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Labor and Management in a Common Enterprise

BY

DOROTHEA DE SCHWEINITZ



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WERTHEIM FELLOWSHIP PUBLICATIONS

In 1923 the family of the late Jacob Wertheim established the Jacob Wertheim Research Fellowship for “. . . the support of original research in the field of industrial coöperation . . .” The Fellowship was intended to enable men and women “. . . who already have expert knowledge of this subject, to pursue research that may be of general benefit in solving the problems in this field . . .” Fellowships are awarded annually by the President and Fellows of Harvard College on the recommendation of the Wertheim Committee.

The Committee undertakes to provide general supervision to the program of research of the Wertheim Fellow. When that research yields findings and results which are significant and of general interest, the Committee is authorized by the terms of the grant to Harvard University to recommend publication. The Jacob Wertheim Research Fellow alone has responsibility for the facts, analysis, and opinions expressed in this volume.

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FOREWORD

THERE is a growing interest in labor-management production committees. In Western European countries such committees have come to have important responsibilities in many industries. In a country with a labor government, political responsibilities make it impossible for labor leaders to escape the fact that sustained increases in wage rates basically depend upon improvements in productivity. In the United States, the Congress of Industrial Organization has frequently advocated an industrial council plan which would give the international union a voice on an industry level in many decisions directly affecting production. Management spokesmen in this country, on the other hand, have normally regarded such proposals as an intrusion into established management prerogatives. Some few managements in coöperation with A. F. of L. and C.I.O. unions apparently believe that joint committees on a departmental or plant basis are to be encouraged. Amid these conflicting views it is imperative that careful studies be made of the actual operation of labor-management production committees.

Miss de Schweinitz' book provides a detailed record of the operation of labor-management production committees that were established under the impetus of the War Production Board. She has been able to follow the postwar operations of a few of these committees that have survived. Her thorough investigation indicates the diverse types of committees that were established. She has emphasized the record of those joint committees, relatively small in number, which worked on actual production problems in contrast to the larger number which concentrated on special wartime and community or patriotic activities. Miss de Schweinitz has provided a record upon which to determine under what circumstances committees flourished and under what other conditions they languished and passed away. Her discussion of the internal administrative procedures of these committees is particularly fruitful.

One of the virtues of Miss de Schweinitz' study is that she recognizes the necessity for an analysis of the decision-making process within management organizations. There is need to go behind

the general statement that these committees afford labor a "share" in management. Decision-making involves a number of steps: a problem must be recognized; it must be brought to the attention of the management organization; alternative solutions to the problem need to be canvassed; a choice must finally be made among these alternatives.

Labor-management production committees will more readily be understood, and they will be approached somewhat more dispassionately, if these different stages of decision-making in a management are recognized. The labor-management committees surveyed in this book made significant contributions to the recognition of problems and to the canvassing of alternative solutions. The final responsibility for decision-making, for choice among alternatives, remained with management.

Miss de Schweinitz recognizes an interaction between the quality of the relationship between the parties and joint production committees. A degree of maturity in relations is requisite to the establishment of a production committee. She recognizes accordingly that joint production committees could not be generally established in American industry today. Although Miss de Schweinitz is aware of the difficulties of measuring precisely the results of the work of these committees, it is her judgment that they also contribute to the improvement of production and of the quality of union-management relations.

The labor-management production committee in the United States is not new. A survey of some of the more prominent of the earlier plans is provided in Professor Sumner H. Slichter's *Union Policies and Industrial Management* (Washington, D. C., The Brookings Institution, 1941), Chapters XIV-XIX. Miss de Schweinitz has provided a careful and significant account of the wartime and some postwar labor-management production committees which will be of interest alike to those in labor unions, managements, government agencies, and academic positions.

