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The Evolution of Manpower Management : A Historial Overview
Evoluation de la direction du personnel : aperçu historique

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Résumé de l'article

Ce travail a pour but de montrer l'évolution de la direction du personnel en prenant soin de souligner les facteurs qui affectent la nature et l'étendue de cette fonction.

Cette évolution s'échelonne sur trois grandes périodes.

1.—LA PÉRIODE « EOTECHNIQUE »

L'utilisation du bois, de la pierre, de l'eau, du vent et de l'animal comme matières premières et sources de pouvoir caractérise cette première phase de l'évolution. Le type d'organisation sociale qui prévalait à ce moment-là était l'artisanat. C'était une société bien établie, enracinée dans la tradition offrant peu d'avenues à la mobilité occupationnelle. En empruntant les types de caractères sociaux élaborés par Riesman, on peut considérer cette période comme étant « tradition-directed ».

Le besoin de se préoccuper d'une façon consciente et rationnelle de la conduite des hommes ne se faisait pas sentir. L'assimilation des valeurs culturelles et l'apprentissage des rôles assuraient un minimum de discipline.

2.—LA PÉRIODE « PALÉOTECHNIQUE »

Elle se situe entre les années 1750 et 1850. L'utilisation du fer et de la machine à vapeur permet alors un accroissement des possibilités de production et ouvrent la voie à la naissance des usines. Un début d'aliénation au travail et dans la vie hors-travail se manifeste au cours de cette seconde phase. Le caractère social qui prévaut alors est celui de l'intra-détermination. Aux yeux des dirigeants de l'entreprise, le travail apparaît comme un processus rationnel et technique. Le surplus de main-d'oeuvre causé par l'exode moral, les méthodes complexes d'administration, l'orientation autoritaire des dirigeants sont autant de facteurs qui pointaient le besoin d'une direction systématique du personnel.

3.—LA PÉRIODE « NÉOTECHNIQUE »

Cette dernière phase date depuis 1850 jusqu'à nos jours. L'utilisation de l'acier, l'aluminium, l'électricité et l'énergie nucléaire contribue d'une manière significative à la révolution technique. C'est l'avènement du gigantisme tant industriel que syndical ouvrant les avenues à l'urbanisation et la possibilité d'ascension sociale. Cette période est celle de l'extra-détermination, caractérisée par une tendance à chercher à travers autrui une identité personnelle et des modes de comportement qui ont reçu une approbation sociale.

Un besoin d'une direction efficace du personnel devient alors urgent au sein des grandes bureaucraties. Ce besoin est satisfait dans la mesure où l'on retrouve au sein des organisations des dirigeants qui s'acquittent de la fonction « personnel » et des spécialistes qui mettent sur pied des services du personnel.

The Evolution of Manpower Management:

A Historical Overview

C.C. Lundberg and A. Mikalachki *

The purpose of this paper is to show the evolution of manpower management by taking into accounts the socio-cultural context from which the need of conscious and rational personnel administration has originated.

It is clear to all engaged in large scale enterprise today that one of the major functions which ensures the survival and growth of an organization is the management of its manpower. This paper intends to examine the field of personnel administration, or manpower management as it is becoming to be called, with an eye on the historical evolvement of the need for a conscious and rational (and hence formal) practice of manpower management. [1] More specifically, we wish to outline some of the factors that affect the nature and scope of manpower management.

No one familiar with modern business is apt to deny change as a major component of current administrative concern. We do not, however, have a concensus on how we shall or should change. The manager has long since learned the value of anticipating and planning change, utilizing all of the pertinent facts available to him. This is where an appreciation of the history of any field proves invaluable, for in a broad sense it tells us what has been and from that lets us discern the patterns of change, providing clues for predictions on what form these patterns will take in the future. When we discover the continuity of manpower management as it unfolds in response to the need for it, we gain a new perspective not only on the past but on the future.

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(1) We use manpower management as a term both contemporary in usage and also reflecting an expanded conception of the personnel-industrial relations function.

Tools for Analysis

The materials we have to work with in constructing our history of manpower management are available to all who would use them. [2] The problem of the historian is not to acquire material but to use ideas which let him order the details of history in meaningful ways: in other words, to produce order out of an inchoate mass of data.

