

# Influence of the theory of scientific management in the design of the modern orga...



Management is the activity of 'getting things done with the aid of people and other resources' (Boddy, 2016), by means of planning, organising, leading and controlling; as well as problem solving and decision making. The aim of management is to create organisations that add value to the resources they use. The management theory has changed and developed through time, from the classical school/ scientific management approach in the late 1800s, to the contingency approach at this point in time. This essay will argue whether scientific management has positive or negative influence in the design of modern organisation and whether this management style is the best to become a successful organisation.

Scientific management is the theory of using science in the process of management. Frederick Winslow Taylor (1856 – 1915) wanted to improve efficiency within organisations; so he developed 4 principles in his book '*The Principles of Scientific Management*' (1911). The first principle was to use scientific methods to find the most efficient way to do work. Second, find the best person fit for the work, with regards to the skills and capability that they have. Third, train the worker to follow defined procedures. Finally, provide financial incentives to workers. Taylor believed that all workers were 'motivated by money', mentioning that "The principal object of management should be to secure the maximum prosperity for the employer, coupled with the maximum prosperity for each employee" (Taylor, 1911, p. 1), therefore this focuses on the impression that all managers and business owners should bring out the best to succeed in order to have smooth and efficient management. Taylor first introduced this approach for the Bethlehem Steel plant in 1898. He found out that with the correct resources and materials;

workers were able to load 47.5 tons rather than 12.5 tons per day (Daft and Marcic, 2011), which increased the productivity and work rate at Bethlehem Steel. By means of developing “high speed” tool steel (Nelson, 1997), hiring workers best fit for the work and eliminating workers that are not committed to the task, managers and executives were able to increase work rate efficiently. Employees also benefited from this as they received rewards or higher wages by working with this management style.

The theory of scientific management is still used in the design of modern organisations. For example, McDonald’s is a company that offers fast-food with stores across the world. They have a systematic way of providing service, similar to Taylors at Bethlehem Steel, by replacing humans with machines to process food. Strict standard procedures are key in management within McDonald’s in order to become successful in production and sales. Their operations show the principles that are within the scientific management theory, i. e. employees are directed towards a goal, following a consistent method to do their job, to execute fast and reliable service, and receiving rewards for meeting them. Employees are recognised for their hard work mostly; this can lead to achieving ‘Employee of the Month’ awards, which leads to promotions and incentives. McDonald’s train their staff for specific jobs, to complete tasks and process management at a fast rate. In addition to this the process of food is allocated with the best equipment and layout for the staff, in order to efficiently increase productivity. These equipment are placed to reduce individual thinking to the point where employees’ actions are just like an instrument (Nawaz, 2011); this shows that operations are up to speed and flowing efficiently. This is a benefit to

consumers as the service and quality served is at its best. Through careful strategic planning McDonalds applies its service and replicates it to the majority of chain stores; this increases sales and productivity by always maintaining the consistent food quality and services worldwide. Managers and employees have separate responsibilities, from monitoring roles to reporting problems and specialising in production procedures. They makes sure that production is at its highest quality at all times, this way efficiency is also at its highest. Referring back to the scientific management theory, it is for managers and workers to take on new responsibilities and gain new skills. This shows that McDonalds matches the principles of Taylor. The use of Scientific Management in McDonald's has been one of the key reasons for the success in becoming the second largest fast-food chain store in the world. Therefore this shows the positive influence the theory of scientific management has, in the design of modern organisations (McDonalds).

Nevertheless, scientific management can have negative influence in the design of modern organisations. Amazon is one of the largest company in the world to have the biggest number of employers, of about 566, 000 (Fortune, 2018). Jeff Bezos, the founder and CEO of Amazon. com continues to use the scientific management strategy. Taylor's principles have been used in many companies, and "2. 42% seek to increase efficiency via technology that quantifies worker productivity" (Akrani, 2015). However, this theory can be vulnerable to instability; for example it can lead to stress as workers are put on pressure to complete their tasks, due to the fact that productivity and profit are the priority for the company. Since Taylor had a mechanical approach, the human element of management is ignored, this

shows that with the scientific management approach the structure of an organisation is aligned to increase efficiency, regardless of the social needs that workers would want to gain. This tends to weaken workers responsibility and interest, as they are in control by a superior, and they ought to obey orders. The theory tends to eliminate workers that are unskilled and hire those that are, in *The Economist* article it was argued that Bezos' management portrayed Taylorism, in an article it stated " it would seem that Amazon is the embodiment of a new trend, digital Taylorism" (The Economist, 2015). This is showing how Amazon. com is using Taylorism in the modern day, with the use of same principles but revitalised. At this point in time within management workers are given more priority to be treated equally and fairly. Taylorism highlights that workers would feel emotionally invested in workplace, as they become disengaged from the pressure that they are put in. Therefore this shows the negative influence the theory of scientific management can have at Amazon. com. Although Amazon uses this theory and that there are limitations to it, they should focus on their workers agility, and help workers prepare for the next big step the company takes. In order to eliminate this, there should be a unity of command, the lack of this can create confusion and chaos in organisations (Akrani, 2015). However, when there is only one superior that employees can look up to, they are reinforced to have an open mind-set and can build self-confidence to approach superiors without the feeling of restrain.

The Human Relations Theory (Elton Mayo), is another approach to the theory of management. Apart from the scientific approach, it focuses on the belief that people desire to be part of a supportive team that facilitates

development and growth, this conveys that people tend to work and be productive when they are within an open environment feeling the significance of work while working as a team (Perry, 2017). Apple Inc. is a worldwide known company selling their well-known electronic products, such as the iPhone, iPad, iPod, Apple Watch and Mac computers. Steve Jobs' mission statement was " To make a contribution to the world by making tools for the mind that advance humankind" (Investopedia, 2018). This has developed since then and the products are seen as the purpose of the company. As the scientific management approach has limitations of causing stress and absenteeism in the workplace, the Human Relations management theory considers employees' wellbeing. They usually allow their workers to be creative in their own way and develop their skills. When employees are confident in what they do, it gives the whole company a sense of achievement. This approach is very consistent, therefore it can be seen to have a better influence in organisational design, than scientific management.

To conclude, the theory of scientific management is seen to have both negative and positive influence in organisational design. By focusing on the overall benefits of this approach, it has come to the conclusion that the operational systems within this management is along the lines of using a utilitarian view, the best action is the one that maximises efficiency and productivity, which is true through the theory of scientific management. On the other hand, this management theory seems to lack relevance; in the case of Bethlehem Steel, people were replaced with machines, and treated as robots to produce fixed continuous resources, which lowers cost and

increases the quality of products. Workers aren't given importance, rather it is the outcome that matters. Supposedly, the scientific management theory at the present time can be viewed as out of date, since time and work practices have changed significantly, to increase efficiency. Overall the theory can be seen to have mostly negative influence in the design of modern organisations, with very little positive influence.

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