

Goals of Management Policy

Of the shortcomings of enterprises in India, one that comes up most often for flogging is the selection and recruitment of personnel. It is said that employees are chosen without sufficient care, that management trainees are selected out of favouritism or apathy or even ignorance and that the old maxim 'to each according to his ability' is hardly ever remembered in the allotment of work. In a Delhi speech some weeks ago, the Union Finance Minister mentioned that the mismanagement of public enterprises in India is largely due to the failure to select and recruit able enough employees. Other estimable persons have also stated similar views from time to time.

Suitable selection and recruitment are of great importance but management's ability to maintain a high level of vitality and initiative among employees is just as essential and seldom realised. The first is necessary for the effectiveness of the enterprise because failure is uneconomic. The second is critical to its very health and survival. Although this chapter seeks primarily to examine issues that are fundamental to the vigour and dynamism of any enterprise, it would be relevant to observe two points about selection and recruitment.

A large number of studies in the USA, especially at the International Harvester, have shown that the range of abilities required in industry and business for most jobs are fairly limited. Many of them can be learnt by experience. The main problem is one of being able to utilise existing knowledge effectively in the enterprise. In this sense the success of a functionary depends not merely on himself but, significantly, also on his psychological barriers to using available knowledge on the job.

Secondly, the staffing systems or selection method are an inherent part of the overall policy and practices of the enterprise and not independent of them. That is, an organisation based on rigid rules and regulations has

selection and recruitment systems which are also as rigid and mechanical in character as the other procedures. A typical example would be the Union Public Service selection procedures which fully conforms to the bureaucratic system of the government.

It is unlikely that a major departure from overall procedures of the enterprise in merely one respect of its activity can be effective. I am suggesting that the practices and procedures of an enterprise have to be seen as a totality, that change in just one aspect of the whole can make only a marginal difference in the working of the enterprise in time perspective. Some companies which do employ sensitive techniques of selection often fail to gain from the competence of the individuals because the totality of the policy and the practices in effect curtail their abilities. In the classical Hawthorne studies at Western Electric near Chicago, USA, the experimenters found that the person having the most aptitude and intelligence was the lowest producer. And this is not a rare instance.

This is not to say that proper recruitment, selection and training are unimportant to an organisation but in themselves they form only a fraction of the problem. Sometimes stating the problem as being one of selection and recruitment may even place emphasis on wrong issues. The perspective of the solution too is disturbed and solutions based on inadequate analysis of the malady are misdirected. The organisational aspects of the maintenance of the employees, their initiative and vitality are the backbone of its effectiveness.

Vitality and initiative are closely dependent upon the manner in which the activity of an enterprise is organised. For many years I have observed, and so would others have, that young men of initiative and enthusiasm not only lose these qualities within a few years of their working careers but often subside into indifference and apathy and take refuge under a smart criticism in defence of their changed outlook on their work.

Why does this transformation occur? Are the innovativeness and enthusiasm merely aspects of a phase soon lost in the realities of life? There is persuasive evidence suggesting that traditional ideas of organising work are responsible, to a very considerable extent, for subduing or even totally suppressing the initiative and enthusiasm of people.

In examining some of the characteristics of traditional organisations, let me recount below briefly how they generally allocate work or organise their activities.

- (a) F.W. Taylor's work in the American industry just before, and following, the First World War has given rise to some commonly accepted assumptions. Of these, one is that fragmentation of work increases the efficiency of the worker. A job is broken down into segments, and each segment so divided as to require only repetitive motions or the use of simple skill acquired under a minimum of training. Machine operation, for instance, is divided into simpler activities of setting the machine, feeding material into the machine, maintenance and such other jobs. This sub-division of work is carried through a hierarchy, sections are created for specific segments of the total work with supervisors to oversee each. Whatever the individual's level in the hierarchy, his span of control is limited by someone higher up. The emphasis throughout the organisation is placed on job simplification. Special units are concerned with merely segments of the total activity. Responsibility for this total activity is confined to the highest echelons of the organisation.
- (b) Planning, control and direction are dispensed from levels higher up in the hierarchy. Superior levels "by virtue of their technical superiority of knowledge and experience" are in the best position to indicate how, why and in what manner a job should be done. Lower levels must carry out the work which has been simplified and made easy to learn.
- (c) The very nature of the structure of activity makes the environment unsympathetic to individual differences that exist among people. Standardisation is issued from the higher echelons and deviation from set practices is not easily tolerated nor is individual reaction to the practices considered important. The larger the organisation, the vaster the standardisation, and the narrower the span of control that falls to the employee on his job. This trend exists not only in the mechanical jobs but is reflected quite as much at the supervisory and higher levels of the hierarchy.