JOHN T. DUNLOP

CONTENTS

AUTHOR'S PREFACE	x <i>i</i>
I. THE JOINT PRODUCTION COMMITTEE	I
II. THE LABOR-MANAGEMENT COMMITTEES OF THE WAR PERIOD	10
III. MANAGEMENT AND THE JOINT COMMITTEE	38
IV. COMMITTEE PROCEDURES AND THEIR RELATION TO MANAGEMENT AND UNION FUNCTIONS	82
V. BASIC PROBLEMS OF UNION-MANAGEMENT COÖPERA- TION	124
VI. THE OUTLOOK FOR UNION-MANAGEMENT COÖPERATION THROUGH JOINT COMMITTEES	144
VII. THE JOINT PRODUCTION COMMITTEE IN A CHANGING INDUSTRIAL SCENE	171

TABLES

1. Numbers of registered labor-management committees and of employees covered in the war production drive, as of given report dates	19
2. Number of labor-management committees and of employees covered, by industries, September 15, 1944	21
3. Number and percentage of labor-management committees, by number of employees in the establishment, July 1, 1945	22
4. Percentages of labor-management committees and of employees covered, by union affiliation according to peak registration and final count	23
5. Labor disputes and wage adjustment cases and numbers of employees covered, National War Labor Board, January 12, 1942-August 18, 1945	30
6. Postwar status of wartime labor-management committees by number of employees in the establishment and by unionization of plant, 1947	32
7. Reasons for discontinuing labor-management committees in 657 manufacturing plants	34
8. Types of production problems handled by labor-management committees and by suggestion committees in plants during the war production drive	46
9. Production activities of 1343 labor-management committees for 1944	52
10. Production activities of 1266 labor-management committees in 1944 and 274 committees in 1947	52
11. Manpower activities of 1343 labor-management committees for 1944	53
12. Manpower activities of 1266 labor-management committees in 1944 and 274 committees in 1947	64
13. Miscellaneous activities of 1343 labor-management committees for 1944	66

AUTHOR'S PREFACE

PROGRESS comes from careful planning and controlled experiment. It also comes through serendipity, the term Dr. Cannon used to describe "the happy faculty, or luck, of finding unforeseen evidence of one's ideas or, with surprise, coming upon new objects or relations which were not being sought."¹ By synthesizing the partial successes of such fortuitous undertakings various lessons can be learned from the joint production committees of the war period, and their successors. This volume aims to preserve the value of their experience by adding together the good points of a variety of committees, perhaps several hundred, out of the thousands which were registered. Here are useful procedures available to employers and unions where there is a will to coöperate.

During World War II the writer, first in the Labor Division and then in the War Production Drive Division of the War Production Board, had the opportunity to read committee minutes and reports and to visit some of the more successful committees in order to develop better techniques as part of her duties as chief of the Committee Standards Branch. From the beginning of the War Production Drive in March 1942 until the close of the war a variety of War Production Board representatives visited war plants to promote committees, to assist trouble spots, and to observe good techniques. The persons who, in addition to the writer, studied some of the more effective procedures are listed in the footnote on page 41 of Chapter III.

For the purpose of preparing this book the writer, with the aid of a Jacob Wertheim Research Fellowship for the Betterment of Industrial Relations, visited nineteen manufacturing plants in fifteen cities conducting some sixty interviews with about an equal number of employers and union representatives (local union officers and regional directors). Six of the companies visited have continued their joint production committees with the unions and one committee has been organized since the war. Two of the plants,

¹ Walter Bradford Cannon, M.D., *The Way of an Investigator* (New York: W. W. Norton & Co., 1945). See chapter VI, "Gains from Serendipity."

which have disbanded their main labor-management committees, are continuing various joint subcommittees and three have regular monthly meetings with the union stewards.

Wherever, as the result of these postwar visits, specific names of companies and of local unions have been used in the book, permission has been obtained from the persons concerned. Where "mimeographed reports" of the War Production Drive Division on certain labor-management committees are quoted, these are reports which were submitted to both union and management for verification and use at the time they were written in 1944 and 1945.

Acknowledgment is made of the use of War Production Board files, both those which were located in the Civilian Production Administration and those which have been transferred to the Bureau of Labor Standards of the United States Department of Labor. Especial thanks is due to the Branch of Industrial Hazards of the Bureau of Labor Statistics of the Labor Department for the information provided through a survey made by mailing questionnaires to over three thousand plants listed in the War Production Board files as having committees at the close of the war. The Industrial Relations Division, the Productivity Division, and the Office on Foreign Labor Conditions of the Bureau of Labor Statistics were repeatedly helpful in furnishing the writer with related materials, and the library of the Department of Labor was unfailing in its response to requests for reference matter.

