

3. Theories of Administration

3.1 INTRODUCTION

Theories are attempts to accurately describe and to successfully predict relationships among elements of the physical, social and psychological worlds.

There are basically two types of theories of administrative organization. These are:

1. Universal Design theory – This theory believes on ‘the one best way’ of structuring the organization. The theories included in this section are Scientific Management, Classical Theory and Bureaucratic Theory.
2. Situational Design Theory – This theory emphasizes the human aspect of the organization. There are several sub-streams, such as Behavioural Approach, Systems Approach, Structural-Functional Approach, Human Relations Theory and others.

3.2 THE SCIENTIFIC MANAGEMENT THEORY

The first serious thought was made by Fredrick Winslow Taylor to conduct studies in management of industry in U.S.A. toward the end of the nineteenth century. The impact of his studies was so great, that management, which was hitherto considered an art, was given the status of science. An engineer by profession and training with his varied work experience ranging from a labourer to that of a chief engineer is regarded as the father of Scientific Management, for it was he who would first advocated the systematic adoption of the methods of science to problems of management in the interest of higher industrial efficiency. He believed that best management is a true science, resting upon clearly fixed laws, rules and principles, as foundation and introduce ‘scientism’ modern management approaches and techniques.

Taylor himself did not employ ‘Scientific Management’ to refer to his thoughts. This concept was first used by Louis D. Brandies in 1910 and subsequently used by Taylor in his widely known book, principles and Methods of Scientific Management published in 1911.

Development of Scientific Management: In the beginning of twentieth century the working conditions in the factories were chaotic. The workers were left entirely to themselves in the matter of choosing the methods to be employed for doing the work. Not only this, they even used to bring their own tools for doing the work. The result was efficiency and considerable ad hoc planning.

It was mainly to fulfill his need and find ways to raise industrial productivity that Taylor came out with his ideas on scientific Management. Taylor’s contribution to the development of Scientific Management was needed in his papers. They are as follows:

1. A Piece-Rate System (1895)
2. Shop Management (1903)
3. The Art of Cutting Metals (1906)
4. The Principle of Scientific Management (1911)

With his pragmatic concern for efficiency, he placed emphasis on planning, standardising and improving human effort at the level of worker. He was keen to find out scientifically the ‘one best way’ of doing each task and thus to increase productivity in the organisation.

Essence of Scientific Management: Taylor emphasized in the interest of social prosperity, close collaboration and deliberate cooperation between the workers and the management for the application of scientific methods. The four principles of Scientific Management are:

- a) Develop a science for each element of a man's work which replaces the old rule-of-thumb method.
- b) Scientifically select and then train, teach and develop the workman, whereas in the past he chose his own and trained himself as best as he could.
- c) Heartily cooperate with other men so as to ensure that all the work is being done in accordance with scientific principles.
- d) There is almost an equal division of work and responsibility between the management and the workman. The management takes over all work for which it is better fitted than the workman, while in the past, almost all of the work and the greater part of the responsibility was thrown on the men.

Taylor's Functional Foremanship: Taylor developed the system of functional foremanship in which the worker receives orders from eight narrowly specialized supervisors. It replaced the 'linear' system or the military type of organization in which each worker is subordinate to only one boss.

He divided the work not only among workers, but also at supervisory level. There are eight functional bosses – four will be responsible for planning and the remaining four for the execution. The four execution functional bosses are

- 1) The gang-boss
- 2) The repair-boss
- 3) The speed-boss
- 4) The inspector

The four planning bosses are

- a) The order of work and route clerk
- b) The instruction card clerk
- c) The time and cost clerk
- d) The shop disciplinarian

Taylor believed that in this functional type or organization, the foreman can be trained quickly and specialization becomes very easy.

Taylor also prescribed nine qualities of a good 'foreman'. They are:

(a) education (b) special or technical knowledge (c) manual dexterity and strength (d) tact (e) energy (f) grit (g) honesty (h) judgment (i) good health. Taylor considered the philosophy of Scientific Management much more important than mere mechanism. His major contributions were:

- a) Motion-and time study
- b) Specialisation
- c) Standardisation
- d) Planning
- e) Techniques
- f) Slide rule and other work-saving implements
- g) Work instructions
- h) Work standards
- i) Piece-rate wage systems
- j) Product and implement classification systems
- k) Modern cost systems

Mental Revolution: According to Taylor, Scientific Management primarily involves a complete mental revolution on the part of workers and management as to their duties, towards their work and towards their fellow workers, and towards all of their daily problems. Without this, scientific management does not exist.

