

Chapter 4

A Study on Assessment of Human Nature Needs in Human Resource Management

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Abstract Different classes of people who live in the society possess their own personality as well as many social commonality points. Therefore, only by grasping the nature of humans can we examine the behavior features of people. Through the analysis of the essence of human nature, this article summarizes the general model of human needs, and takes insight into the maximum need of human nature, then makes effective decisions to achieve the most optimal configuration in the management of human resources.

Keywords Human nature hypothesis · Human resource management · Needs assessment · Need theory

4.1 Introduction

How to conduct successful human resource management? As Drucker said: “Today, renaming the Personnel Department to the Human Resources Department is becoming a trend. But few people realize that it means we need to have more than just one outstanding personnel department. Peter (1954) Human resource is the primary resource, the spirit of talent of enterprise directly affects its human resources circumstance. As a decision maker, to realize a rational allocation of human resources in his management, one should get to know their expertise, moreover, to understand the employees’ individual needs is more important for him. Here the need is multifaceted, Lenin said:” bread will be there, love follows.”

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This is the easiest way to explain the needs of human nature, one is substance, which is indispensable for the survival of humans, such as: eating, drinking, and living. The other is spirit which includes love, knowledge acquisition, daily entertainment and so on. The continuous development of society makes human nature needs become more complex and diverse. If leaders can be the maximum sensitive to employees' needs, they will be able to make effective decisions in the management.

4.2 Human Nature Hypothesis Theory

Any organized activity is the management of human activities. Since it is the management of human activities, the understanding of humans is necessarily involved. On the issue of how to understand the human nature, the subject of management made a variety of assumptions in the West, and these different hypotheses of human nature then form the cornerstone of Western management psychology.

In 1965, American psychologist Edgar Schein (Liu and Xu 2003) summarized various theories of human nature popular in the West as assumptions of “economic man (Dewey 1930; Lu and Shanjian 2002)”, “society man (Schein 1980)”, “self-fulfillment man (Daniel 1991)”, “complicated man (Guisheng 1998; Mayo 1945; Feng and Li 2005)”, which show that the evolution of Western management view of human nature is studying the essence of human nature. One element that can reflect the human nature most is the human need.

Maslow (Frank 1987) proposed the need hierarchy theory in his book “theory of human motivation”, who divided human needs into five levels (Maslow 1970): physiological needs, safety needs, social needs, respecting needs and needs of reality. When individuals meet their higher needs, individuals may be close to the fulfillment of self-realization. In general, the physiological and safety needs are lower, material needs; social networking, respect and self-fulfillment are higher, spiritual needs. Maslow believed that human needs would be gradually increased. It was not until the lower needs were met that higher level needs were strengthened or became a major need.

4.3 A General Establishment of Human Needs Evaluation Model

In a civilized society, nature needs of every person cannot be single, even being single, we can conclude that the need of that person on other aspects is 0, so we can group individuals who are in the same type of needs for together for a consolidated analysis.

Different people may differ in range of living environment. Generally speaking, people living in broad vision find it difficult to meet their needs, while people who live in a narrow environment are relatively easy to be satisfied. A person's level of satisfaction is relative compared with other people in his environment. The better one's circumstance is than many others, the higher their level of satisfaction will be, or low.

A person's circumstance is a-dimensional vector, which is consisted of levels of needs being met:

The circumstance = $\{need_1, need_2, \dots, need_n\}$

Malosse's needs hierarchy theory indicates that circumstance is made up of five components:

The circumstance = {physiological needs, safety needs, social needs, respects needs and self-realization needs}

Each component is a vector; it also has its own components. For example:

Physiological needs = {clothing, food, living, shelter and sexual ...},

In Marxist theory on human nature, circumstances vector is made up of three types of components:

The circumstance = {Nature needs, social needs, needs of thinking property}

The evaluation of individual circumstances can be thought of the increase of average of levels of satisfaction. That is:

Circumstance assessment = $k_1 \times need_1 + k_2 \times need_2 + \dots$

$k_n \times need_n$

Among them,

$$k_1, k_2, \dots, k_n \geq 0, k_1 + k_2 + \dots + k_n = 1$$

The value of personal evaluation of the circumstance do not accurately reflect the degree of personal satisfaction of the circumstance, and further, when individuals are to assess the circumstance, they need to compare with other people's circumstances. Take a simple example: an individual's test score was 80, whether this score is high or low needs to reference others' scores. A man's level of satisfaction with his circumstance is highly correlated with the percentage of the number of other people who live better in their circumstances.

Marking U_i as environmental effects (degree of satisfaction), n_i as the number of people who live better in their circumstances than others, $\delta_i = \frac{n_i}{N_i}$, so

$$U_i = f_i(\delta_i)$$

In which function f_i is an increasing function, that is

$$f'_i(\delta_i) > 0.$$

Taking the individual differences into account, different people may evaluate differently for the same δ , that is, $U_i = f_i(\delta) \neq U_j = f_j(\delta) (i \neq j)$

In fact, person i 's N_i can be different from Person j 's N_j . There is no universal significance for examining possible situations.