Three decades of research have shown, among other things, that each person has his own approach and, in time, develops individuality in his method of working. No standard way can be said to be ideal. Managers confronted with this truth often say that large plants cannot be run efficiently without standardising methods of work. This may probably be the easiest solution for the manager but not for the worker as is commonly supposed, nor necessarily the most productive. Large companies who have departed from this type of work standardisation have done extremely well for themselves. Among these can be counted giants of industry such as General

Electric and IBM and, in our own backyard, Calico Mills. They have set up work goals for people, manager, and worker alike, and then allowed them considerable freedom and choice in the method and arrangement of work with happy results.

Fragmentation of activity makes for two things that adversely affect employees in the organisation. Work becomes mere routine requiring a minimum use of the individual's capacities. It therefore takes away the use of individual judgment and discretion in work and vastly diminishes the role of initiative and ingenuity. Secondly, the large measure of inflexibility in the methods of the individual's work is too much like mass producing machine technology.

Indeed the ideas of standardisation and inflexible routine are derived from the principles of machines in operation. Individuals too are required to work as machines do, and withhold their separate capacities, their emotions and feelings and alter the perspective with which they may have started.

Individuals have to be personally involved in the work they do because responsibility is related to their involvement with the task. But work, routinised and lacking in discretion, deprives employees from using their feelings and ambitions and defers involvement with work. People react either by becoming aggressive (fight) or by withdrawing (flight) from a situation that gives little pleasure. So long as work denies discretion, employees, over a period of time, become indifferent and abortively cynical toward work. In this process lies the source to the employee's loss of innovative activity. A job that makes heavy demands on conformity and routine is antithetical to initiative and change and creates an environment that is intolerant to innovation.

The selection of suitable recruits without concern for the forces that are inherent in the traditional organisation of work can hardly solve the kind of problems our Finance Minister and other leaders refer to. The problem is far bigger than recruitment and selection. The deeper malady lies in the rigidity of the administrator, unwillingness to change, to tolerate departure from antiquated rules and from assumptions that belong to a stabler, simpler society of the late 19th century. Bureaucracy is the greatest culprit in creating conditions of fight with or flight from situations of work.

Environment and expected behaviour have great influence on people involved in the work situation. It is dismaying to observe how often young recruits, bubbling with enthusiasm and fresh ideas at the start, over a period of time become indifferent to the demands of the organisation. William H.

Whyte, Assistant Editor of *Fortune* Magazine in USA has beautifully illustrated this phenomenon in his book *The Organisation Man*. Indian scientists are innovative in laboratories abroad but within a short working career on their return to India they succumb to the forces of bureaucracy or go back to foreign laboratories for sheer self preservation. Innovativeness or initiative in work do not appear to be an isolated phenomenon but is largely derived from the character of the organisation. Individuals are more productive in some environments than others. It is clear that the effectiveness of the individual is dependent on the nature of demand of the work situation. I have said little about leadership and the technology of work. These aspects exercise a potent influence on the individual.

My argument here is that the impact of structural forces is seldom adequately considered and its powerful effects are often unrecognised. Norman Meir, an American psychologist, expresses that performance = ability × motivation. If either ability or motivation is low, the performance would also be low. An organisation's problem cannot be seen largely as one of recruitment and selection. Providing an environment of individual and collective responsibility and of innovation are requisites of an effective and dynamic organisation. It is the failure to achieve this kind of environment that is most likely to reduce work to mediocrity, or less, such as we find in India throughout our business, society and the government.

REFERENCES

1. Rice, A K (1958), "Productivity and Social Organisation", Tavistock, London.
2. Roethlisberger, F (1959), "Management and Moral", Harvard University Press, Cambridge, Mass.
3. Taylor, F W (1948), "Scientific Management", Harper, New York.