Taylor's paper on A Piece-Rate System was considered as the outstanding contribution to the principles of wage payment. Here, he has elaborated on three things:

- a) Observation and analysis of work through time study to set the 'rate' or 'standard'
- b) A 'differential rate' system of piece work. It means those who produce above standard receive higher wages than those producing below standard.
- c) Paying men and not positions.

In this paper on Shop Management, he discussed at length workshop organization and management. The focus is on these underlying principles:

- (i) To achieve efficiency, the stress is on to pay high wages and low unit production costs.
- (ii) Application of scientific methods to the management problems
- (iii) Standardization of working conditions and placing the workers on the basis of scientific criteria
- (iv) Formal training to workers by management and specific instructions to perform the prescribed motions with standardized tools and materials.
- (v) Friendly cooperation between workers and management on the basis of scientific system.

Taylor's paper on The Art of Cutting Metals was considered more important than Taylor's other contributions, because they initiated a major breakthrough in the development of American industry.

In this other experiments he made use of motion and time study and analysed how workers handled materials, machines and tools. Motion study, which is the observation of all the motions that comprise a particular job and the determination of the best set of motions, is a technique of standardization of work methods. What is the best procedure for doing a job is an example of standardization of work methods. Time study is the technique to be employed for the determines the time-content of a job.

Scientific Management addressed itself to the problems of the 'Shop Floor', that is, the bottom part of an organization where the work performed is of a repetitive and routine nature.

He used scientific fact-finding methods to determine empirically instead of traditionally the right ways to perform tasks with the help of stop-watch.

Taylor and his associates such as Henry Gantt and Frank and Lillian Gilbreth wrote books and articles spreading the principles of Scientific Management far and wide. Gantt became well-known for the invention of the Gantt Chart on which progress of work could be plotted continuously against time. Gilbreth's system became known as 'speed work' as it involved reduction in the amount of work through the elimination of unnecessary motions and laid the foundation of modern motion-study techniques. Gilbreth's contribution was the 'flow process of chart'. An operation is broken down into steps that may be performed by several workers. This helps to discover whether some of the steps in the operation can be eliminated or shortened.

Criticism: The criticisms on Scientific Management are as follows:

- 1) The Scientific Management viewed man as a machine. This is a rather degrading view and unacceptable to modern man.
- 2) Workers were opposed to time study procedure and standardization of all aspects of their performance. Greater resistance came from the labour leaders who found in Taylorism a threat to their role and to the growth of trade union movement.
- 3) Managers who wanted quick promotions to the high managerial position without any merit based on higher education opposed Taylor's stand, which advocated training by highly trained experts. They did not appreciate his scornful comments on rule-of-thumb method.
- 4) The management thinkers charged that Taylor's scientific management was impersonal and under emphasized the human factor.
- 5) Accordingly to Taylorism, an employee is motivated by high wages. The underestimates the meaning of human motivation. Likewise, the assumption that an individual existed isolation from his social environment is erroneous.
- 6) Herberts Simon and March have described the Scientific Management as the 'Physiological organisaiton theory.' It completely neglects the psychological aspects.

Nevertheless, the ideas of Scientific Management greatly influenced administrative thought and management practices in subsequent years. Clear delineation of authority and responsibility, the use of standards in control, separation of planning from operation, the functional organization incentive system of workers, the principle of management by exception and task specialization – these were Taylor's ideas that greatly influenced management thought in later periods.

3.3 THE CLASSICAL THEORY

During the first half of the 20th century a broader approach to organization was initiated by a group of writers whose interest was chiefly on formal organisaiton structure and the basic management process. March and Simon have characterized this body to knowledge as 'administrative management theory'. This is a also known as the Mechanical theory or Classical theory or the Structural theory.

This theory has been enunciated most notably by Henri Fayol, Luther Gulick, L.F. Urwick, J.D. Mooney, A.C. Reiley, M.P. Follet and R. Shelton. These writers argue that administration is administration regardless of the kind of work undertaken or the context within which it is performed. The most important concern of this theory is the formulation of certain universal principles of organization.