Generally speaking, individuals are small, individuals who live in groups will be assimilated by the group and will accept spirits of groups, not possible of being incompatible with groups. Otherwise he would be left out of this group or that he leaves this group automatically. So what is this group? Standing on the global point of view, a group is a nation, standing on a national perspective, a group can be either a province or an industry or a department, and so on. You can say it's true that a group is a collection of individuals which are classified under a universally-recognized norm which has a comparable quality, in statistics, it is a cluster. In other words, for most people in the group, for almost all the individuals i , evaluation function f_i remain the same, which can be applied to all evaluation function f , so

$$U_i = f(\delta_i)$$

A unique objective criteria for comparing the circumstance of two people does not exist. Circumstance of a person is a multidimensional vector formed by various aspects of the survival needs of people. For a single component of circumstance, there exists a criteria to judge its value, but for multidimensional vector, only comprehensive evaluation is useful, a uniform standard for which is absent. (weights are not the only criteria). For individual i and individual j , individual i may consider his circumstance be inferior to that of individual j , and individual j may also consider he lives in an inferior circumstance to i , that is, when the average is weighted, individual i and individual j may select different weighting coefficients, which leads to the incomparability of two individual circumstances.

As a result, there is a group judgment for circumstances of individual i and individual j , and individual i and j (After some time) would accept the judgment. Therefore we can say that there is a uniform measuring method for value δ .

For a closed group, this analysis is reasonable, because it is impossible to let it not be. There are very few adventurers brave enough to leave his group. Before the reform and opening up, we just lamented the wealth of material life in developed countries, taking no action to pursue, only few people dare to put into action illegally. The stowaway who zooms his survival environment compares his utility U in a larger group; meanwhile, he also increases his weight coefficient of material needs in an integrated evaluation circumstance, which makes their utility value very low in world groups. So that he selects stowing away, in the hope of obtaining his expected utility. Of course, this is just wishful thinking (Shouse 1987).

For an open group, people will unconsciously zoom their survival environment, comparing the current "small environment" with that "large environment" they have seen; in accordance with their value standard, they will compare circumstances they get in "small environment" with that of others in a "large environment" to evaluate its utility, which is then marked as U'' ; when $U'' - U'$ is attractively big enough, he will appeal to the "large environment". In the early days of reform and opening up, few people turned themselves into businessman. Reasons may be that people considered low circumstance in the "large environment"; people knew and felt a big ratio of material component or money in that environment, other components did not significantly improve, and value judgments, weight of the material is

not particularly large, $U'' - U'$ isn't big enough to attract people to leave "small environment" (McGregor 1960). Today, Job-hopping is common among people because the "environment" is more transparent, people can accurately preview their circumstances, and value judgments remains notable changes, as long as U'' is larger than U' , it will be attractive enough. However, the vast majority of people still prefer a relatively stable circumstance and they are willing to seek survival and development in the context of the groups.

Theoretically, in a large group, if there is a utility function, there is always a small group whose circumstance is the best. For example, in the broad group of countries, the circumstance some monopoly industries (small groups) is much better than others (Dong 2010). In General, the effectiveness and efficiency of these industries are not the best, they benefited mainly from monopoly. So how do you make those effective individuals in groups work actively, or reduce their evaluation of the circumstance so as to achieve the purpose of reducing their effectiveness? Here, we show a simple and practical way (Argyle 1987).

Forming part of their circumstance of vector components can be divided into two categories:

$$\begin{aligned} \text{The circumstance} &= \{\text{material treatment, mental treatment}\} \\ \text{Circumstance assessment} &= k \times \text{material treatment} + (1-k) \times \text{mental treatment} \\ (k \in (0-1)) \end{aligned}$$

The peculiarity of the industry determines their material welfare, in order to effectively reduce their material welfare are both difficult and unreasonable. Consequently, we can consider reducing its mental treatment. We cannot change the evaluation of the industry as a whole by the entire society, but we can create a certain atmosphere of urgency by means of certain management within the industry. For example, to strengthen the management of individuals through public announcements or public supervision; another example, the individual will be expelled from the group if the individual is complained by the public for certain times. In this way, individuals will have a certain sense of urgency in the spirit, whose mental treatment will fall. At the same time, individuals will highly value this, and thus increases their weight coefficient of spirit treatment in the evaluation of the circumstance $(1-k)$. Both will bring down results of the evaluation of circumstances, so as to achieve the purpose of group effectiveness.

4.4 Conclusions and Recommendations

Management master Drucker has addressed the idea of "full employment of people", he thought people can't just "hire one hand", with which the owner is connected. Implementing proper human resources management is the most basic means of managing a company. Successful business managers are also successful on the management of human resources, because they know what their employees really need and in which aspects they hope for their maximum satisfaction. That's

why they always have a number of capable and effective, independent and very confident people.

For enterprises' establishing criteria for evaluating the performance of work, that is, in the evaluation of the circumstance, weighting coefficient of material welfare and spiritual treatment k remain unchanged, if the individual evaluation of the circumstance is higher than the industry as a whole, at this time, individual δ is higher and human needs are at a high level. Therefore, on the whole, the enthusiasm of improving performance by their employees does not raise, since higher performance will only bring better material welfare and spiritual treatment, and does not significantly increase their evaluation of the circumstance, so individual needs of human nature is almost unchanged. If you improve work performance standards, analyses above show that there is a decline in both individual circumstance assessments, allowing individual human needs assessment becoming decreased markedly. In order to obtain or maintain existing levels of human needs assessment, individuals will have to work hard to achieve the original circumstance assessment levels to achieve this purpose. So we need to improve employees work performance evaluation standards, lower the evaluation of their circumstance. Only in this way can be more effective in selecting and employing people and creatively exerting their abilities, and only in this way can we see the true integration of employees and enterprises.

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