Much of the pleasure of writing lies in the discussions one has had both before pen is put to paper and also while the manuscript is being shaken into shape. In this connection appreciation should be expressed to two colleagues of the war years, W. E. Chalmers and Phillips L. Garman, whose thinking and perseverance contributed much to the industrial relations principles of the War Production Drive. Although they have not read this manuscript they did read and comment on the history of the War Production Drive Division which the writer prepared for government use in the fall of 1945. Another colleague, Francis Goodell, both during the war and while the current manuscript was in preparation, assisted in evaluating the work of the labor-management committees and especially in relating their functions to the principles of management. John T. Dunlop, representing the Wertheim Committee, has been helpful throughout the project, in discussion and through his comments on the manuscript.

Others have read the manuscript and, while not necessarily en-

dorsing every conclusion of the report, they have assisted greatly in their respective capacities. They are Margaret Scattergood, Research Staff, American Federation of Labor; Katherine Ellickson, Research Department, Congress of Industrial Organizations; Fred Climer, Vice-President of The Goodyear Tire & Rubber Company; Dr. Gladys L. Palmer, Industrial Research Department of the Wharton School, University of Pennsylvania; John W. Edelman, Washington representative, and Solomon Barkin, Research Director, of the Textile Workers Union of America.

Sometimes encouragement is more important than advice when a project is in process. Probably all of the persons mentioned above have made this double contribution but it is especially true of Clinton Golden, Morris L. Cooke, and William H. Davis, who, not only in this connection but constantly, have contributed to progress by recognizing and utilizing the varied experiences in union-management coöperation which are brought to their attention.

DOROTHEA DE SCHWEINITZ

WASHINGTON, D. C.
AUGUST 1948

CHAPTER I

THE JOINT PRODUCTION COMMITTEE

WHEN EMPLOYER and union wish to improve the production of a plant they sometimes form a labor-management committee. Representatives of both groups meet together regularly to pool their ideas. Some committees concentrate on production problems only; others take into account joint endeavors which affect production indirectly, such as work on safety, health, recreation, and incorporate them with the production activities into one comprehensive program.

Labor-management committees, just as other union-management relations, vary in their degree of development. The growth of coöperation is gradual. A first stage can be designated as "information sharing" in which an employer looks upon the joint committee as a means of informing employees about business conditions and the outlook for their company, as well as telling them about changes in operating methods before they are put into effect. As one plant manager put it, "We like to avoid surprises," and others have said, "Employees have a right to know about the prospects of the company." A further development is seen in "problem-sharing." Here the employer recognizes that workers can make a contribution in certain areas. The company has not been able to solve a problem of high unit costs, poor quality, or waste in materials. In a series of committee meetings management presents the facts and labor is requested to give its opinion on the difficulties described or to make proposals for improving the situation.

In the third stage of development management indicates a willingness to have labor initiate ideas in any kind of production and personnel activities; and labor, with certain safeguards, is willing to contribute thus to the operation of the business. In this phase of "idea-sharing" management provides information to a greater degree than in the previous stages of "information-sharing" and "problem-sharing." Labor and management are indeed engaged in a common enterprise.

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As among the three types of union-management coöperation, it will not be possible always to differentiate in this volume. Most of the descriptions of labor-management committee operation are based on the experience which, during World War II, came upon unions and companies in various stages of development. Some of the committees described continue to function today. The information available, however, does not indicate all the industrial relations factors affecting individual committees in the war period or since.

During the war some five thousand labor-management committees were organized in factories, mines, and shipyards in the United States. About the same number of Joint Production Committees were formed in England. Canada developed over a thousand committees. The committees in America (United States and Canada) combined the work of the English Joint Production Committee, which handled production problems, with activities of the Works Councils which in England had concerned themselves with a wide variety of problems at the plant level. These as well as production functions were combined by the English committees where no Works Councils previously existed.

The American committees developed the following program:

1. Discussion of production schedules by management and labor representatives and making known, within the limits of military security, the production program throughout the plant. This included dealing with cutbacks and contract terminations which occurred with changing war requirements.
2. Development of plant efficiency through ideas on improvements in design, care of tools, stores control, maintenance, plant housekeeping, etc. Such ideas were obtained:
 - a. In committee meetings
 - b. From individual workers through a jointly operated suggestion system
3. Maximum use of manpower through work on absenteeism, labor turnover, training, safety, health, plant feeding, child care, car pooling, etc.
4. Interpretation of war needs through plant rallies, posters, leaflets, motion pictures, and participation in war activities such as bond drives, blood donor campaigns, salvage, and similar work.

