

# CHRONICLING THE DEVELOPMENT OF THE HUMAN RELATIONS PERSPECTIVE IN ORGANIZATIONAL MANAGEMENT

AMIRA SARIYATI FIRDAUS

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## ABSTRACT

Launched from an organizational communication perspective, this article chronicles the four Hawthorne studies that led to the development of the human relations theory. The article shows how the Hawthorne studies led to the birth of the human relations management approach. The main tenets of human relations theory are discussed, as are its limitations. The article looks at both empirical and ideological limitations to the theory. The article ends by looking into the efforts to address these limitations, namely the evolution of human relations theory into a human resource approach.

**Keywords:** *human relations theory, Hawthorne Studies, human resource approach, organizational communication*

## INTRODUCTION

Organizational communication as it is known today arose from several waves of managerial discourse that began in the late 1800s and is still continuing in the 21<sup>st</sup> Century. A concern for the quality of life of workers began the Industrial Betterment movement in the 1870s. When industrialists began to focus more on production and output, this movement was replaced by the famous Classical and Scientific management theories. This approach to management stressed management control and mechanistic systems as the way to increase production. This mechanistic model of organization viewed employees as part of organizational machinery. Management was rigid and autocratic, and were focused only on the rational goals of the organization. The goals, views and needs of employees were not considered. The only function of communication was for a rigid and autocratic management to send down directives and to keep informed on production (Daniels & Spiker 1997).

The next wave of managerial discourse, the Human Relations movement, emerged from the limitations of Classical theories as evidenced in an industrial experiment with an initial premise based on scientific management assumptions (Williams 1978).

## HUMAN RELATIONS THEORY

### The Hawthorne Studies

A series of in-house scientific research were pioneered by AT&T's Watson Electric at their plant in an American town called Hawthorne. The studies were initially conducted to identify ideal working conditions that would boost productivity. W.J. Dickson, an AT&T industrial engineer, and F.J. Roethlisberger, of the Harvard Business School, headed the first Hawthorne studies. Elton Mayo, also of the Harvard Business School, joined the team when Dickson and Roethlisberger were confronted with inexplicable findings. The Harvard affiliations of these two researchers explains the Harvard prefix to the human relations perspective (Byers 1997).

#### ***The First Hawthorne Study, 1925-1927***

The first Hawthorne studies were conducted with a Scientific Management premise that an optimum working condition could be found to achieve high productivity. In an effort to determine the optimal level of illumination for factory workers assembling telephone relay equipment, Dickson & Roethlisberger (1939) manipulated the level of lighting of different groups. Lighting was adjusted to be brighter than usual, dimmer than usual or was not changed at all. To the researchers' surprise, productivity went up in all three groups.

#### ***The Second Hawthorne Study, 1927***

Confounded by the findings of the first Hawthorne studies Dickson & Roethlisberger brought in Elton Mayo for the second series of productivity studies. Mayo brought with him a psychological outlook to complement the mechanistic outlook of the Scientific Management premise.

In the second Hawthorne studies, sometimes referred to as the *Relay Assembly Studies*, work conditions were varied in search of the most productive working conditions. Certain incentives were introduced into different groups, such as coffee breaks, hot lunches and more agreeable working hours and pay-incentives.

Again, to the researchers' surprise, productivity increased in all groups, even those without extra incentives.

#### ***The Hawthorne Effect: On Explanation for Increased Productivity***

Several years passed before the researchers finally understood the implications of their confounding findings (Byers 1997). They concluded that productivity-increase had little to do with the manipulations of lighting or work conditions, but more with the fact that workers were aware that they were part of an experiment. The workers felt special and important when selected to take part in the productivity studies. In return for this "attention", workers worked extra hard.

This phenomenon was consequently named the *Hawthorne effect*. The term is still widely used today to refer to the different-from-usual behaviors that people display when they know they are the subject of study (Williams 1978).

#### ***The Third Hawthorne Study, 1928***

The third series of studies, also with an industrial-psychology premise, were also somewhat influential in the discovery of the Hawthorne effect (which as mentioned above, came several years later). In a series of anonymous "non-directive ventilation

interviews”, researchers encouraged workers to talk freely about the organization. It was found that given the chance, workers were happy to air their discontent. They admitted to feeling more positive and even more contented after having had a chance to unburden their feelings. The researchers noted a rise in productivity following such interviews. They concluded that happy workers performed better (Daniels & Spiker 1997).

