

Chapter 1

Human Relations: A Background

Learning Objectives

After studying this chapter, you will be able to accomplish the following objectives:

LO 01-01: Define human relations.

LO 01-02: Explain the importance of human relations in business.

LO 01-03: Discuss the challenges of human relations as these factors affect success in business.

LO 01-04: Identify what the study of human relations does *not* include.

LO 01-05: Describe the areas of emphasis for human relations in today's workplace.

LO 01-06: Discuss a short history of the study of human relations.

Key Terms

Bureaucracy: A formal organization in which each person has specific duties and responsibilities and is assigned to only one supervisor.

Communication: The giving and receiving of ideas, feelings, and information among people.

Group dynamics: The set of interpersonal relationships within a group that determine how group members relate to one another and that influence task performance.

Growth mindset: The belief that our basic abilities can be developed and improved through dedication and hard work.

Hawthorne experiment: A five-year study conducted at the Western Electric plant in Hawthorne, Illinois, that showed that workers performed better when someone was paying attention to them.

Human relations: The skill or ability to work effectively through and with other people.

Informal organization: The ever-changing set of relationships and interactions that are not formally put together; they form naturally in the workplace.

Motivation: The force of the need or desire to act.

Mutual respect: The positive consideration or regard that two people have for each other.

Scientific management: A system based upon scientific and engineering principles.

Self-awareness: The knowledge of how you are being perceived by others.

Self-disclosure: The process of letting other people know what you are really thinking and feeling.

Self-esteem: The regard in which an individual holds themselves.

Theories X and Y: Theory X managers see workers as lacking ambition, disliking work, and wanting security above all else. Theory Y managers see workers as enjoying work, able to assume responsibility, and being creative.

Total Quality Management (TQM): A management organizational philosophy that was very influential in the 1980s and 1990s, which stated that quality must be present in the product or the service produced, and in the process itself of producing the goods or service. See quality movement.

Trust: Firm belief in the reliability, truth, ability, or strength of someone or something.

Opening Vignette: Social Media Meltdown

Riley worked as an administrative assistant at the county's Small Business and Entrepreneurship Program. His job required him to deal with dozens of people each day, often at a dizzying pace. The last client of the day was rude and insulting to him. Voices were raised and tempers flared on both sides.

Later that night, Riley logged into his X (formerly Twitter) account and started venting. He really let them have it. The next morning at work, Riley was asked for his resignation. As a public employee, Riley had signed a confidentiality and ethics agreement that he would not disclose private information related to the program, and he would not make public statements that put the organization in a bad light.

Riley was in complete shock and offered excuses, but there was no way to explain away what he had posted. Riley's impulsive behavior had become a human relations nightmare for the organization, clients, staff and administrators, and Riley himself.

Consider Riley's predicament. At what point did his situation become problematic? As you read through Chapter 1, ask yourself "Which of the areas of major emphasis in human relations arise with Riley's situation?" How can human relations knowledge and skills be used to resolve this situation? (Reviewed at the

end of the chapter.)

Lecture Outline

I. What Is Human Relations?

Human relations is the skill or ability to *work effectively through and with other people*.

- Human relations includes a desire to understand others, their strengths and areas for growth, and their talents and abilities.
- Human relations also involves an understanding of how people work in groups, satisfying both individual needs and group objectives.
- Poor human relations skills can make an otherwise competent person seem like a poor performer.

II. The Importance of Human Relations Skills

The ability to create and maintain effective relationships with others is the most important reason to understand human relations. Other reasons for studying human relations include:

- **Human rights**
 - Today, managers and employees have a greater awareness of the rights of employees.
 - This awareness calls for more skillful relations among employees, using tact, **trust**, and diplomacy with greater skill.
 - Addressing the needs of the *internal customer* promotes human rights within the workplace by creating a culture of mutual respect among employees and managers.
- **The global marketplace**
 - Global opinion of Americans varies by country.
 - Improving your interpersonal skills can promote an image that Americans do respect individual liberties both at home and abroad, and assure a competitive advantage in the global marketplace.
- **Emphasis on people as human resources**
 - Managers and corporate planners emphasize the human factor in addition to technical or occupational skills.
 - Successful job applicants are also being sought for their business “soft skills” (also known as interpersonal skills or people skills). These include factors like

effective communication, responsibility, teamwork, leadership, time management, problem-solving, compassion, resilience, adaptability, empathy, and an “ethical compass.”

- **Renewed emphasis on working groups**
 - Helping groups work well together requires excellent human relations skills.
 - Both managers and employees need to understand the group dynamic if such participation is to be effective.
 - This is true today more than ever, with employees working in hybrid or remote settings.
- **Increasing diversity in the workplace**
 - Few countries on earth contain the diversity of race, religion, and culture that exists in the United States.
 - Foreign-born residents made up nearly 14 percent of the U.S. population in 2022.
 - Globally, women in the workplace has increased dramatically.
 - Older Americans are an increasing share of the workforce; the participation rate for workers age 65 and older is expected to increase to 23.3 percent by 2028.
 - A deep understanding of the differences that diversity brings is one of the most important skills in human relations.
- **Remote work**
 - When employees work partly or fully remotely, human relations can be more challenging.
 - Web-based meetings can make communication less effective.
 - Shared office culture can be lost when employees are not in the same physical space.
 - However, remote work is here to stay, so it is worthwhile to have the skills to build relationships in an online environment.

