

2.12: Humanistic Management

Learning Outcomes

- Explain the concept of humanistic management.
- Summarize the work of Mary Parker Follett.
- Explain the significance of Elton Mayo's work (Hawthorne studies).

As you've probably deduced from the name, **humanistic management** theory places a great emphasis on interpersonal relationships. An earlier section discussed scientific management and how it focused on productivity and reducing costs by developing efficiency standards based on time and motion studies. Its critics took issue with scientific management's emphasis on quotas and standards that were the same for all workers.

Very little evidence exists that the new quotas set for workers were unreasonable or that laborers who could not meet that quota were routinely fired. But concern was expressed by workers who complained about lower standards of workmanship and lower wages under what was called the set-piece system. Labor unions began addressing the growing fear of the workers that all but an elite few would soon be out of work. Even the U.S. government got involved in the conflict between managers and workers, calling on Frederick Taylor to testify before Congress about the aims of his proposals. It was out of this context that a new management theory evolved that examined social rather than economic factors. The humanistic approach looked to the individual worker and group dynamics rather than to authoritative managers for effective control.

Practice Question

<https://assessments.lumenlearning.co...essments/12154>

Mary Parker Follett



Mary Parker Follett is now considered the "Mother of Modern Management."

Mary Parker Follett's teachings, many of which were published as articles in well-known women's magazines, were popular with businesspeople during her lifetime. But she was virtually ignored by the male-dominated academic establishment, even though she attended Radcliffe University and Yale and was asked to address the London School of Economics. In recent years her writings have been "rediscovered" by American management academics, and she is now considered the "Mother of Modern Management."

Follett developed many concepts that she applied to business and management, including the following:

- A better understanding of lateral processes within organizational hierarchies. These concepts were applied by DuPont Chemical Company in the 1920s in the first matrix-style organization. A matrix organizational structure uses a grid rather than a pyramidal system to illustrate reporting paths. An individual may report both to a functional manager (such as sales or finance) and to a product manager.
- The importance of informal processes within organizations. This is related to the idea of authority deriving from expertise rather than position or status. For example, an informal group may form in an organization (during or outside of official work hours) to socialize, form a union, or discuss work processes without management overhearing.
- Noncoercive power sharing, which she called **integration**, to describe how power operates in an effective organization. She wrote about the "**group principle**" that characterized the whole of the organization, describing how workers and managers have equal importance and make equal contributions.

- Coining the term “win-win” to describe cooperation between managers and workers. She also talked about **empowerment** and **facilitation** rather than control.
- Promoting conflict resolution in a group based on constructive consultation of equals rather than compromise, submission, or struggle. This is known as the **constructive conflict** concept.

Follett devoted her life's work to the idea that social cooperation is better than individual competition. In her 1924 book *Creative Experience*, Follett wrote “Labor and [management] can never be reconciled as long as labor persists in thinking that there is a [management] point of view and [management] thinks there is a labor point of view. These are imaginary wholes which must be broken up before [management] and labor can cooperate.”

? Practice Question

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Elton Mayo and the Hawthorne Experiments

The Hawthorne experiments were a series of studies that took place in a Western Electric plant near Chicago during the late 1920s and early 1930s—the heyday of scientific management. The original experiment was designed to isolate factors in the workplace that affected productivity. The researchers alternatively offered and then took away benefits such as better lighting, breaks, shortened work schedules, meals, and savings and stock plans. But regardless of whether the change was positive or negative, the productivity of the test subjects increased. For example, when lighting was increased, productivity increased—as expected. What was not expected was that as lighting was diminished, productivity still increased. It was not until the lighting levels were near candlelight luminosity and the women could not see their work that productivity decreased. At this point, an Australian-born sociologist named Elton Mayo became involved.

Mayo visited the Hawthorne facility and advised the researchers to adjust how they interacted with the workers (subjects). A new trial was started with a smaller group of subjects. Again, benefits were both added and subtracted. Previous experiments had gathered data from the subjects by asking simple “yes or no” questions to more easily quantify their responses. But instead of “yes or no” questions, Mayo advised the researchers to employ the **nondirective interview method**. This allowed the researchers to be more informal and social and to develop relationships with the workers. Mayo discovered that there were several reasons why productivity increased despite the withdrawal of benefits, including the following:

- A feeling of group cohesion
- The friendlier attitude of the researchers (supervisors)
- The attention that being part of the study brought to the individuals

In interviews with the test subjects, it was discovered that the reason productivity increased was because the subjects were simply “having more fun.” Mayo theorized that workers were motivated more by social dynamics than by economic or environmental factors.

Mayo published his findings in 1933 in “The Human Problems of an Industrialized Civilization.” In this treatise, Mayo predicted that a group with negative behaviors and few social bonds would have very little chance of succeeding at the task. A group with a high sense of mission and close team awareness would be the most likely to achieve its goals. The remaining teams would have mixed degrees of success. The implication for organizations, of course, is to foster groups with a sense of mission and strong interpersonal relationships.

? Practice Question

<https://assessments.lumenlearning.co...essments/12156>

Key Points

The humanistic approach developed to balance the super-rationality and mechanics of scientific management theories. It recognized the importance of the social needs of the individual workers and the effects of group dynamics on efficiency and productivity. It expanded the traditional list of workforce motivation beyond tangible and economic factors. But it was not the end of management theory. Many more interpretations and theories followed.

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