Henri Fayol: He was one of the earliest writers on the general theory of management. He believed that there was a single 'administrative science' whose principles were applicable not only to business but also to government, religious and other organisaitons. Knowledge of administration rather than technical knowledge, according to Fayol, is what is needed at higher levels of an organization. Fayol divided all activities in an organisaiton into the following six groups:

- a) Technical activities
- b) Commercial activities
- c) Financial activities

- d) Security activities
- e) Accounting activities
- f) Managerial or Administrative activities.

Administration, according to him comprises the following five elements:

- (i) Planning
- (ii) Organising
- (iii) Co-ordination
- (iv) Command
- (v) Control

Fayol perceived the administration from a manager's viewpoint and confined his analysis to top managerial functions. His theory is often considered as the first complete theory of management.

Fayol suggests that managers should have the following attributes:

1. Physical, 2. Mental, 3. Moral, 4. General Education, 5. Special Knowledge, 6. Experience.

In this book, General and Industrial Management (1916) he outlined fourteen principles of organisation as listed below:

- 1) Division of work: It belongs to the natural order, and it increases efficiency.
- 2) Authority and Responsibility: The occupant of each position should be given enough authority to carry out all the responsibilities assigned to him.
- 3) Discipline: Discipline (obedience, application, energy, and essential for the smooth running of business.
- 4) Unity of Command: For any action, an employee should have only one boss
- 5) Unity of Direction: One head and one plan for each activity.
- 6) Scalar Chain: It stands for the chain of superiors ranging from the topmost authority to the lowest rank in an organisation.
- 7) Subordination of Individual Interest to General Interest: The interest of one employee or group should not prevail over that of total organisation.
- 8) Centralisation: The degree of initiative left to managers varies depending upon top managers, subordinates and business conditions.
- 9) Remuneration: The remuneration paid for services rendered should be fair and afford satisfaction to both personnel and the firm.
- 10) Order: Right man in the right place – this is how Fayol defined order.
- 11) Equity: Justice tempered with kindness is called equity.
- 12) Stability of Tenure: Suitable conditions should be created to minimize turnover of employees.
- 13) Initiative: Managers must sacrifice their vanity to inspire confidence in the lower ranks so that all levels show initiative.
- 14) Esprit de Corps: it is the prevalence of harmony among all members of the organisation.

The above principles were meant to raise management to the level of a science. Fayol was concerned with 'management' and the tasks of the manager unlike Taylor whose main focus was the shop level worker.

Fayol is also a pioneer in suggesting the need for systematic training in administration. He suggests that training is a continuous process, starting from the employees within an organisation. He considers every superior officer in an organization as a teacher to his immediate subordinates.

He also suggests the term 'gangplank'. It merely refers to the need for 'level jumping' in an hierarchical organisation. Although Fayol places emphasis on formal organization, he is alive to the dangers of conformity to hierarchy and formalism. He illustrates the problem with reference to the following figure:

If 'F' follows the principles of proper channel of communication, he has to send his message or file to 'P' through 'E', 'D' and so on, covering nine levels. It is, however, possible for 'F' to use 'gangplank' and avoid going through 'A' and all the other intervening layers as intermediaries. Recourse to 'gangplank' is possible only when the immediate superiors (in the whenever a disagreement develops between 'F' and 'P', they must turn the matter to their superiors.

While suggesting 'gangplank' Fayol is rather cautious. He feels that it may be less relevant to be less clear than in private organizations.

Fayol's line of thought was further elaborated by a number of writers during the 1920's and 1930's. the most comprehensive enunciation of the Classical theory is contained in Papers on the Science of Administration (1937), edited by Luther Gulick and Lyndall Urwick.

Luther Gulick summed up the principles of organization in the word 'POSDCORB'. His famous POSDCORB, an acronym contains the first letters of seven administrative activities as follows:

Planning: The development, in broad outline of the activities to be carried out and the methods of execution so as to accomplish the purpose set for the enterprise.

Organising: The establishment of the formal structure of authority, on the basis of which work sub-divisions are established and co-ordinated for the achieving the defined objective.

Staffing: The entire personnel function of recruiting and training staff, and maintaining favourable working conditions.

Directing: The continuous task of leading the enterprise by making decisions and embodying them in specific and general orders and instructions.

Co-ordinating: All important duty of interrelating the various parts of the work

Reporting: The job of keeping superiors informed of the status of the work through reports and records.

Budgeting: The tasks of fiscal planning, accounting and control.