A. Human Relations and You

Human relations skills can help you get a job, enjoy the work, be more productive at it, and stay there longer with better chances for advancement.

- **You, the Manager**

- For a manager, no skill area is more important than human relations abilities.
- A manager with good human relations skills will retain employees longer, be more productive and help the organization be more productive, while providing employees with the type of positive engagement that promotes a more enjoyable workplace environment.

- **You, the Entrepreneur**

- When a person is the owner and operator of a business, their people skills—or human relations—are among the most important factors in their success.
 - Even in an e-commerce business, human relations skills matter immensely.
- In a larger sense, a person's knowledge of human relations helps the work they do—or the business they own—provide fulfillment.
 - Many entrepreneurs become business owners to escape the feeling of uselessness associated with their former jobs.
 - The entrepreneur is in the position of being able to control the human climate of the business they own and operate.

- **You, the Engaged Employee**

- Employee engagement leads to reduced turnover, higher productivity, and increased profitability.
- Being uninvolved, unapproachable, or pessimistic about your work can be reasons for lack of success.
- Staying engaged and practicing good communication with your supervisors, clients, and other co-workers will set you on a good track.

III. Current Challenges in Human Relations

Changes and challenges at the individual level will impact changes at the professional level.

- Young Millennials and those from Generation Z entering the job market for the first time can find that good, sustainable-wage jobs are hard to come by, and that advancement can be difficult at first.
- Problems faced by this group, and by the slightly older Generation X, are often blamed on the Baby Boomers, who are mostly in management positions.
- This potential intergenerational friction may have a direct and profound effect on relations in the workplace.

A. Increased Competition in the Workplace

- Competitiveness reaches into all geographic areas—urban, suburban, and rural—and affects all businesses, large and small.
 - Small businesses may feel pressure to meet the high international standards of the foreign market, and of the huge multinational companies.
 - The increasing expectations among consumers that they can get most of what they need online and delivered to their doorstep creates a source of major competition.
- Secure, well-paid jobs are more competitive than ever before.
 - Having a college degree is no longer a ticket to a meaningful career, as it was just a generation ago.
 - This new reality causes a great deal of frustration for many people in the workplace, and many human relations problems can result.
- Another important factor in competition is the current strength of some of America's trading partners.
 - China's economy continues to drive global growth despite a recent slowdown.
 - Worldwide issues such as wars, widespread illness such as the global COVID-19 pandemic, new technology, trade wars, changing international trade agreements, and the global political landscape are among many of the factors that affect the global economy and the global workplace.

B. Changing Work Dynamics

- Most families now need income from more than one adult member to survive comfortably.
 - This reality has placed a strain on the household and its members—a strain that is felt in the workplace in several ways.
 - First, additional financial pressures at home cause workplace stress.
 - Second, for those who have children, the time needed for the everyday realities—such as visits to the doctor and transportation to and from school—create difficulties for everyone involved.
- Two important factors have contributed to the existence of a higher number of single parents than was prevalent among generations before the Baby Boomers: a high divorce rate and an increase in the number of never-married parents.
 - The single parent must be the provider, taxi service, and emotional support source for children.
 - These many roles often result in a spillover effect of frustration and stress in the workplace for the single parent, leading to a sense of being overloaded.
- A divorced person typically has to go through a period of emotional recovery, during

which many emotive issues can form.

- Such issues often adversely affect job performance and attitudes, harming relationships with bosses and fellow employees.

C. “Sandwich Generation” Getting Cheesed

- Life expectancy is now longer than in the decades prior to 2000.
 - This rise in life expectancy, along with fewer high-income jobs for older adults, and cuts to pension funds and post-retirement health insurance, means that many middle-aged adults now find themselves supporting their own children along with their aging parents—all at the same time.
- These middle-aged adults who find themselves squeezed for time and finances are often referred to as the “sandwich generation” (with the older, dependent parents as one piece of bread, and the dependent children as the other, and the middle-aged adults in the middle).
 - The added responsibilities exist when parents or in-laws live with the adult children and their families, but also when one’s older parents live alone or in retirement homes.

IV. What Human Relations Is *Not*

Some characteristics that the study of human relations *does not* have:

- First, human relations is not the study of understanding human behavior in order to manipulate others.
 - Good human relations means being authentic, positive, and honest.
- Second, learning better human relations skills is not the only skill one must have.
 - Nor is it a quick fix for deep and ongoing personal problems.
- Lastly, human relations is not just *common sense*.
 - In fact, in the area of human relations, common sense is all too *uncommon*.
 - The abuses of many workers, the misunderstandings that cost thousands of companies millions of dollars every year, the unhappiness of many employees: these are all factors illustrating the need for a strong foundation in human relations.
- The rapid advance of technology in the workplace challenges our notions of historic organizational structures, as well as basic human relations in a workplace setting.
 - As technology advances, effective human relations in the workplace are more critical than ever.
 - One key example is artificial intelligence (AI) in the workplace, which will

continue to evolve and change the way businesses and employees interact with their work, and with one another.

V. Areas of Major Emphasis

Study of human relations has two goals: personal development and growth, and achievement of an organization's objectives. See Figure 1.1.

