



UNIVERSITY OF WISCONSIN - MILWAUKEE

- 1) \$70,000,000 plant.
 \$80,000,000 pay roll = 1,300,000,000.
 400 yr = 40,000 @ 6% 70
- 2) Program in mech. arts vs. Emps. relations
- 3) We are not getting religion! Stranger Bus. prop. not cold blooded. you may not all be sold one forman.
- 4) This is a long piece plan. we have been used to direct action. Argument vs. Indirect method (CASE) arg. in subject
- 5) Looking Glass.
- 6) your morale & standing with your people
- 7) Caution against "recognizing" interviews
 Dr. Mayo Harvard Bus. School of Bus. Ad. Put says he train us

A PLAN FOR IMPROVING EMPLOYEE RELATIONS

TONIGHT we are going to discuss a new plan for improving employee relations which has been tried out by the Company and found so successful that we have decided to put it into operation in our branch.

The thought of improving employee relations does not imply that our present relations are not good. On the other hand, I feel perfectly justified in saying to you men and women who are supervising other employees that the general industrial relations program in the Company, largely due to the efforts of all of our supervisors, is thought by other industrial managements to be very near perfection as we know it today. This new plan for improving relations with employees is a means of reaching even greater heights in this respect.

The way in which the plan works is illustrated in principle by a story in Greek Mythology. The story is that of a Greek painter who finished a painting and placed it in front of his shop so that it might be viewed by all those who passed by. The painter secluded himself behind the painting so that he might hear the comments that were made. One of the first persons who stopped to admire the work made some comments about one of the sandals on one of the figures in the painting, and the painter, peering forth from his hiding place, noted that the criticism came from the village cobbler. The painter thereupon investigated, found that the comment was justified, and made the necessary correction in his painting.

There are two points in this story that are important. First, the cobbler spoke honestly to one of his fellow onlookers when he probably would not have done so direct to the painter for fear of hurting his feelings. Second, even though the painting was near perfection the painter still had something to learn from others who were qualified to comment upon his work.

So far this new plan which we are to discuss has been used only in the Inspection and Operating Branches, and most of you, no doubt, are familiar with its provisions. It is called "A Plan for Improving Employee Relations on the Basis of Data Obtained from Employees", and it has been found that just as the Greek painter learned something from the comments he received about his painting, the Company and we, as supervisors, have much to learn from the comments made by employees.

In order to centralize the work of this plan an organization, known as the Industrial Research Division, has been set up in the Industrial Relations Branch.

The plan at present has three phases.

1. Employees are approached by members of the Industrial Research Division and asked to express themselves about the things they like and the things they dislike relative to their job, to the conditions under which they work, and to the way in which they are treated.
2. These comments received from employees are used as a basis for the training of supervisors in the handling of people.
3. The comments of employees are analyzed and classified by subjects so that studies may be made and the causes of unfavorable comments adjusted.

Before describing more fully these phases of the plan, let me trace briefly the course of its development.

In 1924, a study was made to determine the effect of lighting on production. Lighting did not prove to be an important factor but this study stimulated a desire to find out the relative importance of the other factors entering into the general effectiveness of employees. In 1927, some relay operators were segregated in a test room in order that we might observe these factors.

It will not be possible for me even to mention all of the findings from this study but there was one finding which was very interesting and seemed worthy of more intensive study.

This finding came from the records in the test room which revealed that no matter what changes were made in the features studied, the productivity of the operators and their general attitude constantly improved. A study of this simultaneous improvement indicated that production was increasing largely because of better morale, and consideration of these observations seemed to indicate that a double gain might be made if some way could be found of applying these results to the other organizations in the Plant. It was thought that the employees would benefit through improved attitude and the Company would benefit accordingly.

The question of morale was given considerable thought with the idea in mind of finding some way in which the general attitude of employees in the Plant could be even further improved. Some questions were asked: "What is 'morale' anyway? What are the factors governing morale? What should the supervisors do to establish better morale? How can the Company obtain better morale through improved policies? Just what is the present morale of employees?"

To all these questions there was one answer, "We don't know." The management had an idea as to the meaning of morale; an idea as to what factors govern morale; an idea about correct supervisory technique; but the admission had to be made that we had only ideas and not facts.

In the test room it had been found that some things heretofore considered relatively unimportant in dealing with employees were of real significance in molding their attitude and morale. Some study of the test room experience and findings indicated that we had considerable to learn about the things which affect the feelings of employees. It was found, too, that although we might have good employee relations policies there was still much to be desired in their application by the Company. All of these considerations suggested this thought—Why not gather some facts by approaching employees and asking them to express their comments relative to the things they like and the things they dislike in their working environment?