Mooney and Reiley's Onward Industry is a pioneering work on the development of organisation theory.

Mooney and Reiley's formulated four principles of organisation. They are:

- 1) The co-ordinative principle,
- 2) The scalar principle
- 3) The functional principle of organising tasks into departments
- 4) The staff/line principle for performance advisory and executive functions.

Special mention should be made of Mary Parker Follet. She attached special significance to lateral co-ordination authority acceptance in an organization, integration of individuals and organisation, and administrative change.

Criticism:

- 1) The assumption that all organisation can be managed by the same set of rules and principles does not hold good.
- 2) This theory is not well-suited to organizations where changes take place in a routine way.
- 3) It is more concerned with what ought to be and this kept it away from the study of actual behaviour in organizations.
- 4) It treats an organisation as a closed system, simply unconnected with, and uninfluenced, by its external environment.
- 5) It viewed human beings as passive
- 6) Most of the elements of theory are not supported by empirical evidence.

An important contribution of the classical theorists in general is their attempt to find certain universal principles of organization. Increased co-ordination of administrative operations and specification of role brought more predictability and stability in organisational behaviour.

3.4 THE BUREAUCRATIC THEORY

Today the dominant form of organisation in the private and public sectors is bureaucracy. The pedigree of the term 'Bureaucracy' is not quite clear. As Fritz Morstein Marx points out, "it was first used in the French form bureaucratie by a French Minister of commerce in operation, spread to Germany during the 19th century as Burokratie, and has since found its way into English and many other languages."

The word 'Bureaucracy' was first coined by Vincent de Gourney (1712-1759), an economist of France. He had observed: "We have an illness in France which bids fair to play havoc with us; this illness is called bureaumania." The Dictionary of the French Academy accepted the word in its 1798 supplement and defined it as "power, influence of the heads and staff of government bureaux."

The word 'Bureaucracy' itself is often used in a negative sense, that is, to characterize organizations burdened by red-tape and inefficient procedures. Actually, it refers to a specific form of social organization for administrative purposes.

The most systematic study so far of bureaucratic phenomena is traced back to German sociologist Max Weber. Regarding the origin and nature of his concept 'organisation' (Verband) to Weber a person could be said to have 'power' (Macht) if within a social relationship his own power is exercised for the structuring of human groups, it becomes a special instance of power called 'authority' (Herrschaft). Thus, Weber distinguished between power and authority or 'domination'. Authority or domination is instrumental in the emergence of Verband. i.e., organization. The most important aspect of the administration is that it determines who was to give commands to whom. Thus, "every form of authority expresses itself and functions as administration."

Weber was interested in a full-blown discussion on bureaucracy as a sociological phenomenon. His thought needs to be placed in the more general context of his theory of domination. Domination refers to a power relationship between the rulers and the ruled. In any kind of established authority, there exist a number of beliefs that legitimize the exercise of power in the eyes of the leaders and the led. The other important element is the notion of the administrative apparatus. Domination when exercised over a large number of people necessitates an administrative staff which will execute demands and serve as a bridge between the ruler and the ruled. The beliefs about legitimation and the administrative apparatus constitute the two important criteria for the Weberian construct or typology of dominations, each corresponding to a particular type of domination.

- (a) **Charismatic Domination:** Charisma literally means gift of grace, the power exercised, by a leader – may be a prophet, a hero or a demagogue – substantiating the claim by virtue of his magical powers of heroism or other extraordinary gift or administrative apparatus is very loose and unstable. It usually consists of the most faithful followers or disciples who play the role of the intermediary between the leader and the followers.
- (b) **Traditional Domination:** It derives its legitimacy from the acceptance of it since hoary past. The persons exercising authority generally are called ‘Masters’ who enjoy personal authority by virtue of their inherited status. Their commands carry legitimacy because of the customs but they can also give orders based on their personal decision. The persons who obey the orders here are called ‘Followers’. This kind of patrimonial authority receives ready obedience because of a peculiar faith in traditional status and personal loyalty to the dominant person. The administrative apparatus in this kind of domination would consist of the personal relations, servants and relatives.
- (c) **Legal Domination:** It is based on the belief in the rightness of law. People obey the laws because they believe that these are enacted by a proper objective procedure. The typical administrative apparatus corresponding to this kind of domination is bureaucracy. These rules delineate in a rational way the hierarchy, the rights and duties of every position and the methods of promotion, recruitment and other conditions of service.