A. Self-Esteem

- **Self-esteem** is your feeling of confidence and worth as a person.
 - Psychological research has shown that lower self-esteem is related to a variety of mental health problems, including alcoholism, anxiety, and depression—all of which cause complications on the job.
 - Higher self-esteem, on the other hand, improves attitudes, job morale, and overall quality of life.
 - In the workplace, high self-esteem and self-awareness are key to top performance and quality work—especially when the work directly affects other people.

B. Mutual respect

- **Mutual respect**, the positive consideration or regard that two people have for each other, can exist only when your self-esteem is stable.
 - If a person's self-esteem is low, they will have little energy left for cultivating mutual respect.
 - Also, without trust, mutual respect is meaningless.
 - Many human relations specialists rate trust as one of the key elements of a successful employee-manager relationship and the single most important element in human relations.

C. Self-Awareness and Self-Disclosure

- **Self-awareness** is the knowledge of how you are being perceived by others.
- **Self-disclosure** is the process of letting other people know what you are really thinking and feeling.
 - Self-awareness allows you to know what in your own behavior is being perceived as real by other people; self-disclosure involves “being real” or authentic with others.
 - Self-disclosure, on the other hand, reflects the positive side of human relations.
 - By allowing others to see what feelings and thoughts you really have in a given instance, you can encourage genuineness in the other person.

D. Communication Skills

- **Communication** is the process of sending ideas, feelings, and information from one individual or group to another, and having them received in the way the sender of the message intends.
 - The communication process is at the heart of all managerial functions, and directly related to success or failure at the managerial level.
- For individuals and groups to accomplish their goals, *effective* communication is essential.
 - Much of your success depends on your ability to express ideas and concepts precisely.
 - Part of that ability is based on active listening and observation, which includes discerning feelings and emotions as well as for objective content.

E. Group Dynamics

- Once a group is formed, it immediately requires understanding, planning, and organizational tactics appropriate for groups.
 - Thus, understanding **group dynamics**—the ways in which groups operate—is a cornerstone in the study of human relations.
- The nature of business work often involves collaboration.
 - For success, people learn how to make group processes more effective.
- When considering the group dynamic, today's teams differ from the teams of the past.
 - They are far more diverse, often dispersed, highly digital, and dynamic.
 - But their success still hinges on the fundamental skills emphasized in this section—self-esteem, awareness, mutual respect, effective communication, motivation, and maintaining a growth mindset.

F. Motivation

- People often use the term **motivation** to describe the force that compels them to do their tasks.
 - Motivation derives from the needs of the individual and of the group.
 - It is also a major element in understanding human relations.

G. Growth Mindset

- At its core, a **growth mindset** is the belief that our basic abilities can be developed and improved through dedication and hard work.
 - A mindset tuned to *growth* is thought to be the opposite of a *fixed* mindset, which

can decrease self-knowledge and self-awareness, cut off opportunity, and provoke dissatisfaction, disappointment, and a broad range of associated feelings.

VI. A Brief History of Human Relations

The history of human relations is essential to a thorough understanding of its place in today's world.

- Human relations have always been important for social harmony throughout the history of humankind.
- Because of societal changes across time and place, the history of human relations has been dynamic and continues to evolve.

A. The Early Years

- Awareness of the importance of the concept of human relations began in the 19th century.
 - Figure 1.2 gives a thumbnail of major events in the field.
 - The Knights of Labor, founded in 1869, was much like the labor unions of today.
 - The labor union movement might never have started if human relations between managers and workers had been better, and if working conditions had been more tolerable.
- In early 19th-century England, a man named Robert Owen came up with the amazing idea that treating workers better would actually increase productivity and, thus, profits.
 - Owen introduced many reforms in the industry of the time.
 - For example, he stopped employing young children in his factory and encouraged his workforce to abstain from abusing alcohol.
 - Although by today's standards these measures might seem basic, Owen was quite progressive for his time.
- Like Robert Owen, Andrew Ure (also from Great Britain) was interested in human relations in manufacturing companies.
 - In 1835, Ure published a book called *The Philosophy of Manufacturers*.
 - His book suggested that workers should have medical help, hot tea on a regular basis, good ventilation, and even sick leave—again, all ideas that were advanced for their time.
- The first decades of the Industrial Revolution (1760–1840) were full of abuses, and many immigrants were forced to face inhumane working conditions.
 - Some of the better employees built “company towns,” which, in many cases,

produced happier and more loyal workers.

- In Germany, a sociologist named Max Weber saw human relations problems as being caused by favoritism, nepotism, and other unfair practices.
 - Weber came up with the bureaucratic organizations approach, a system that was meant to be impersonal and rational.
 - In Weber's model, called *bureaucracy*, each person had specific duties and responsibilities that were to be assigned on the basis of ability and talent only.
 - Also, the work of the people in an organization was to be done in an orderly way, with only one supervisor to whom each worker must answer.
 - This approach reduced favoritism and many other unfair practices.

B. Human Relations as a Science

Today, the word **bureaucracy** often has a negative connotation.

- The word is often associated with government inefficiency (“red tape”) and paperwork.
- Bureaucracy actually started out as a method of improving not only efficiency, but human relations as well.