It was decided to try this experimentally in the Inspection Branch, which contained about 1,600 employees, divided between skilled and unskilled, with both shop and office workers represented. All of these employees were to be interviewed so that a fair sample would be obtained of the things people in all types of work like and dislike.

Careful plans were prepared, and all of the supervisors in the branch were called together to discuss the way in which this experiment should be handled. Discussion and criticism was invited. Generally, they subscribed to the plan. A few, however, were doubtful.

Five interviewers were selected from the supervisory group to secure comments from employees. Women were selected to interview women and men to interview men. The interviewers were instructed not to interview employees whom they knew, since acquaintanceship might influence the comments. All comments were to be kept confidential in all respects; names or reference numbers were not to be attached to the interviews; and any identifying statements which might reveal the employee or his supervisor or his location were not to be recorded. In order to avoid interfering with the work, only a few employees in any one location were interviewed on the same day.

When the employee was asked to comment, he was assured that he was invited and not ordered to express himself; for it was felt that voluntary comments would be the most reliable.

Following these general plans, the interviewing of Inspection Branch employees was started in September, 1928, and completed early in 1929.

The procedure of the interviewer was as follows:

He approached the supervisor of a group and asked for an employee to interview. An employee was assigned and usually introduced to him. If the employee's place of work afforded a chance for confidential conversation, he talked with the interviewer there; if not, they moved to some adjacent location. The interviewer explained the program to the employee in some detail and asked him if he cared to contribute his comments. As the latter talked the interviewer made rather complete notes or took his comments verbatim, depending upon the speed with which the employee formulated and expressed his thoughts.

Several things were evident in the program right from the start. The majority of employees seemed to enjoy a chance to express themselves. They talked freely and offered many valuable comments. There were a few of course, who hesitated to tell what they liked and disliked for fear of some consequence but even these employees made some comments of value.

When only a few hundred comments had been received it was clear that this was going to enlarge our knowledge greatly on the right and wrong methods in employee relations, in supervision, and in the application of company policies. One of the early items of more than usual interest was that some of the supervisors became very enthusiastic about the plan and asked that they themselves be interviewed.

It was expected, of course, that something would come out of the interviews which could be used for better supervisory training, as well as other information and data which would allow the management to improve working conditions, etc. It was very quickly found, through several trial conferences with Inspection Branch supervisors, that the interviews themselves, without alteration, served as excellent discussion material. One or two employee interviews served adequately for a two-hour meeting, and the supervisors expressed the thought that they secured a real benefit from these meetings which they had not secured from other supervisory training plans, because the direct comments of employees furnished a very practical approach to supervisory problems and at the same time furnished a sound basis for improving supervisory methods.

This experimental plan was so successful in the Inspection Branch that it was decided to extend it to the Operating Branch. This was done in the early part of this year and at present about 12,000 employees have been interviewed. Plans are now under way for extending the program to other branches at Hawthorne in 1930.

I think you will be interested in hearing some of the comments about the program made by supervisors in the Inspection and Operating Branches, and the way in which it affects them in dealing with their employees. All these comments are unsolicited and are representative of many that have been received:

"I wish they had started this interviewing program when I was first made a Group Chief as I sure am getting a lot of good out of the conferences. There are so many points brought out about supervision that I never thought of.

"Gee, my supervisors sure are getting a kick out of these conferences. This morning one of the men came to me and asked if he could attend a second conference on the same subject, because he enjoyed the first one so much that he felt sure he would get enough out of the second one to pay for his time."

"I really believe you are helping some of these hard-boiled Foremen and Group Chiefs. You know after they come back from a conference they start thinking it over and I believe it begins to soak in. They begin to realize what may happen in the future for your work is just new as yet."

"I like the supervisors' conferences very much. You see, I am getting to find out lots of things that I was doing before, and which I know now were wrong. I did not do those things because I meant to, but I guess I just never thought about them. Now that some of these things have been called to my attention in the supervisors' conferences, I am sure doing things different."

"Did you go to the last conference we had? Say, they are getting to be good. You know, I am getting a lot of help from them. I am learning to see the operator's viewpoint of things, and I really believe I am learning to do my job much better by attending those conferences."

"Any supervisor that says he doesn't derive any benefit from the training school conferences in my estimation isn't worthy of his classification."

