is essential to its success. Specific consideration should be given to each worker not only through the manager, but also from upper management for the manager most suited to the workers. Singapore Business: Bee Change Hang (F) Bee Change Hang is well established over South-East Asia as an Asian food snack many with their main source of revenue coming from the sales of Asian style barbeques pork known as Back (Bee Change Hang 2013).

In the F sector, as seen earlier in Fig. 2, the majority of workers are in sales and services. This is applicable to Bee Change Hang too as the bulk of their

workers are found tending to the physical shops, servicing customers and preparing the barbeques pork. Many of them are temporary workers who are paid at an hourly rate for long hours. Unlike many established companies, Bee Change Hang lacks a union, leaving the workers unrepresented and unable to collectively voice opinions, drawing parallel to Bended &

Fisher (1949) describing how Mayo's findings completely disregarded the importance of unions in a workplace. Thus, Bee Change Hang should set up a union as it would help secure worker's welfare and increase productivity (Waver 1997). With a union in, Bee Change Hang's workers would not be vulnerable to exploitation, such as working over their stipulated work hours without any overtime pay of fear of losing their jobs. Strikes though criminals in Singapore (GAG 2011), can be further prevented with a union in place.

Another advantage of having a union is to assist in gathering instructive feedbacks in line with the company's goals. This may lead to development of new food products, thereby increasing sales as workers with long working hours may have gained specialized knowledge with respect to their customer's taste and preferences and innovative methods of Back preparation. Condensend (1985) reached five conclusions, one of which, (4), explains how management can motivate workers through unique attention paid to the individual worker's needs without the need of monetary reward.

As most of Bee Change Hang's workers are paid on a hourly rate, it is essential for supervisors to learn from Mayo. Shop supervisors engaging workers in such ways, from a capitalist point of view would raise employee's Job satisfaction in turn leading to higher work value and productivity without

any additional cost to the company. However, sociologists Lynn (1937) and Bell (Bibb) oppose to such work practices which is seen as unethical as it manipulates human emotions for commercial gain.

Such practices should not be standard company policy. Rather soft skills for shop supervisors acquired through supplementary training with focus on raising worker's job satisfaction with increased productivity as an additional but not a necessary benefit. Singapore Business: I-JOB (Financial Services) Financial and insurance services occupy 11.9% of Singapore nominal GDP in employees consist of highly skilled individuals, 77.2% in the overall financial and insurance service sector as per Fig. 2.

The characteristics of big banks like I-JOB are that of financial might, MultiMate network, and diversified operations (Faloff 1999). Profit driven banks at times achieve their goals at the expense of their employees. Without a trade union, like in Bee Chuan Hang, I-JOB financial service executives are left susceptible to an increased overtime, SUB (2013) states 8 in 10 finance workers dutifully do so. And unlike Bee Chuan Hang mid-skilled workers, they are without compensation as managers and executives are not covered fully by 'The Employment Act' (Mob 2012).

This issue of I-JOB's and other bank's capitalistic nature disregarding welfare is potentially dangerous especially in the case of work fatigue which deteriorates psychological and physiological health (Slitter et al. 2003). A drastic example of ungoverned welfare by disregarding (2013) reports a Merrill Lynch intern who died after working 72 hours straight, fitting Bell's criticism of Mayo of 'adjusting man to machine'. Thus, this pressing issue

should not be overlooked and I-JOB should set up a union to ensure that basic employee welfare is met.

Job satisfaction in Singapore banks is of concern as it is ranked below that of China, Hong Kong and Australia (Stow 2012). Petitions et al. (2004) states that with a low job satisfaction, banks would face a high turnover rate and any dissatisfaction is in fact more likely to be attributed to management policies than the employee's work environment. I-JOB could learn from Mayo's findings on human relations by actively engaging employees through more company social events which would allow a more informal interaction between managers and workers.

Courage and Balloon (2005) state that such informal mentoring builds quality relationships which alleviate job dissatisfaction and promote career success which would reap a collective benefit for everyone. A work environment with "freely choosing individuals" would promote accountability for their commitments (Bono 2002). Therefore, I-JOB too can profit from Mayo's groundbreaking study. Conclusion There are many lessons which Singapore businesses can learn from Mayo's Hawthorne Studies about the importance of human relations and managerial guidance in the workplace.