C. Scientific Management

- In the early years of the 20th century, Frederick Taylor and others began a movement called **scientific management**.
 - He is often criticized as someone who cared more about production than about the needs of workers.
 - However, Taylor is important to the history of human relations because he showed how crucial the human element is in the performance of any organization.
- Like others in the scientific management movement, Taylor was concerned with increasing efficiency while getting as much work as possible out of employees.
 - Taylor's approach contained two major features:
 - Managers should carefully select and train workers for specific tasks.
 - Managers should try to motivate workers to increase productivity.
- One of Taylor's best-known theories was the invention of the *optimum shovel*.
 - At an eastern steel mill, Taylor watched men shoveling coal for the large smelters.
 - Using the same shovel, these men also loaded cinders into waste containers.
 - Taylor came up with the idea of two shovels: a much larger shovel for the light cinders and a smaller shovel for the heavier coal.
 - The shovels were the right size and weight to allow the maximum work without

the need for frequent rest periods.

- Productivity rose immediately, making Taylor and scientific management both very popular.

D. Frank and Lillian Gilbreth

- Living around the same time period as Taylor, Frank and Lillian Gilbreth were a married couple who were both industrial engineers—and scientific managers.
 - The Gilbreths became especially well-known for their research study of bricklayers.
 - Frank Gilbreth identified 18 different motions that had been used by bricklayers, apparently for as long as people had been laying bricks.
 - By inventing labor-saving devices and changing the basic routine, the Gilbreths reduced those 18 motions to 5, doubling productivity.
- Lillian Gilbreth was especially interested in studying workers and their reactions to working under stressful conditions.
 - She taught the importance of standard workdays, relaxed and regular lunch breaks, and periodic rest periods.
 - Her life's work helped influence Congress to pass child labor laws.

E. Mary Parker Follett

- In the early years of the 20th century, Mary Parker Follett became known for her lectures and writings on what people now call human relations issues.
 - Follett was a member of an established upper class and was quite influential.
- Follett taught three concepts that were ahead of their time:
 - First, she held that workers should be allowed to be involved in decisions affecting them.
 - To her, it was logical that the people closest to the action could make the best decisions.
 - Second, she stressed that the workplace is dynamic—that is, constantly changing.
 - Inflexible, static rules were potentially harmful to productivity.
 - Finally, Mary Parker Follett believed that the main job of managers at all levels was to maintain positive relationships with workers.
 - Happy workers with a sense of belonging, she said, would end up making more money for the company and would remain at the same job for a longer time.

F. The Hawthorne Experiment

- In the late 1920s, a group of scientific management scholars went to a factory in Hawthorne, Illinois, to study the effects of physical factors on workers and their productivity.
 - Each time they tried an experiment, productivity rose.
 - When they reversed the experiment, productivity still rose.
 - Productivity increased both when the lights were brightened *and* when they were dimmed.
 - The problem confronting these scientific management scholars attracted the attention of Elton Mayo, a social psychologist from Harvard University.
 - He traveled to Hawthorne and stayed.
 - For nearly five years, from 1927 to 1932, he and his Harvard colleagues studied the **Hawthorne Experiment**.
- The following two important discoveries came from this five-year study:
 - First, Mayo showed that the workers at Hawthorne performed better because someone was paying attention to them.
 - Second, Mayo found that the relationships that had formed naturally in the workplace made up what he called the **informal organization**.
 - If a worker is less motivated on a particular day, the expectations of the group will make up the difference, and productivity remains the same.
- Recent research suggests workers were likely motivated by fear as well as by attention.
 - Whether fear or attention, human relations issues are still the driving force in the workers' behavior.
 - Although Mayo's findings have been reexamined, the original shape of those findings remains influential.

G. Human Relations and Management

- Probably the most important improvement Elton Mayo brought about was to change the way management looked at workers.
 - Rather than seeing workers mostly as people who need wages, managers now began to understand that the complex needs of workers include a unique combination of values, attitudes, and desires.
- During the Great Depression, labor unions began to gain power.
 - Congress passed the Wagner Act in 1935, giving unions and union members more rights than they had enjoyed before.
 - Unions emphasized salary and benefits rather than employee treatment and workplace morale.

- By the time the Japanese bombed Pearl Harbor in 1941, the Depression was showing some signs of lifting.
 - Once the country began gearing up its manufacturing sector for World War II, the workplace was affected drastically.
 - With hundreds of thousands of young workers going overseas to fight, employers were forced to hire nearly anybody who would work.
 - Managers knew their employees would be very hard to replace, so treatment of workers temporarily improved.
- Throughout the war, and in the years immediately following, many studies were conducted on factors affecting the area of human relations.
 - The noted psychologist Abraham Maslow devised a “hierarchy of needs,” which illustrates that people tend to satisfy their needs in a certain order.
- In 1960, David McGregor introduced the concepts of **Theory X** and **Theory Y**.
 - Theory X managers see workers as lacking ambition, disliking work, and wanting security above all else.
 - Theory Y managers, on the other hand, see workers as happy to work, able to assume responsibility, and overall quite creative.
 - These two theories—especially Theory Y—have influenced thinking in both management and human relations since the year of their creation.

H. Human Relations, History, and the Individual

- In the early 1960s, Eric Berne had created his famous *Transactional Analysis* method of understanding interpersonal communication.
 - Carl Rogers published his findings on the development of the personality, group dynamics, and conflict management.
- By 1980 **Total Quality Management (TQM)** had been introduced in the United States as it had been three decades earlier in Japan.
 - The man responsible for this new movement was an American named W. Edwards Deming.
 - This important school of thought held that the *process* of whatever happens in an organization is more important than the *product*.
 - Doing away with targets, “zero defects” programs, and slogans, those practicing TQM concentrated on the process—which inevitably includes people and relationships.
- By the late 1980s, Total Quality Management had changed industry both in the United States and abroad.