I think you will also be interested in some of the comments which have been received from employees. These were also unsolicited and are representative:

"I have heard the other operators who had been interviewed ahead of me talking about this plan of having someone come around and letting the operators tell about the way they get treated. I would never think of going up to the office with the things I've told you, because I know I would be found out and this way I know that the Company is going to find out how many people are dissatisfied and why. I have a hunch that this man I had so much to say about is getting cold feet already, because he just hates to see the operators who are not his friends get called up to be interviewed for fear that he will be talked about, and every time one of us does get called, he gives us a dirty look, as if to try and scare us."

"I think this idea of interviewing us is a mighty good thing. It should have been started years ago; you should come around often. The men do a lot of talking amongst themselves about what they think is right or wrong, and sometimes it gets back to the boss; then there is h--- to pay. We need somebody like you to talk to about these things, so we won't have to kick to each other and get in bad by it."

"I believe the Company is doing more for the employees now than they ever did. This is the first time I ever heard of the Company sending men around to interview the help. They never took that much interest in them before."

"I think it is mighty fine of the Company to send you fellows around to talk to us. It isn't very often that I get a chance to talk to a cultured gentleman like you."

"I feel much better since I have been talking to you. I thank you for being so kind to me. I wish you would stop and talk to me some time when you are in the department."

"This is the first time that anyone ever interviewed the employees. It is a good idea, because otherwise you would hold a grudge against your supervisor. It seems that if you tell your troubles to someone, it is easier to keep them out of your mind."

"I have noticed quite a change around here in the last three or four months. The bosses have changed their attitude. They are not so bossy as they used to be."

"It seems like since the interviewing program has been going on the bosses are co-operating with the help and mixing up with them, and I hope that what I have told you will be of some help to the Company because I can see now that they are trying to get around and find out how the employees feel about things so that they can make improvements and make everybody more satisfied."

"The Foreman has changed down here within the last two months. He wouldn't listen to us or let us voice our opinions before, but now he is quite willing to listen to anything we have to say. I see him smile once in a while and this is rather unusual."

And one employee who was approached by the interviewer said, "I don't know about this interviewing, but I'll speak to my wife about it tonight, and let you know in the morning."

In conclusion let me summarize the values which are seen in this plan after its trial in the Inspection and Operating Branches.

1. The interviewing of employees has had very desirable effects upon the employees themselves. Those interviewed have had a chance to fully express themselves and clear their minds of burdensome thoughts. As evidence of this, supervisors have commented in some cases that such employees were easier to supervise; and employees themselves have expressed their better feeling after such a hearing as the interview affords. In addition, there is some feeling that the program improves the employee's morale; because he has been re-assured that the management wants to better his surroundings, and because he is important enough to have his opinion sought.
2. The Company receives information and data from employees which has not otherwise been received and which serves as a basis for study and improvement in plant conditions and employee relations policies. Greater progress in knowledge about employee relations has been made in this brief period than in all the previous years the Company has been in business. In addition, the management is getting from an analysis of the interviews invaluable and first-hand information as to the effect on employees of all of our personnel activities, such as the thrift plans, pension and sick benefit plans, athletic activities, and vacations.
3. The supervisory training made possible through the comments of employees is far superior to any program we have previously had. It is most interesting to supervisors because the employee's comments are critically made; and, for all the supervisor knows, he may be the subject of the employee's expression. It has never before been possible for an employee to criticize his supervisor even justifiably without some ill feeling, but under this plan he may comment freely, and not only do his own, but other supervisors, benefit. Even the supervisors are enthusiastic and see considerable value in this phase of their training. This indirect method of getting employees' complaints back to the supervisor through the conference groups is far superior in its result to the old method of direct accusation and argument.
4. The comments from employees have convinced us that the relations between the first line supervisor and the individual employee have more effect on the attitude, morale, general happiness, and efficiency of employees than any other single factor.

We all need interviewing once in a while

- Progress in the Arts -
 2) " " Supervision & handling of people
 (Dr. Mayo)

5) See your self as others see you -
 not directly, but indirectly
 looking glass.
 (SEE OTHER SIDE)

3) { 70,000,000 plant
 80,000,000 pay roll = 1,500,000,000
 20 times plus invest.
 1) 2400 year = 40000 @ 6%

6) Ask you Supt to keep confidential from you
 you think you recognize.

4) 5 your moral + standing with your people.

We are now getting "religion"
 This is a stranger business proposition.
 Fortunately, it is a cold-blooded

3) Here is a plan that breeds success -
 No makes living a better proposition
 for everyone & at the same time
 improves the efficiency. That
 being so why not do it?

[I don't think you are all going to be
 sold - one firm -
~~But~~ one firm -
 (2)