Few committees in the United States engaged in all of the activities here outlined. Plant programs depended on the concepts of committee work held by management and labor. The majority

of the committees functioned primarily on the war activities listed under Item 4. But even these are credited with improving production indirectly. The committees were organized in both union and non-union plants but, because so large a proportion of industry is unionized and because of the current concern over union-management relationships, the committees treated here will be principally those in plants which have collective bargaining agreements. However the term, *labor-management* committee, is used rather than *union-management* because these committees are composed of management and union representatives most of whom are employed by the company and who discuss chiefly problems within the plant. Although one or two of the labor members may be business representatives of the union, not employees of the company, the work of the committees to be described here does not depend on specialists and technical men supplied by the union, as, for example, in the clothing industry, nor does it necessarily deal with industry-wide problems as has often been the case in previous experiments in union-management coöperation. The wartime committees, however, were *union-management* committees in that union officers and members usually constituted the labor members of the committees.

There was variety of opinion among labor, management, and disinterested observers about the value of the committees. Concerning the British committees Sir Frederick Leggett says: "Of the thousands of committees which have been established it is estimated that forty per cent have had great success, twenty per cent have been reasonably successful and the rest have been practically useless."¹ Sir Frederick's definition of success is not explicit but, in the course of his remarks, he implies that a successful committee was one in which the employer accepted labor as a partner in solving problems whether they were minor personnel matters or serious production difficulties. In the United States there were several hundred, possibly a thousand, effective committees.² The word "effective" is used in the following chapters to designate committees in which the employer accepted organized labor as an

¹ Sir Frederick Leggett, *Eighth International Management Congress, Stockholm, July 1947, Proceedings of the Congress, Vol. III*, "British War-time Experience with Employer-Employee Negotiation, Consultation and Cooperation." The Swedish National Committee of Scientific Management, Stockholm, 1948, page 243.

² See Chapter II, p. 19, for estimates of the numbers of committees handling different types of programs.

ally for the solution of plant problems, labor evinced a participating interest, and both coöperated in sustaining a program for limited periods or throughout the war. While defined in these terms the number of successful committees is relatively small; it is however large enough to provide the justification and the basis for further experiment.

Since the war there has been no government agency in the United States which promotes or assists the development of labor-management committees. In England, after a brief period of relaxation, the National Joint Advisory Council of the Ministry of Labour recommended to employers' organizations and trade unions the setting up of joint consultative machinery where it did not already exist. Such committees are voluntary and advisory in character and do not consider issues that are covered in union agreements. Each industry, through its customary negotiations between employer associations and trade unions, decides what type of committee is most appropriate and whether such machinery shall be at the factory level or cover a wider area. Committees are requested to register with the Ministry of Labour which in turn reports to the National Advisory Council on the progress of the movement. The Industrial Relations Officers of the Ministry of Labour respond to requests for assistance in setting up committees and, after ascertaining whether the industry (employers and unions) has instituted the program, make their recommendations along the lines agreed upon by that particular industry.³ In Canada the Industrial Cooperation Board, established in 1943, was maintained under the National Emergency Powers Transitional Act until May 1947 when it was transferred as a unit to the Canadian Department of Labour. It services committees, pools information on principles and procedures, issues a monthly publication,⁴ and reports the formation of new committees.

Almost every European country has provision for some form of works committee. In Norway, Sweden, and Denmark, agreements between the Employers Associations and the Federations of Labor, signed in December 1945, June 1946, and June 1947, respectively, outline the composition of the committees in these countries and the duties of the employer and labor representatives. The com-

³ "Joint Consultative Machinery," *The Ministry of Labour Gazette* (London, December 1947).

⁴ *Teamwork in Industry*, Department of Labour, Ottawa, which see for information on Canadian program.

mittees are voluntary but if management and labor agree to form a committee, their program follows the provisions of the agreement. In Norway the Federation of Trade Unions has established a committee on training for the worker representatives. In France, joint production committees were required by law, first to a limited extent in 1944 under the French Committee of National Liberation and then under an ordinance in February 1945 and amending legislation in May 1946. During the first year's operation under the 1945 ordinance, 4039 works committees were formed out of a possible total of 5067.⁵ Just as in Norway, the French Confederation du Travail has provided for the training of labor committee members; it has printed a series of 24 lessons on production, welfare, finance, and general economic subjects by professors, engineers, and labor officials.