Weber believed that all these three types of domination claim legitimacy as long as the ‘ruled’ accept them. The authority ceases to carry legitimacy when the rulers do illegal things, ignore the traditions and lose charisma respectively. Of the three types of authority, Weber preferred the legal type of domination or authority, Weber preferred the legal type of authority because of inherent rationalities in it.

Weber never defined bureaucracy. He only described its characteristics. To him bureaucracy is “an administrative body of appointed officials.” Following are the characteristics of bureaucracy as enumerated by Max Weber:

- 1) Hierarchical arrangement of offices or positions (i.e., a pyramid like structure with each lower office under the control of a higher one)
- 2) The staff members are engaged in the discharge of only the impersonal duties of their offices they are personally free.
- 3) Division of labour, with specified spheres of competence legitimized as official duties and powers
- 4) Written rules for carrying out assigned tasks, to be applied uniformly.

- 5) Impersonality – officials are subject to an impersonal order and formally established norms of conduct and act according to these rules in their contacts with others, inside and outside the organization.
- 6) Officials are appointed on the basis of a contract
- 7) The functions of the offices are clearly specified.
- 8) Officials are selected on the basis professional qualifications, ideally substantiated by a diploma gained through competitive examination.
- 9) They have a money salary, and usually pension rights. The salary is graded according to position in the hierarchy. The official can always leave the post, and under certain circumstances it may also be terminated.
- 10) The official's post is his sole or major occupation.
- 11) There is a career structure, and promotion is possible either by seniority or merit, and according to the judgement of superiors.
- 12) The official may appropriate neither the post nor the resources that go with it
- 13) He is subject to a unified control and disciplinary system.

The above features constituted Max Weber's ideal, pure or most rational type of bureaucracy. Four factors seem to have mainly influenced Weber in his wide-ranging discussion on bureaucracy. They are:

- 1) the historical, technical and administrative reasons for the process of bureaucratization particularly in western civilizations;
- 2) the impact of the rule of law upon the functioning of the bureaucratic organization
- 3) the occupational position and typical personal orientation of bureaucratic officials as an elite group; and
- 4) the most important attributes and consequences of bureaucracy in the modern world, particularly of governmental bureaucracy.

In designing the legal-rational authority system, Weber formulated the following structuring propositions:

- 1) Official tasks are organized on a continuous, regulated basis
- 2) These tasks are sub-divided into functionally distinct spheres, each furnished with the requisite authority and sanctions.
- 3) Offices are arranged hierarchically
- 4) Official work is conducted according to the rules which are either technical or legal
- 5) The resources of the organisation are quite distinct from those of the members as private individuals.
- 6) The holder of an office cannot appropriate the office
- 7) Administration is based on written documents.
- 8) Legal authority system can take many forms, but are seen at their purest in a bureaucratic administrative staff.

Bureaucracy provides a conceptualization of a form of social organisation with certain characteristics. It can be examined from three different points of view:

- a) **Structural characteristics:** This structural dimension has attracted the most attention in the discussion on bureaucracy. The features like division of labour, hierarchy and rules have been identified as important aspects of structure.
- b) **Behavioural characteristics:** Rationally (the most rational means of achieving imperative control over human beings), impersonality and neutrality (support to the political regime it serves) are the important aspects of behaviour.
- c) **Instrumental characteristics:** Bureaucracy has been looked at from the point of view of achievement of purpose. As Peter Blau suggests, it should be considered as an

“organization that maximizes efficiency in administration or an institutionalized method of organized social conduct in the interests of administrative efficiency.”

Criticism: Bureaucracy produces a number of unintended consequences or dysfunctions. The criticism are:

- (i) **Rigidity:** Critics claim that it is rigid, static and inflexible. Compliance with rules may provide the cover to avoid responsibility for failures.
- (ii) **Impersonality:** Bureaucracy emphasized mechanical way of doing things. Rules and regulation are glorified in place of employee needs and emotions.
- (iii) **Ideal type:** The ideal type is a mental construct that cannot be found in reality. It is an abstraction that exaggerates certain features and de-emphasises certain others with a view to conveying an image or an idea.
- (iv) **Displacement of objectives:** As organizational procedures become more formalized and individuals more specialised, means often become confused with ends.
- (v) **Red tape:** Bureaucratic procedures cause in-ordinate delays and frustration. By encouraging conformity to rules and regulations, bureaucracies leave nothing for original or innovative behaviour.
- (vi) **Bureaupathology:** The bureaucratic structure has also been criticized for encouraging what Victor Thompson called ‘bureaupathology’. He believes that bureaucratic structures permit counter-productive personal insecurities to flourish and that same managers try to protect their authority and position by aloof, ritualistic behaviour. This is pathological because it can prevent the organisation from meeting its goals.