### ***The Fourth Hawthorne Study, 1931***

A subsequent series of observations were conducted. A number of workers in a bank wiring room were closely monitored. Work activities were recorded to determine social influences on work behavior. The study found that despite pay-incentives to boost productivity, workers sometimes purposely under-perform so as to not offend other group members. This study discovered the strong influence that informal groups had on productivity and performance (Daniels & Spiker 1997).

### **The Birth of the Human Relations Management Approach**

The key findings of the four Hawthorne studies are as follows:

- Informal social groups and their informally established norms affect productivity.
- People performed better when they felt that management paid attention to them.

From these findings, Mayo and colleagues surmised that social motivation was an integral force in the rise and fall of productivity.

They concluded that workers can be influenced through communication. The informal communication that came from being part of a social group with certain norms and values had a profound effect on individual workers’ performances. In addition, the Hawthorne studies suggested that upward communication from worker to management could be useful to an organization.

With these premises in mind, a new perspective on organizational management came into shape to replace the mechanistic model proposed by the Classical perspective. The organization-as-machine metaphor of the traditional approach slowly shifted to an organization-as-family metaphor. This Human Relations approach emphasized a need for change in management practices, from aloofness to participatory.

Communication is considered an important element of organizational management in the human relations approach. It advocates the use of communication and social groupings to enhance worker motivation. In contrast to classical perspectives that viewed satisfaction of economic need as sufficient work motivation, the human relations approach viewed social needs as important as well. The new perspective encouraged management to “adopt communication strategies that give workers a sense of participation ... (because) it improves morale and morale leads to greater compliance with managerial authority” (Daniels et al. 1997: 32).

### **Main Tenets of Human Relations Theory**

Human Relations theory stressed the importance of sustaining balance between the “things of production systems” and the “humanity of production”. The physical infrastructure, materials and systems of an organization, as well as the people needed to run and process them, from the workers, to the managers, to the shareholders all need to be looked after (Byers 1997: 24-26). All these aspects of an organization is encompassed in the human relations approach because it recognizes that the operation and administration of an organization involves human interaction and group life.

Further studies based on the initial human relations premise that a sense of worth increases employee drive, uncovered other aspects of the human worker. It was also found that interpersonal relationships between co-workers also affect the level of productivity. The informal “primary group”, with its own informal hierarchy is an important tenet of the human relations theory. In the fourth Hawthorne study an informal daily quota of individual production was adhered to by co-workers despite the pay incentive provided. Apparently, cohesiveness within informal groups and individual conformity to the norms of these groups are crucial to productivity in an organization (Gibson et al. 1991).

Similarly, the concept of “job satisfaction” is also related to findings of the Hawthorne experiment. In contrast to classical theories that view money as basically the only incentive for working, human relations stresses that a sense of responsibility, pride and satisfaction in a job were also important in boosting work performance. This is especially true in more mentally, physically and emotionally stimulating tasks. Good working relations and job satisfaction is greatly emphasized in the human relations tradition (Daniels & Spiker 1997).

### **Application of the Human Relations Approach**

Overall, Mayo and colleagues found that happy workers were better workers. Thus the human relations approach went beyond the classical concepts of labor and management relations where bosses simply organize and direct the work needed to be done by employees. A paradigm shift was made whereby management made conscious efforts to look into the welfare of all employees and improve morale. For example, worker-grievances are addressed by management through personnel counselors, and the role of employees in the organization are redefined and enlarged so as to provide a greater sense of responsibility. Also, a sense of worth is installed through participation in decision making processes (Byers 1997).

Efforts were made to modify and improve organizations as social environments. Essential to the health of the work place as a social environment, a more open and caring leadership perspective was developed. Two independent dimensions of leadership are stressed in the human relations perspective. Managers had the responsibility to “initiate structure” and also “to be considerate”. In initiating structure, individual managers ensure that jobs are done. In being considerate, the same managers ensure that workers emotional, mental and physical needs are met.