- From the mid-1990s to the present, the label “TQM” has been heard less frequently.
- However, the process of TQM survives under other names—sometimes simply “quality”—and remains an important part of many successful organizations.
- George Ritzer, a sociologist who studies topics such as globalization, buying and consumptions patterns, and meta-theory, provides a well-known theory he calls the McDonaldization of society.
 - An extension of Max Weber’s ideas, this theory is the idea that corporate culture is based on *efficiency, calculability, predictability, and control*.
 - The downside is that people who work in companies with this business model tend to feel more like machines and less human.
- The 1970s through the 2000s saw a tremendous growth in the academic study of human relations.
 - Today, an increasing number of college business and industrial education departments require courses in human relations.
 - This trend reflects the growing awareness of the importance of understanding and working with others effectively.
 - As the global economy continues to develop, human relations assumes a broader significance.

Strategies for Success 1.1: Develop Mutual Respect

- Develop your self-esteem.
 - No matter what your age or self-esteem level, you can always learn to like yourself more.
 - Chapter 02 will cover self-esteem in great detail and provide tips on how you can build your own self-esteem.
- Develop your self-awareness.
 - You must know yourself before you can value yourself highly and express yourself honestly to others.
 - You will learn more about how to develop self-awareness in Chapter 03.
- Develop trust.
 - With trust, your relationships will grow deep and meaningful.
 - You will be able to tell others what’s in your “gut” without fear.
- Learn to self-disclose.
 - Self-disclosure and trust are areas that you can develop simultaneously.
 - Chapter 03 will cover self-disclosure in greater detail.
- Cultivate mutual respect.

- Developing trust will lead to mutual respect, as you forge relationships based on honesty and an appreciation for others.
- Treating others in the way you would like to be treated builds respect, which strengthens workplace relationships.

Strategies for Success 1.2: Build Your Communication Skills

- Learn to communicate honestly.
 - When you communicate honestly, your listeners learn to respect and trust you more.
- Learn what effective communication is and how to develop this skill.
 - Effective communication is communicating so that you listener receives the message you intended to send.
 - Chapter 06 discusses communication in more detail.
- Know what you are communicating to others by increasing your self-awareness.
 - If you have low self-awareness, you may communicate so that your true meaning is unclear.
 - You will learn more about self-awareness in Chapter 03.
- Know what you are communicating to others by your nonverbal signals.
 - Conflicting verbal and nonverbal messages can lead to confusion and mistrust.
 - Nonverbal communication is covered in more detail in Chapter 06.
- Learn to deal effectively with conflict.
 - Effective communication skill involves the ability to deal with conflict.
 - Chapter 11 will show you how to deal with conflict to restore trust and mutual respect.

Review Questions

1. **In your own words, write a one- or two-sentence definition of human relations as you would have defined it before reading this chapter. Then, assuming your definition has changed a bit, write a new one.**

Sample answer: Human relations is the maintenance of proper relationships among other people or employees within any organization. It is the skill or ability to work effectively through and with other people. It includes a desire to understand others' needs, weaknesses, talents, and abilities. As mentioned earlier, students might come up with various definitions.

2. **Consider the importance of Elton Mayo and his work in the Hawthorne studies to the history of human relations. Fear was noted as a possible driver for productivity in the studies. Do you think fear is a good long-term motivator for employees? Why or why**

not? How would human relations skills affect a fear motivation?

Sample answer: Two important discoveries came from Elton Mayo's Hawthorne studies. First, Mayo showed that the workers at Hawthorne performed better because someone was paying attention to them. This attention was more than they had been accustomed to receiving at work, and they responded with extra motivation. Second, Mayo found that the relationships that had formed naturally in the workplace made up what he called the informal organization. On days when a worker would not be as motivated as usual, the expectations of the group would make up the difference, and productivity would remain high.

While fear may return rich dividends in short term, it may prove counterproductive and employees may actually start turning a blind eye to the factor causing the fear, once they understand how to overcome this fear.

3. How can the development of human relations skills help you on the job as a manager? As an entrepreneur? As an employee?

Sample answer: The development of human relations skills can help a manager to retain employees longer, be more productive, and provide employees with an enjoyable environment. Knowledge of human relations helps an entrepreneur to carry on with work and provide fulfillment to business. The entrepreneur is in a position to control the human climate of the business. For employees, developing interpersonal skills is extremely important for the advancement of their career and will affect the ways in which their fellow employees, supervisors, and customers view their overall performance.

4. Consider the information on Theory X and Theory Y. Which theory do you think is more useful, and why? If you chose Theory X, why do you think some people who win the lottery continue to work anyhow, or do volunteer work? If you chose Theory Y, why do you think some employees seem unhappy with working no matter what they are doing?

Sample answer: Depending on various factors such as the type of work, workload, and work atmosphere, managers may view their workforce in different perspectives. While most employees will prefer Theory Y, there should be well-demarcated boundaries within the workflow, past which Theory X comes into play. As far as employees' continuing to work is concerned, students may suggest a variety of reasons that may include personal, professional, or psychological reasons. Therefore, answers will vary greatly.