One assumption of this article is that if the ideas as well as the materials are familiar to the reader, then the reader will not only be more likely to comprehend completely what is being communicated, but will also judge more easily the exposition. The chief analytical ideas will be familiar to most readers, for they appear in books that have had some following in administrative circles. The first main idea is borrowed from J.A.C. Brown, who designates three broad historical periods: the Eotechnic, the Paleotechnic and the Neotechnic as useful periods in understanding the history of management. [3] Brown also contributes the second idea — the three important dimensions for understanding the development in industrial society in the three time periods just noted. They are: a) the materials and power available to people in the period, b) the social environment of the period, and c) the social character of the individual in that period. In discussing the third dimension, the social character of the individual, we shall use the well-known notions of David Riesman regarding the directions of conformity that individuals can have: namely, whether a man is tradition; inner, or other-directed. [4] These terms refer respectively to whether a man conforms to a well-established tradition, to values learned in early life, or to peer group values. The third main idea used pertains to the social organization of work during different historical periods. [5] We shall use these three main ideas or analytical tools to delineate the evolution of manpower management from the year 1000 AD to the present.

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(2) A list of historical references is appended to this article.

(3) Brown in turn is borrowing from Lewis Mumford. See J.A.C. BROWN, *The Social Psychology of Industry*, Penguin Books, 1954, pp. 22-40.

(4) DAVID RIESMAN, *The Lonely Crowd*, Doubleday Anchor Books, 1956, pp. 26-40.

(5) In discussing the social organization of work, we borrow freely from many writers, but rely heavily upon the work of Peter Blau, the chief source being his *Bureaucracy in Modern Society*, Random House, 1956.

Evolution of Work Culture

While our historical overview will deal with three discrete periods, this discreteness is obviously an arbitrary one, for history is chronologically continuous. In retrospect, however, each of these periods appears to have a cluster of activities or traits which seem to be relatable. From this cluster we shall infer a need for manpower management and shall note the common response of that period to this need.

Our focus is on culture taken from the perspective of work, for we view work activity as central to any cultural complex. Conversely, we shall also emphasize the socio-cultural conditions that influence work organizations, thus bringing in an economic concern.

Work organizations, like culture, change. How does such a change occur? Is it a planned or a random process? Kluckhohm provides a suggestion when he relates cultural evolution by analogy to biological evolution. [6] He suggests that in cultural evolution, as is the case in biological evolution, there are some changes which can be traced to previous cultural conditions and others which are not traceable to previous conditions. He terms these latter changes cultural mutations. In general then, cultural evolution is either traceable to a previous condition or has a mutation quality to it. [7] In this paper we are not specifically concerned with the catalyst that stimulates cultural change; that is, we are not going to discuss the factors that enabled the change to take place between cultural periods. Our focal point is three cultural periods, each of which is defined by a cluster of activities, and our chief interest is the implications of each cluster of activities for manpower management.

In the historical overview which follows, our thesis will become patently clear; namely, that in early times there was no need for manpower management as a set of conscious, ordered practices separated out of the general management function. [8] With the growing importance of industrialization in economic events, however, a need did arise, although it was largely ignored. It has been in only comparatively

(6) CLYDE KLUCKHOHM, *Mirror for Man*, A Premier Book, 1949, p. 52 ff.

(7) We jestingly offer this as Mikalachki's law : The less we know about how a change occurs, the more we are likely to call it the result of a mutation.

(8) In this we follow E.W. Bakke's views in « The Human Resources Function », *Management International*, Vol. 1, No. 2, 1961, pp. 16-24.

recent times that the ever-increasing need for manpower management has been addressed. Let us now turn to history and trace the evolution of manpower management to the position it now occupies in contemporary industrial society.

THE EOTECHNIC PERIOD

The Eotechnic period generally includes the years 1000 to 1750 AD. During this period, the type of industrial material used was primarily wood and stone, and the type of power was wind, water, and animal. The limitations placed on production by this type of material and power are fairly obvious. One could hardly expect multi-story buildings, mass production, or factories of thousands of workers, given these technological limitations. [9] On the contrary, this period was the merchant and craft guild era. The merchant guilds performed the functions of protecting the distributor, controlling competition, and maintaining product standards. The craft guilds performed the functions of maintaining product standards and protecting the guild members by virtue of an apprenticeship system. The professional accountant societies of today perform the same function roughly through the same means. Both craft and merchant guilds constituted of a number of single proprietorships who in turn articulated and enforced the values of a just price and social justice.

The limited technology of this period also affected the social organization of people. Although the craft guilds with their apprenticeship system allowed individuals to move through the jobs of apprentice, journeyman, and master's assistant, there was little mobility in the society. Individuals living in this period were born to a position — there was a high probability that the blacksmith's son would end up being a blacksmith. This was an established society, deeply rooted in tradition, in which few members possessed aspirations that were incongruent with the expectations of others.

The social character of the individual, in Riesman's terms, was generally tradition-directed and congruent with the nature of society at that time. [10] The role of the individual manager was learned during

(9) We acknowledge exceptions of course. Prominent ones before Medieval times occurred in Rome and Egypt.