R.K. Merton argues that demands on officials to conform to bureaucratic regulations lead to ritualism, defensiveness, rigidity and difficulties in dealing with the public. This stream culminates in M. Crozier’s *The Bureaucratic Phenomenon* (1964) in which the author uses bureaucracy to mean “an organization that cannot correct its behaviour by learning from its errors.”

Any assessment of Weber has to take into account the entire corpus of his writings, especially his political writings, where Weber appears as a critic of bureaucracy in real life politics.

3.5 IDEAS OF MARY PARKER FOLLET

Mary Parker Follet is an important author of 20th century. Her writings, however, do not wholly confirm to the work of other scholars of the administrative school. She talked of organization as a social system and management as a social process. She attached great importance to the psychological and social factors. She talked of lateral co-ordination, integration of individual and organization, administrative change, etc. She has often been described as the bridge between the classical theory and the behavioural approach organizational analysis.

3.6 IDEAS OF CHESTER BARNARD

Chester Barnard, a contemporary of Elton Mayo stated his views in his book *The Functions of the Executive*. He worked in various capacities both in Government and private administration. He is considered the spiritual father of the social system school, which influenced many organizational thinkers of the 20th century. Barnard defined organizations as “a system of

consciously co-ordinated personal activities of two or more persons held together by a capacity to generate a common purpose, by a willingness on the part of its members to contribute to its processes, and by effective communications. He argued that organizations function through an equilibrium of contributions and inducements. He disapproves the theory of economic man, and instead proposes the theory of contribution-satisfaction and equilibrium, by which an individual contributes his activities to the operation of an organisation. Inducements, the incentives or satisfactions are offered by the organisation. Efficiency depends on organisations' capacity to offer this inducement in sufficient quantities to maintain the equilibrium of the system.

Barnard maintains that in a modern society the contributors to an organization always are only a small minority actually having positive willingness and a preponderance of persons are negative in their commitment. Barnard rejects the traditional concept of authority and introduces acceptance as the basis of authority. He points out that the ultimate test of authority and introduces acceptance as the basis of authority. He points out that the ultimate test of authority. He points out that the ultimate test of authority lies in whether orders are accepted by those who receive them. According to Barnard, "leadership refers to the quality of the behaviour of individuals, whereby they guide people in their activities, in organised efforts." Barnard thought that formal organisations are artificial systems and they grew out of informal organisations which are natural systems.

It is said that the neo-classical emphasis on the human factors of organisations constitutes a major contribution to modern theory.

3.7 HUMAN RELATIONS THEORY

The Human Relations theory has often been described as the Neo-classical theory. It was built on the base of the classical theory. The basic assumption of this theory is that psychological and social aspects of the worker as an individual and his work group ought to be emphasised. The influence of Pierre Janet and Sigmund Freud, was profound on the studies of Elton Mayo.

The trace of the human relations movement can be found even in ancient literatures. The greatest influence of this theory came from the Hawthorne experiments carried out in the U.S.A. under the guidance of Elton Mayo in late 20's and early 30's of this century. The findings were first published in *Management and the Worker* (F.J. Roethlisberger and William J. Dickson) in 1939. Mayo started his first major research in a textile mill near Philadelphia in 1923. He named the study 'The First Inquiry'. The result of the study was the elimination of the problem of physical fatigue by the introduction of rest periods.

In the first Hawthorne experiment, workers operating under a piece-rate system were observed, to see whether higher wages motivated them to work more. It was found that the workers worked to a point, they felt, would ensure them of an adequate income, and then refused to work more due to the fear that over production may lead to retrenchment.

In another experiment, some female workers were isolated from the rest and placed under observation. Their level of productivity under diverse working conditions were carefully measured. But under all physical changes in their work environment the production of these girls showed a continually upward rise. This proved that there was no positive correlation between the working conditions and productivity and the girls were conscious of the fact that they had been selected for a special experiment.