5. List three reasons why human relations issues are more important today than ever before.

Sample answer: The following are the three reasons why human relations issues are more important today:

- Greater awareness of human rights
- Global markets
- Growing emphasis on people as human resource

Excluding the three reasons mentioned above, students could also come up with two other skill sets that are as follows:

- Renewed emphasis on working groups
- Increasing diversity in the workplace

6. Why is self-esteem important to the development of human relation skills?

Sample answer: The study of human relations has two goals: (1) personal development and growth, and (2) achievement of an organization's objectives. Self-esteem, which is your feelings of confidence and worth as a person, is one of the many areas of emphasis that takes both of those goals into consideration. Psychological research has shown that lower self-esteem is related to a variety of mental health issues, including alcoholism, anxiety, and depression—all of which cause problems on the job. Higher self-esteem, on the other hand, improves attitudes, job morale, and overall quality of life. In the workplace, healthy self-esteem is the key to top performance and high-quality work—especially when the work directly affects other people.

7. List the seven “areas of emphasis” in the study of human relations and explain each one briefly.

Sample answer: The main areas of emphasis in the study of human relations are self-esteem, mutual respect, self-awareness and self-disclosure, communication skills, group dynamics, motivation, and a growth mindset.

Self-esteem is your feelings of confidence and worth as a person. It is at the core of most issues in human relations.

Mutual respect, the positive consideration or regard that two people have for each other, can exist only when your self-esteem is stable. People at all levels of an organization need trust and mutual respect to perform at their best.

Self-awareness and self-disclosure are interconnected. Self-awareness is the knowledge of how you are being perceived by others. Self-disclosure is the process of letting other people know what you are really thinking and feeling. Self-awareness allows individuals to know what in their own behavior is being perceived as real by other people; self-disclosure involves “being real” with others.

The communication process is at the heart of all managerial functions, and it is directly related to success or failure at the managerial level. It is also a vital part of all personal interactions.

Group dynamics is the ways in which groups operate. It is a cornerstone in the study of human relations.

Motivation can be described as the force that gets people to do their tasks. It derives from the needs of an individual and of a group.

A growth mindset is the belief that our basic abilities can be developed and improved through dedication and hard work. A mindset tuned to *growth* is thought to be the opposite of a *fixed* mindset, which can decrease self-knowledge and self-awareness, cut off opportunity, and provoke dissatisfaction, disappointment, and a broad range of associated negative feelings.

8. Why did the human relations movement not make much progress during the Great Depression? Discuss the relevance that experience might have to today's workplace.

Sample answer: During the Great Depression, though interest in human relations still existed, the great job shortage made many employers feel that they could “fire the problems and hire the solutions” by firing employees they disliked until they found ones who suited their needs. Students might come up with various other ideas while discussing the relevance of this experience at workplace.

9. Have you worked in a position that fit with George Ritzer's McDonaldization model? If yes, describe the system and your experience in it. If no, describe places you have been a customer that seem McDonaldized and imagine how you would feel there as an employee.

Sample answer: Student's answers will vary depending on their work experience. Everyone can relate to the second part of the question asking students to imagine how it would feel to work at such a place. Some students may feel this is an ideal situation as there is a method and a system for every menu item which takes any of the guesswork out of the job. Others may feel this is the most de-humanizing job anyone could ever hold.

Critical Thinking Questions

1. Explain the importance of the work of Frederick Taylor and Frank and Lillian Gilbreth and the scientific management movement to the development of modern industry.

Sample answer: In the early twentieth century, Frederick Taylor and others began a movement called scientific management. Taylor is important to the history of human relations because he showed how crucial the human element is in the performance of any organization. Like others in the scientific management movement, Taylor was concerned with increasing efficiency while getting as much work as possible out of employees. He stressed that managers should carefully select and train workers for specific tasks and try to motivate workers to increase productivity.

Frank and Lillian Gilbreth were pioneers in time and motion study. Their early work included refining the bricklaying process. Lillian Gilbreth taught the importance of standard workdays, relaxed and regular lunch breaks, and periodic rest periods to workers. Her life's work helped influence Congress to pass child labor laws.

2. What are the problems of today's society that cause greater stress on the job, thus increasing the need for human relations skills? List and explain the importance of each.

Sample answer: The problems of today's society result in greater stress for employees on the job. The problems arise due to increased competition in the workplace, dual-career families, single-parent families and divorce, and supporting two generations of dependents.

There has been increased competition in the workplace. Competitiveness reaches into all areas—urban, suburban, and rural—and affects all businesses, large and small. Small businesses feel pressure to meet the high international standards of the foreign market and the huge multinational companies that dominate the economy. Higher paid family-wage jobs for all age groups are more competitive, and just having a college degree is no longer a ticket to a meaningful career, which causes a great deal of frustration for many people in the workplace, resulting in human relations problems.

Most families now need income from both adult members to survive comfortably. This reality has placed a strain on the family and its members, which is felt in the workplace in several ways:

- Additional financial pressures cause workplace stress.
- The time needed for everyday realities of family life create difficulties for everyone involved.

A high divorce rate and an increase in the number of never-married parents have resulted in the increase in the number of single parents than was prevalent among the Baby Boomer generation. Besides the already-heavy burdens of single parenthood that many workers have, they are often dealing with challenging issues of self-worth and self-esteem.

The rise in life expectancy, fewer high-income jobs for senior citizens, and cuts to pension

funds and post-retirement health insurance have resulted in many middle-age adults supporting their own children, aging parents, and parents-in-law—all at the same time. This sandwich generation finds it difficult to manage time and financial affairs smoothly, causing stress.