(10) Throughout this paper when we deal with social character, we shall be referring to the managerial class. Riesman's categories are related to the middle class, which we believe approximates the managerial class.

his formative years within the milieu of his family, kin group and community. Deviations from learned roles were obvious to the individual, just as they were obvious to the other societal members. Deviants were pressured to behave more acceptably through such sanctions as shame and ridicule. Thus, the ordered society prevalent in the Eotechnic period was characterized by a high degree of certainty and security for its members.

What were the implications for manpower management of the socio-technical cluster of activities which prevailed during the Eotechnic Period? Given the limitations imposed on production by machines made of wood and driven by wind, water, and animal power; an ordered society both on and off the job; single proprietorships employing at the most a few people; and a tradition-directed individual orientation that was congruent with the social order of the day, there was no need for systematic manpower management as we know it today; that is, there was no need for individuals who consciously or exclusively concerned themselves with the management of manpower in a business. This is not to say, of course, that manpower was not managed in the Eotechnic period. It was! It was managed by the order of the day: people learned their values and roles early in life and behaved them throughout their life; this cultural discipline obviated the need for conscious manpower management.

THE PALEOTECHNIC PERIOD

The Paleotechnic period extended approximately from 1750 to 1850 AD.[11] Augmenting the technology of the previous period were such materials as iron and such power as steam engines which derived their energy from the use of coal. The production possibilities resultant from these additions were significantly increased. The new technology allowed the factory system to take hold, which meant that a number of workers could be brought together under one roof to manufacture a product in great quantity. It also included the practices of absentee ownerism and the accumulation of capital. The factory system which emerged in the Eotechnic period is the seed of present day corporate

(11) Note that the period encompasses the pioneering in writing and practical experimentation which the industrial revolution was dependent upon : Adam Smith, Jeremy Bentham, James Watt, Robert Owen and Charles Baddage, to name a few prominent persons.

enterprises such as General Electric, General Motors, General Mills and General Foods.

The strong identification that men had with their work began to wane during this period. To borrow a Marxian notion, the individual was becoming alienated from his work. That is, work was torn out of the social context to which it was related when the guild system was flourishing and dominating the individual's economic endeavours. An individual in the Paleotechnic period worked on meaningless tasks for upwards of 10 to 12 hours per day, and largely for the purpose of avoiding starvation.

The social organization of society during this period was also highly disrupted. With the advent of the factory system, industrial towns sprang up filled with workers attracted from rural areas. The likelihood of an inadequate supply of work was high for two reasons: i) often the supply of workers was much greater than the demand; and ii) many industrial areas were based on a single form of occupation, which if it slumped left the entire community without work and on the verge of starvation. Family relations also altered in this period, with mothers and children competing with their husbands and fathers respectively for jobs. Thus, in the Paleotechnic period, society, composed of people rapidly moving into industrial towns, reflected a conglomeration of individuals whose relationships were relatively poorly defined.

The prevailing concepts, developed and expounded by a variety of authors, reflect the period accurately. It should surprise none that Darwin's survival of the fittest thesis should be put forth during this period, and that the Calvinist credo became widely accepted. The concept of laissez-faire, the view that the invisible hand of the market should rule, the notion that man was motivated by punishment and praise, all typify the ideology of the period. Both through behavior and philosophy the organized, ordered and traditional society of the previous period was being obliterated by a more dynamic, uncertain and disorganized society.

The social character of management at this time was what Riesman calls inner-directed: the individual learned his values in his formative years and then behaved in response to these internalized values. Management thought of work as a technological and rational process rather than in terms of people. The management class was also con-

cerned with new frontiers of trade in other parts of the world, and with the survival of their organization. In general, they were engaging in an endeavour for which there was little precedence. Their code was one which had been internalized in early life. Such frames of reference as Calvin's (in a phrase, salvation lies in hard work) were functional for an individual, for they permitted psychological survival in the chaotic and unprecedented situations which prevailed at the time.

Again we query, what were the implications for manpower management? Given increased production opportunity by virtue of the steam engine and iron; an oversupply of workers pouring in from rural areas; the lack of traditional precedence; a factory system requiring complex methods of administration; an inner-directed management orientation that ignored the problems of the community and only focused on the survival of the industrial organization as management conceived of that organization, there was a need for systematic manpower management. There was a need to consciously manage the supply of workers and establish practices which would lend some stability to the economic activities of workers. However, with an oversupply of workers being assured, management preferred to focus on machines, products, money and material rather than its manpower resource. In retrospect, one easily understands the development of unionism and the enactment of labor legislation, both of which forced management to recognize the significance of the manpower resource. The Paleotechnic period was one in which a need for manpower management, although omnipresent, was largely ignored by the management class.