The Hawthorne experiments which were conducted between 1924-1932 proved that social or human relationships among the workers were more important in determining productivity than were changes in working conditions. The high morale of the 'test group' workers appeared to be responsible for the productive increases. A worker's feelings about himself and his work group were of the utmost importance.

About the complaints of the worker's 'Ventilation therapy' was seen as important. The Human Relations theory focuses on what is called informal organisation and the productivity of the workers increased where the sentiments of the informal group were in harmony with the objectives of the formal organisation. Other significant finding is the importance of communication system, particularly to facilitate workers to motivate fellow worker.

Elements of the Theory: The important elements of Human Relations theory are as follows:

- (a) *The Individual:* This theory emphasises differences among individuals. For them each worker is unique. Each worker brings to the job situation certain attitudes, beliefs and way of life, as well as certain skills, technical, social and logical. The emotions and perceptions are recognised as important.
- (b) *Work Groups (Informal Organisations) :* This theory focuses its attention on the social aspects of man whose overriding need is seen as desire to belong, to be accepted by, and stand well in his groups. Mayo concluded that man's social situation in his work group ranked first and the work was incidental. The informal organisation means natural groupings of people in the work situation.
- (c) *Participative Management:* It means participation of the workers in decision-making about their work conditions. Workers discuss with supervisors and influence decisions that affect them. This participation results in higher productivity.

Criticism:

- (i) Peter F. Drucker criticised human relationists for their lack of awareness of economic dimension.
- (ii) Benedics and Fisher have argued that Mayo's failure as a social scientist arises in large measure from his failure to define sharply the ethical presuppositions of his scientific work
- (iii) This theory has been criticised mainly on the ground of its (a) Philosophy (b) Scientific validity (c) Short sightedness (d) Over-concern. With happiness (e) Anti-Individualist (The discipline of the boss is simply replaced by the discipline of the group forcing the individual to sacrifice his personal identify and dignity.)

Contribution:

- 1) It introduced the idea of the organisation as an open system.
- 2) It emphasised the importance of employee attitudes.
- 3) It revolutionised the management training.
- 4) Mayo critically examined the employee employer relations, stability of the labour, supervision, etc., of the industrial workers.

Taken as a whole, the significance of Hawthorne Investigation was in discovering the informal organisation which it is now realised exists in all organisations.

3.8 THE BEHAVIOURAL APPROACH

In Public administration', behaviouralism as a distinct line of study started in the 1930's along with the Human Relations Movement. The mechanistic orientation of the traditionalists has been counterbalanced by the humanistic view of the behavioural scientists. Berelson and Steiner have defined the behavioural sciences thus:

"By the behavioural sciences we mean the disciplines of anthropology, psychology and sociology - minus and plus: Minus such specialised sectors as physiological psychology, archaeology, technical linguistics, and most of physical anthropology; Plus social geography, some psychiatry, and the behavioural parts of economics, political science, and law. In short, we are concerned here with the scientific research that deals directly with human behaviour."

The behavioural scientists have been contributing to organisational dynamics since the days of the Hawthorne studies. Carl Rogers, J.L. Moreno, Kurt Lewin, and A.H. Maslow are some of the great names in this school. Rogers is well-known for his clinical approach to counseling therapy, and Moreno for his studies of interpersonal relations. Lewin pioneered the action research approach to organisational development. Maslow's theory of motivation has exerted strong influence on studies of organisational behaviour:

Salient Features: This approach has the following salient features:

- 1) Its literature is descriptive rather than prescriptive, with the studies on motivation being an exception.
- 2) Increased attention is paid to the individual based on more realistic approach concerning motivation, decision-making process and the nature of authority.
- 3) Stress is laid on informal relationship and communication patterns among members of an organisation.
- 4) It is mainly concerned with quantification, and formal theory constructions.
- 5) Its emphasis, is on empirical study based on methods such as field study, laboratory experiments or use of other statistical methods.
- 6) It is inter-disciplinary in character and makes considerable use of propositions drawn from other social sciences.

Contribution of Herbert Simon:

- a) Simon has been basically concerned with the behaviour of organisation as goal-oriented and adaptive entities.
- b) He focuses on the cognitive aspects of organisational operation and emphasises on problem solving and rational choice.
- c) He introduced the concept of 'satisfying' behaviour in organisational situations.

