

have put into operation such and such schemes and devices and are, therefore, giving no attention at present to this area of operation."

That is what has always troubled me with the boys in the business schools. They all want you to help them put down in their notebooks just exactly how to handle a human relations problem—how, for instance, to settle a strike or how to solve every difficulty by referring it to this foreman or that shop committee.

Those boys and those managers reporting on our recent economic changes were all suffering from the same hard case of "*formula-itis*." Similarly, most conferences on personnel in industrial management, suffer from the tendency to seek easy routine ways out—to deal only with the superficials, the measurables, and to overlook the more fundamental intangibles and principles which make each single given situation of human relations different in certain ways from every other. All of you know certain managements where almost any plan would fail simply because the workers do not believe anything their management tells them—just as there are other plants where almost any plan would succeed simply because the management has been trusted for a generation.

This reliance on formula, I say, indicates that *management is still inclined to believe that industrial relations do not require the same high type of skill and technique, based on study and experience, as is required for solving their more mechanical managerial problems.*

One proof of this is management's overfrequent failure to see that in this field of human reactions account must always be taken of the *total situation*. For instance, I have in mind a company where at the same time that they rushed to avoid a strike by naming worker representatives on the Board of Directors, they failed to put a stop to their foremen's practice of selling jobs! Similarly, other managements fail often to think of the total situation and hence maintain their plant councils while they keep on the payrolls a full crew of under-cover men and spies—most of whom, you may be sure, are well known to those who work in their shops.

Another evidence of wrong managerial vision at this point is management's overfrequent failure to understand that by its very nature every relationship between any two human beings is bound

to be a relationship in which the only constant factor is change.

Not only is every one of us a different being every day as the result of our current experience—a change of huge significance in itself—but, still further and enormously more complicating, every relationship is full of such relativity as Einstein never knew! Every one of us is so busy trying to maintain a certain status in comparison with the status of others that the moment a change occurs in the status of any member in the chain of relationships some measure of pressure is at once set up for compensating change on behalf of every other member.

Every contractor knows that, the moment he changes the pay of his bricklayers, he automatically must change the pay of all the others throughout the entire list of building crafts and trades. Thus, likewise, the entire railway wage structure was, before the war, stabilized on the proposition that everybody in the maintenance of way should get just so much more or less than the "car-knocker," with the engineer, fireman and others in the operating department getting just so many cents more or less than the brakeman. This brakeman in turn was understood to get exactly five cents less per hour than the car-repairer. Then Mr. McAdoo came along and was persuaded to give the car-knocker five cents *more* than the brakeman. On the instant, trouble started! So much so that it took fully five years of constant warfare before those relativities could again be stabilized and peace restored. Much the same explanation is to be given for the disturbances throughout industry following the war.

Surely it is impossible to imagine any set of values and statuses in a state of more constant flux than these ever-changing relationships between the millions of members of our entire workaday organization. And yet, in spite of the fact that every one of those changes tends to affect the entire situation, too many otherwise perfectly intelligent managers continue to assume that, while scientific equipment, skill and experience are needed to work out plans with machines, all that is needed rightly to direct human beings is a certain amount of good-will—good-will and a moment of imagination for applying the Golden Rule.

Too many perfectly good, technically trained managers think the Golden Rule makes all human

relations simple. Too many personnel men know the experience of joining an organization and working satisfactorily with, say, the vice president, until some Monday morning they come in to find that this vice president has the idea that he was born with so much good-will that he now knows by hunch the answer to every personnel query. Therefore he has no need of the facts, figures and trends which the personnel man rightly believes important.

Now if, in line with the purpose of the Taylor Society, we are to make sure that just so far as possible our managerial skill helps the whole body of activities known as American industry to contribute the utmost possible to the enrichment of American life, then the first step should be for the upper level of management to make its present interest in personnel count more fundamentally. By better organizing itself to get regularly all the problem's measurables, all its constantly changing measurables, this can be done. It means not simply figures as to turnover and age distribution, but a whole list of such findings as the comparison between the worker's training, responsibility and length of service and his remuneration; between the requirements and opportunities of the various standard jobs and the accompanying wage or salary differentials; between the progress of this group of newcomers and that group, and so on into job measurements and career measurements undreamed of ten years ago.

Next after this step of organizing the measurables comes the duty of establishing the right kind of contacts between the executive group at the top of the organization and all the rest of the personnel. Only in this way can proper attention be gained for that bewilderingly intricate complex of the group's immeasurables and intangibles.

Especially in these days of the merger, an increasing variety of highly dangerous insulations threatens to separate the top line officers from the rest of the employes with the result that the "yes-man" tends to substitute his opinions and prejudices for not only those facts and figures which represent the company's measurables, but also for those various individual viewpoints, interests and desires which represent its fundamental and final human resources. Altogether too often nowadays important decisions are based on the yes-yes of the "prestige-pirate" or the "credit hog." Already too common in many organizations, the number and

influence of these tend to increase with the square of the size of the organization.

It is no wonder that in Cleveland two heads of a certain great concern, in order to get full and free discussion from everybody around the table, used regularly to agree that one of them would favor one decision and one of them the other, so that none of their counselors would know which side to take and hence would be forced to state his real opinion.

It follows from the commonness of this executive defect that one of the outstanding developments of the year has been the Chicago Western Electric Company's plan to find out the actual attitudes of their workers toward their foremen. They started a study of the influence of lighting on production and, on the basis of the findings, they decided that the type of supervision—the kind of foremanship—was immensely more important than illumination. The result set them on the way regularly to consider, as one of the most important parts of their whole managerial problem, exactly this matter—this intangible matter—of the worker's attitude toward his superiors.

The making of the proper contacts for studying attitudes is one of the most difficult and skillful of jobs because the military lines of the chart are important. But semi-official contacts are feasible—with the help of the personnel department—just as is the finding of those facts already mentioned as meriting the study of properly trained fact gatherers and fact interpreters. Together these studies of attitude and fact are certain to reveal both the total situation in terms of the organization's varied inter-relationships, and also the state of constant flux and change in these relationships.

Without doubt the whole economic situation in 1930 is such that if ever in history there were need of fundamental thinking with regard to these industrial relationships and attitudes, now is the time. With both cyclical and technological unemployment now common, and with the engineers breaking operations down into constantly smaller tasks, it is more important than ever that management ask afresh the fundamental question: "What is it that men want? Why do men work?"

If money alone is the answer, then management can boldly adopt one certain line of action. But I believe that, without question, what the worker wants out of his job connects somehow with his