THE NEOTECHNIC PERIOD

The Neotechnic period dates from approximately 1850 AD to the present. During this period technology has developed rapidly on the basis of newly-discovered or created materials and power. Such materials as alloys, steel, aluminum and plastics related to such source of power as electricity, petroleum and nuclear energy have contributed significantly to the technological revolution. The available materials and power have facilitated the large scale industry that marks the twentieth century.

Bureaucracy is the label frequently used to refer to the large scale industry of the Neotechnic period. The central goal of a bureaucracy is efficiency: that is, achieving the economic or social goals of the organization at the least cost. Some of the principles of bureaucratic

administration include specialization of labor, hierarchy of authority, rules and regulations and an impersonal attitude towards members of the organization. These principles reflect the managers' concern with the manpower resource. However, that concern pertains only to the human resource as it affects efficiency; it does not reflect a concern with individuals as ends in themselves.

Another factor that forced managers to be aware of their human resources was the advent of unionism. In this period, it was not unusual to find organizations in which the management's organizational structure was paralleled by a union structure. The purpose of unions was to allow the workers to better represent their needs to management and to overcome their problem of being completely at the mercy of a capricious manager. Union-management negotiations and labor legislation contributed significantly to the worker's job security.

We shall not describe extensively the social environment of this period because of the knowledge we all process from our own involvement in it. People today are highly mobile in terms of moving to other geographic regions. We have rapidly expanding populations, cities and social institutions; for example, the growth of suburbia — with its joint activities such as community swimming pools, recreational and athletic activities, parent-teacher associations — is written about extensively and frequently. Interestingly enough, suburbia reflects some of the ordered, integrated existence that the guild communities provided in the Eotechnic period. One significant difference, of course, is the relatively separate existence during the Neotechnic period between an individual's economic pursuits and his community affairs; that is, specialists are hired to handle community affairs; whereas at the time of the craft guild, work and play were inextricably interwoven.

It is commonly noted that the social character of the management class in the Neotechnic period is other-oriented. In bold terms, managers look to their peers for affirmation of their beliefs and behaviors. This practice is characterized by the importance of group process and decision-making in the bureaucracies of today. By not being able to rely on an established tradition or conform to internalized values, the Neotechnic manager looks to his peers for the values that direct and reinforce his behavior.

What are the implications for manpower management of the cluster of socio-technical activities that prevail during the Neotechnic period?

Given the unparalleled increase in production opportunities afforded by alloys and atomic power; the high geographic mobility of manpower; the bureaucracy seeking to maximize efficiency; the quasi-stable environment of suburbia; and the other-oriented social character of individuals, there is a strong need for manpower management. This need is answered today by personnel departments or managers performing a personnel function. The ostensible purpose of this function is to determine the number and kind of personnel required, to recruit, select and possibly train that personnel, and to manage the adaption of that personnel to the organization and vice versa.

Summary

In this paper we have presented a historical overview which considers the implications for manpower management of various cultural elements for each of three historical periods. Figure I presents the analytical tools used to relate manpower management to the various cultural elements. Our thesis is that during the Eotechnic period there was no need for manpower management as a consciously controlled set of practices separated out of the general management function. In the Paleotechnic period, as a result of the growing importance of industrialization, a need for manpower management did arise; however, it was largely ignored. It has been only in the Neotechnic period that the need for manpower management has been recognized and addressed in a responsible fashion.

FIGURE I

Tools of Analysis

Eotechnic: 1000 AD - 1750 AD

I Materials & Power

II Social Environment
- a) Organization of town, village, or community
- b) Organization of « work »

III Social character of the individual (Mgmt.)
- a) Tradition directed
- b) Inner directed
- c) Other directed

IV Implications for Manpower Management

Paleotechnic: 1750 AD - 1850 AD

Neotechnic: 1850 AD - Present

While we emphasize the existence of an evolving need for manpower management, we likewise wish to highlight the existence of practices which attempt to meet the need. Given the acceleration of change in all phases of life, we are concerned with the role a manager should play with regard to human resources. Must he, as in the past, primarily react to pressures created by a changing work culture? Or can the modern manager take a more dynamic role and actively initiate manpower management practices that influence the very nature of work cultures? If the latter alternative is chosen, the value of a historical perspective is high. Assuming that the cultural elements shaping manpower management in the past hold in part for the future, figure I presents a rough model of the elements worth noting for future changes in manpower management needs. The manager responsible for carrying out the manpower management function can monitor these elements and anticipate the nature and scope of manpower management which would best fit the evolving situation. It is in this manner that history provides man with clues that allow him to manipulate the future in an active and effective fashion.

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ÉVOLUTION DE LA DIRECTION DU PERSONNEL : APERÇU HISTORIQUE

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