Contribution of E. Wight Bakke: He identified the individual goals as security, progress and justice in respect of internal harmony understanding, autonomy, integration and respect. He was interested in the realities' of organisational life. According to Bakke, the individual seeks to use the organisation as a means to further his own goals, whereas the organisation tries to use the individual to attain its own goals. The 'personalising process' by which the individual makes use of the organisation, and the 'socialising process' by which organisation puts the individual to its own use get mixed up in real life. This is what Bakke called the 'fusion process'. Contribution of Chris Argyris : He speaks of a basic incompatibility between the needs of a mature personality and the requirements of a formal organisation designed on the classical principles of rigid task

specialisation, span of control, and unity of command. Strict adherence to classical principles, according to him, is likely to create an organisation that will tend to make the employees dependent and passive. **Contribution of Chester Barnard:** He developed an equilibrium theory of organisation by suggesting that the organisation exists by maintaining an equilibrium between the contributors and satisfaction of its participant members. Both material inducements and psycho-social rewards are important. According to Barnard, efficiency in organisation is a personal matter related to individual's satisfaction and effectiveness is related to the accomplishment of a common organisational authority. Authority to him, is a matter of acceptance, of the superior role of the supervisors by the subordinate.

Other contributions have come from Maslow's ideas on hierarchy of needs, McGregor (his theory X, and theory Y), Likert and Herzberg.

Criticism:

- a) It has limited utility in the analysis of all types of administrative phenomena.
- b) It is applicable to small social groups whereas the study of Public administration deals with larger communities.
- c) The total exclusion of values from the study of administrative problems and phenomena will make the study of Public administration rather irrelevant to the vital issues of the modern age. Despite these criticisms, the behavioural scientists have given a new orientation to administrative thought by focusing attention on the role of the individual, leadership, group dynamics, motivation and satisfaction. More importantly, many of the behavioural scientists are now active in the role of change agents.

3.9 THE SYSTEMS APPROACH

Modern theory, also called systems analysis of organisations, developed largely since the 1950s. The origin of general systems theory is traced to the thinking of the biologist Ludwig Von Bertalanffy, in the twenties. It aimed at the unification of science and scientific analysis.

General Systems theory is an attempt to join up the different approaches in science (traditional, behavioural and management science) and thus, to provide a broad macroscopic view of different types of systems.

Weber defines a system as "A set or arrangement of things so related or connected as to form a unity or organic whole." A system is thus a unified whole having a number of inter-dependent parts or sub-systems and it has identifiable boundaries that distinguish it from its surrounding environment in which 'it is embedded, and with which it interacts.

Features of Social System:

- 1) Social systems are open systems as they are in constant interaction With their environment. By contrast physical and mechanical systems are closed in relation to their environment.
- 1) Boundaries of social organisations are not easily identifiable. It has to be understood from their activities and functions in real life situations. Physical and mechanical systems have easily identifiable boundaries.
- 2) Closed systems have the general tendency toward 'entropy' and disorganisation; open systems, on the other hand, have the tendency to develop through greater internal

differentiation and move towards higher levels of organisation. Most social systems fall in this latter category.

Relevance of Organisation Theory: The Systems approach is particularly relevant to the study of complex public organisations that have elaborate structures and that are embedded in larger social, political and economic environments. An organisation survives and grows by 'drawing inputs from the' environment which are processed internally to produce its output. C. West Churchman provides five basic considerations in relation to the systems approach to management. These are:

1. The total objectives of the system and the measures of system performance.
2. The system's environment acting as constraints.
3. The system's resources that are put to use in performance.
4. The system's components and their goals and activities.
5. The management of the system (the regulation and decision-making aspect).

The systems view of organisation was prominent in the writings of M.P. Follet, Chester Barnard. Herbert Simon's decision-making scheme follows the Systems approach which was further elaborated by him and his associates later. Philip Selznick has used the systems framework in his studies of governmental and other complex organisations. The most representative writings in this field are: *Organisations* by March and Simon, and *Modern Organisation Theory* by Haire.

Norbert Wiener pioneered in the field of cybernetics. He gave the first clear view of an organisation as a system consisting generally of inputs, process, outputs, feedback and environment as shown below:

Organisational systems like social systems are considered to be *Cybernetic* in their behaviour with regard to the external environment. This means that "they are self-steering, using feedback to guide and control their behaviour". They develop mechanisms to collect, interpret and apply feedback in their decision-making process so as to acquire the capacity to adapt, evaluate the performance and to correct errors.