The human relations approach stresses on the relationships and responsibilities of all the human factors of an organization. Management holds the responsibilities of being committed to all its human relationships, and of being role models, not just

bosses, to all employees. Employees are to be given sufficient information about organizational policies, objectives, problems and gains as it will motivate employees to cooperate with management, and also aid in achieving job satisfaction. In making the organization a social environment, management will also need to put in place policies that will address employee grievances, and allow room for bargaining of work conditions. In addition to labor relations, public and community relations need also be looked into. Management needs to understand the outside environments that workers belong to. This is essential in maintaining a healthy management-labor relationship as the attitudes and values that employees bring into the workplace are shaped by the environment that they come from.

### **Limitations of the Human Relations Perspective**

Despite the seeming emphasis on wellbeing of the worker, the overarching goal the human relations approach to management was really increased performance and production. In that sense, communication was just a tool for management to gain workers' compliance. Other ideological and empirical criticisms of the approach were abundant.

#### ***Empirical Limitations***

Later critics pointed out that the Hawthorne studies neglected to control for other factors that may influence performance such as the layoffs due to the stiff economic slowdown in the United States in the 1930s. Additionally, later efforts to manipulate social factors produced conflicting results. Critics also pointed out that although much information on individual and group behavior was gleaned from the Hawthorne studies, the findings provided very little information on organizations themselves (Byers 1997).

Nonetheless, these empirical criticisms came many years after the studies. Critics were initially much more concerned with the concepts and notions that were the conclusions of the Hawthorne studies. It was generally agreed that if the theoretical foundations of the approach didn't make sense, there was really no point in wasting time analyzing its empirical data. Perhaps the empirical criticisms that came later indicate that the approach finally gained theoretical relevance later on (Byers 1997).

#### ***Ideological Criticism of Human Relations***

Critics saw many conceptual problems with the human relations approach. Some felt that the Hawthorne researchers over-emphasized social groups as the cause of negative attitudes in the work place. In doing so, the researchers neglected the larger institutional framework of the economic system within which social groups arise and are made meaningful. Critics were also skeptical about the ability of worker frustration-venting to actually solve the greater problems of conflicts of interests and power struggle between labor and management. They feared that human relations approach to managing workers paved the way for manipulation and disillusionment of the worker (Byers 1997).

### ***Practical Problems with Human Relations***

The human relations approach was introduced when most organizations had thoroughly adopted the principles and practices of classical management theories. Management had been both educated and trained in the classical perspective. Therefore it was difficult to change their mindset. Nonetheless, because there existed a government-backed movement in the United States to encourage the adoption of the human relations perspective, many large organizations made some attempts to understand and inculcate its principals. The tension between long-held classical beliefs and the new human relations perspective led to its superficial implementation. While management opened the lines of communication and claimed to desire worker participation, they did not actually act upon worker feedback or give any real power to workers. This led to the disillusionment of workers, which consequently led to a decrease in performance and production (Daniels et al. 1997).

A realization of this fall-out of the human relations approach led some scholars to modify the perspective. The result of such adjustments was the development of the human resource perspective (Daniels et al. 1997).

## **HUMAN RESOURCE DEVELOPMENT**

The human resource approach was essentially a “more enlightened strategy for meeting the needs of organization members and increasing member participation in organization activities” (Kreps: 85). It focused on a change in management’s attitudes towards people (workers), the type and amount of participation, as well as organizational expectations.

### **Comparison of Human Relations and Human Resource Approaches**

#### ***Attitudes Towards People***

- Human relations:
  - ▶ People will willingly cooperate with organizational when their needs for recognition are met.
- Human resource:
  - ▶ If jobs are designed to allow creative contribution and responsibility, workers will be happier and able to contribute better to organizational goals.

#### ***Kind and Amount of Worker Participation***

- Human relations:
  - ▶ Management’s task is to make workers feel useful and important to the organization by discussing decisions with workers. Workers are allowed to participate in routine decisions. Some areas and limits for workers to exercise self-direction and self-control are allowed.
- Human resource:
  - ▶ Management’s task is to create a conducive work environment to bring out subordinates’ creative talents. Management encourages wider worker participation in important decisions, and continually expand areas in which employees can exercise self-direction and self-control.