3. **Consider Peter Drucker's statement that “Management is about human beings. Its task is to make people capable of joint performance, to make their strengths effective and their weaknesses irrelevant.” Can you think of examples in your own life where a leader helped facilitate this for a group you were part of (whether or not you were the leader)? Did this help you feel more motivated to complete the task your group was working on? Why or why not?**

Sample answer: In most cases, students may choose leaders from a sports team or a work team in class. The extent to which the leader in question positively influenced the individual student will differ among students.

Opening Vignette: Social Media Meltdown (Revisited)

After reading Chapter 1, which of the areas of major emphasis in human relations arise with Riley's situation?

Suggested answer: Riley has broken the mutual respect with his supervisor, client, and fellow employees. He was lacking both self-awareness and self-disclosure when posting to social media. Riley also broke the communication process with his clients and his supervisor. There was no miscommunication, just uncalled-for communication. He also broke the group dynamics between himself and his supervisor, client, and co-workers.

How can human relations knowledge and skills be used to resolve this situation?

Suggested answer: I am unsure anything can be done to get Riley's job back, but a public apology would be a good start. To avoid this situation in the first place, Riley should have practiced being an engaged employee—using good communication with superiors, clients, and co-workers. Riley could have vented to his supervisor or a co-worker before leaving work, which would have lessened the need to vent later, publicly, on X (formerly Twitter).

Working It Out 1.1: Communicating with a Supervisor

Moria Johnston is the president of Elko Manufacturing Company. Workers are in short supply and Moria noticed the turnover rate is extremely high in one department. Janae Kent is the supervisor in this department and has problems relating to her workers. Moria has asked Janae several times why turnover is so high in her department; she tells Janae she overheard workers complain about the way Janae treats them. Janae insists she is “tough, that's all, not

unreasonable.”

The instruction is to have four volunteers play out two separate role plays. The first will present how Moria should *not* confront Janae with her concerns. Then, without discussion, the second role play shows a better way for Moria to communicate her concerns to Janae. Finally, have the class discuss both role plays.

How could those differences create human relations issues?

Suggested answer: This is tricky because Moria, as president, needs to protect Janae’s human rights as well as the human rights of the employees under Janae’s control. If the rumors are true, the employees that have left due to Janae’s treatment could file a lawsuit against the company saying they were not treated with dignity, respect, equity, or fairness. If Moria is too confrontational with Janae, Janae could sue and claim her human rights were violated.

How can effective human relations prevent or solve misunderstandings related to these differences?

Communication skills and awareness of group dynamics are critical in this situation. Janae needs to be prodded into some self-awareness and self-disclosure to find what is behind her poor treatment of her employees. She also needs the motivation to seek out these answers.

Working It Out 1.2: History Today

This exercise can be completed individually or in small groups.

Suppose you are the CEO of a large international manufacturing firm that produces pet food. Profits are down, and your shareholders and investors are pushing you to increase profits.

Choose two of the historical figures from this chapter and explain how each would work to meet the goals of increased profits for your pet food company. What pitfalls would they need to avoid? What other factors would need to be taken into consideration?

Suggested answer: Possible answers are broken down by each person mentioned.

- Robert Owen—you could treat workers better to increase productivity, and profits.
- Andrew Ure—following Ure’s advice, you could offer workers medical help, regular breaks, good ventilations, and sick leave.
- Max Weber—you could reduce favoritism and other unfair practices by increasing bureaucracy and assigning workers specific tasks based on their ability and talent. Keep work flowing in an orderly way and only require a worker to report to a single supervisor.

Avoid the pitfall of “red tape,” which can slow down production.

- Frederick Taylor—if following Taylor’s scientific management, you should carefully select and train workers for specific tasks, and then motivate workers to increase productivity. Careful hiring and in-depth training are factors to consider. Also consider what would motivate employees. This may not be money alone.
- Frank Gilbreth—you could possibly increase production by identifying all the current worker motions and trying to reduce those motions to a lower number.
- Lillian Gilbreth—you could standardize workdays, relax the regular lunch breaks, and offer periodic rest periods to decrease stress in workers, thus increasing productivity.
- Mary Parker Follett—you could increase workers’ participation in decisions affecting them. You could change inflexible, static rules to improve productivity in your workforce. And you could stress to your managers the importance of positive relationships with workers.
- Elton Mayo—you could simply pay more attention to workers, and the natural relationships that result will form an informal organization.
- George Ritzer—the McDonaldisation idea is based on efficiency, calculability, predictability, and control. While this model may increase efficiency and profitability, workers often feel like machines and less than human.

Working It Out 1.3: Artificial Intelligence: Incredibly Smart and Shockingly Stupid

Watch the TED Talk “Why AI Is Incredibly Smart and Shockingly Stupid” with computer scientist Yejin Choi and answer the questions below. See the video here:

<https://www.youtube.com/watch?v=SvBR0OGT5VI>

1. What does it mean to say that AI (artificial intelligence) is both smart and stupid at the same time?

Suggested answer: AI is a powerful tool that can improve our lives in numerous ways. But it still has many drawbacks and limitations; it makes, in the words of the speaker, “silly mistakes” and is “awfully inefficient.”

2. After watching this video, would you say that AI or humans have more common sense? Explain.

Suggested answer: At this point in AI's development, humans have far more common sense. To quote the speaker, "AI doesn't [yet] have the basic understanding of human values," "randomly fails at much common sense," and often produces "elaborate nonsense."