### **Expectations**

- Human relations
  - Sharing information and decision-making will satisfy employees' basic needs for recognition and belonging. This improves morale, which will decrease resistance to authority of management. In turn, this will improve performance and decrease friction, making management's job easier.
- Human resource
  - When management makes full use of employees' experience, insight and creative ability, the quality of decisions and performance will increase. When employees help to establish organizational goals, they will naturally exercise more responsible self-direction and self-control to achieve those goals. Overall, satisfied employees have greater opportunity to contribute and this will lead to better organization performance.

### **Tenets of the Human Resource Perspective**

The human resource perspective viewed worker motivation to be much more complex than just economic (classical assumption) or social (human relations assumption). Motivation was also related to "one's sense of self-worth or **self-actualization** (*sic.*)" (Daniels et al. 1997: 32). The new perspective was often tied to Abraham Maslow's theory about the hierarchy of human needs.

### **Maslow's Hierarchy of Needs**

Maslow asserted that there were five levels need that would motivate a person, and that each lower-level would have to be satisfied before a higher-level need could be activated:

1. **Physiological needs** for food, oxygen, and other basic requirements to sustain life.
2. **Safety needs** for security, protection from danger, and freedom from threat.
3. **Social needs** for love, affection, affiliation, and acceptance.
4. **Esteem needs** for a sense of status, recognition and self-respect.
5. **Self-actualization needs** to realize one's full potential as a human being.

(Daniels et al. 1997: 32-33)

Maslow saw self-actualization as a 'growth need' where the process of satisfying the need would activate greater self-actualization needs. That is, it increases a person's motivation to continually seek self-actualization.

### **McGregor's Theory X and Theory Y leadership**

In keeping with the premise that workers' self-actualization was important, the human resource approach also advocated a change in management style. Style of management and the acceptance of self-actualization as a fundamental aspect of worker motivation lay in management's perception of workers; whether they could be trusted or not.

McGregor's Theory X management exemplified classical management views. People were believed to be lazy, and were driven to work only by monetary motivation. Workers avoid responsibility and prefer to be directed than to be given responsibility. Workers have no interest in achieving organizational goals, they are only interested in their own economic well-being. They can only be forced to comply with management through coercive and punitive measures.

Conversely, Theory Y leadership saw work as being a natural, not strained, part of human life. People are viewed as naturally wanting to do work, and wanting responsibility. Theory Y argued that if given sufficient trust and respect, workers would easily identify with organizational goals. Theory Y managers are able to develop trust needed for the workers' self-actualization.

Theory Y:

1. People naturally and willingly put in the physical and mental effort needed in completing tasks required by their jobs.
2. Direct control by bosses and fear of punitive action are not the only way of getting workers to put in the effort needed to meet organizational goals. People are capable of putting in the effort needed to meet objectives that they feel committed to.
3. Many people have the needed "imagination, ingenuity and creativity" that can be harnessed to solve organizational problems.
4. Current industrial practices make only partial use of the average worker's intellectual potential.

(Farace et al. 1977: 85)

### **Human Resource's Improvement Over Human Relations**

The human resource perspective addressed the problems of superficial implementation of the human relations approach. Management was no longer just 'boss', but served as a communicative conduit to help workers participate in organizational activities.

Allowing workers true participation in organizational decision-making develops better knowledge of organizational goals, better appreciation of organization's problems, better understanding of management's role, greater identification with organizational goals, and personal drive to achieve organizational goals.

The human resource approach shifted communication from being a management tool, to a vital element in discovering and servicing organization members' needs.

### **CONCLUSION**

The human relations perspective was an unexpected development stemming from the inexplicable findings of a study done under scientific management principals. Without the Hawthorne studies, the human relations perspective may have never existed. Similarly, the human relations theory discovered the importance of communication in organizational settings. In that sense, this perspective helped to lay the foundations of the field of organizational communication.



The human relations theory shifted the metaphorical comparisons of the organization from organization-as-machine, to organization-as-family, where everyone's feelings are important, but "father" knows best. Consequently, the more holistic human resource approach began a slow shift from the paternalistic-traditional family metaphor to a democratic-system metaphor.

The understandable problems in putting into practice the human relations approach give rise to the development of a more refined organizational management approach, the human resource approach, which furthered the emphasis on organizational communication. Having ended the essay on the improvements made over the human relations approach, it must be noted that the human resource approach is not without its fallibilities and critics. However it is not within the scope of this essay to further explore those limitations. It is suffice to say that over time, as organizations change, theories about organizations will also change.

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