3. How do the speaker's main points fit with the ideas in this chapter?

Suggested answer: The speaker states that human learning is about making sense of the world and how the world works. She believes it is crucial to make AI smaller, safer, more sustainable, and more humanistic. She says we must teach it diverse human norms and values and basic common sense, and we must imbue it with an understanding of how the world works. The main ideas of this chapter are that good human relations skills and knowledge are vital for success in business and all aspects of our lives.

4. How does the speaker describe the process for making AI reason more like humans? In your opinion, is this a good idea?

Suggested answer: The speaker says that to make AI reason more like humans, we must build smaller AI systems and teach these systems basic common sense, norms, and values and focus on transparency. In other words, humans must change how AI is currently being taught and concentrate on more human qualities. Yes, I think that this is a good idea. For one, it can help tamp down worries about AI running amok and causing extreme damage.

5. What does the speaker mean when she says AI is like a new intellectual species?

Suggested answer: The speaker says that AI has unique strengths and weaknesses compared to humans. Right now, it stumbles on trivial problems that even children can do and generates mistakes that make it unreliable. In some ways, AI has yet to live up to its hype.

Case Study 1.1: The Fighting Carpenters

Of all the departments in the construction company, Axel's remodeling division was showing the lowest profit margin. His boss had called Axel asking him to resolve festering issues between two groups of carpenters that had resulted in a fistfight.

Axel knew what the problem was. The question was what to do about it. He had two groups in his crew who kept sabotaging each other's work and hurling insults at each other. As he drove to the job site, Axel's mind was preoccupied with his sick child. As a single dad, he had spent the morning arranging childcare. When he arrived at the job site, the fight had ended but the atmosphere was tense. Axel was alarmed about what could happen next. If only he could solve his human relations problem, it seemed like his other problems would be much more easily solved.

Questions

1. Which emphasis areas of human relations does this case mostly address?

Suggested answer: People at all levels of an organization need trust and mutual respect to perform at their best. This case addresses the issues of group dynamics, mutual respect, motivation, self-awareness, self-disclosure, and more specifically that of communication skills.

2. What steps should Axel take to solve the conflict in his department?

Suggested answer: Axel should take the leaders of both groups into a separate room and have a candid discussion on how their constant fighting disrupts the overall operations process. The workers seem oblivious to the fact that subcontractors have left because of their constant bickering. In order to solve the issues once and for all, a strategy can be established to develop or improve mutual respect among the employees as people at all levels of an organization need trust and mutual respect to perform at their best. The following steps can be helpful in developing mutual respect:

- Develop your self-esteem.
- Develop your self-awareness.
- Develop trust among the members.
- Learn to self-disclose.
- Cultivate mutual respect.

3. Could Axel have done anything to prevent this problem from occurring in the first place? If so, what?

Suggested answer: For a manager, no skill area is more important than human relations abilities. A manager with good human relations skills will retain employees longer, be more productive, and provide employees with an enjoyable environment. The most common reason for failure in the job of manager is faulty human relations skills. Axel should have put in as much effort into studying the employees as he put into developing technical skills.

Steps could have been taken to identify employee strengths and to think of better ways to overcome the existing weaknesses that exist in the team. Group dynamics and motivation can play a crucial role here.

Case Study 1.2: The Buzz at Bakersfield

While Aliyah was a sophomore at her college in Bakersfield, she started her own business: a food delivery service. She started by working with an established food delivery company and

then branched out on her own. She began by delivering sandwiches, cookies, drinks, and fruit from sandwich shops in town to office workers in local businesses. The business grew by word of mouth, and the lunch crowd asked if she could deliver restaurant dinner orders to their homes.

At first, business was good, and Aliyah could handle orders on her own. She spent long hours delivering food of all types, doing marketing, and managing accounts. She hired a few part-time workers, but as the business grew, she felt the growing pains of having to do too much. The business had succeeded because Aliyah had a great relationship with her customers and the restaurants. Her personal touch had made a difference.

Now, with five new people she had hired, that element of a personal touch was often missing. In fact, she began to get messages from clients saying they had been “treated rudely” by her new hires. One day, Aliyah walked into her new downtown office to hear one of her employees in a heated argument with a restaurant manager over a delivery error. As it turned out, the food had been delivered to the wrong address, and the office that ordered it had not even received it.

“Henry,” she said to the employee, “we need to talk.”

Questions

1. What should Aliyah say to this employee during the talk she has with him?

Suggested answer: Aliyah must ensure that she makes the employee understand the damage the employee’s behavior has caused to the business. The employee seems oblivious to the repercussions of the behavior and feels that it is okay to shout at clients. Aliyah can minimize this by educating the employee on ways to deal with such occurrences.

2. What steps could Aliyah take to improve relationships among her staff and their clients? If she calls a meeting of all the employees, what issues should she address?

Suggested answer: Aliyah should train her entire workforce in human relations techniques, which she knows well and has used successfully. She can personally instruct them on how to deal with issues such as unpaid bills, customer relations, problem customers, and so on. Aliyah could look at back orders and apologize to customers who may have been offended by her employees’ behavior.

3. What could Aliyah have done to prevent this from happening in the first place?

Suggested answer: She could have used her awareness of group dynamics and motivation. This would have provided a better understanding of conflict management.