In Belgium the National Labor Conference, a tripartite body of labor, management, and government which met in June 1947, endorsed the establishment of labor-management committees. The new constitution of Italy recognizes the right of workers to participate in the management of the factory, thus giving legal status to some hundreds of workers' committees which have been formed in that country since 1945. Further encouragement of shop committees in Italy is seen in the agreement signed in August 1947 between the employers' federation and the General Confederation of Labor.

Finland in June 1946 passed a law requiring the formation of joint production committees in the larger industrial establishments. In small factories they are voluntary, upon agreement between employer and employees. Poland and Hungary also provided for works councils by government decrees in February and June 1945. Austria and Czechoslovakia, which required works committees by law under their republican governments after World War I, have reestablished and broadened the functions of this worker participation, by decree in Czechoslovakia in October 1945 and by law in the Austrian Parliament in March 1947. Although Germany had compulsory committees under the Weimar Republic, the law of the Allied Control Council of April 1946 gave legal status to the councils, but did not prescribe their establishment. Their functions have been narrowed, so far as production activi-

⁵ "Labor Participation in Industrial Management in European Countries," *Monthly Labor Review*, United States Department of Labor, Bureau of Labor Statistics (Washington, D. C., November 1946).

ties are concerned. "An estimate by the U. S. Military Government gives the number of councils (in the U. S. Zone) on June 30, 1947 as 16,974 and the number of members as 49,323." ⁶

Many of the committees or councils on the continent of Europe formed spontaneously as the occupation armies withdrew in 1944 and 1945. The laws and decrees followed the facts. The difference between committees established by law and those set up through less formal measures appears to be not as great as might be expected. Concerning the establishment of committees the International Labour Office reports that "the legislation in question relies for implementation, as its very object indicates, on the good will of the two parties rather than on compulsion; therefore in many cases it leaves the function of completing the statutory scheme to collective agreements . . ." ⁷ Those set up by collective agreement are more likely to be joint, inclining toward representation in equal numbers of labor and management. Committees consisting only of workers meet with management at stated times. In most countries the functions and make-up of the committees are correlated with those of the trade unions.

Committees in European countries concern themselves with production, with social and welfare activities (including in some instances work which would be handled by the "grievance committee" in the United States), and often with information on the financial conditions and plans of the company. In a few countries worker representatives are placed on the boards of directors. There is provision in many countries for appeal from the individual plant to bipartisan industry councils or to government bodies in the event of disagreement.

An important contribution of the American committees to union-management coöperation in the United States lies in the procedures which were developed. Few theories were expounded. No decrees or laws gave authority to committees. No national employer-union agreements established functions and methods of work. The experiment, however, extended to a larger number of industries and establishments than could have been predicted from prewar experience in union-management coöperation. Production was aided both directly and indirectly through the practical pro-

⁶ Oscar Weigert, "Labor Relations in the U. S. Zone of Germany," *Monthly Labor Review*, United States Department of Labor, Bureau of Labor Statistics (Washington, D. C., April 1948).

⁷ Report VIII (1) Industrial Relations (for the agenda of the 1948 Conference), International Labour Office (Geneva, 1947).

grams developed by employer and union representatives in individual plants. Although tribute was paid to technical suggestions made by workers, the significant development lay in the joint deliberations of committee members. Employers were inclined to credit the gains in production to the improvement of employer-labor relations effected by the committees. Labor representatives were more likely to place higher value on the specific improvements in production methods and personnel arrangements suggested by committees. They expressed disappointment over the lack of a thorough-going coöperative program. But where relations were good both management and labor representatives indicated the satisfaction experienced in this coöperative method of operation whether it was on production problems or on patriotic programs.

There is little evidence that committees attempted to measure results objectively. The factors affecting production were constantly varying, and increases in production or improvement in quality could be attributed only in a general way to the work of committees. Summing up the results of committee work one manufacturer said: "It is something like trying to determine the value of seasoning." Nevertheless committee experience indicates the possibility and the importance of measuring results of a few specific activities if only on a short-run basis.

Neither employer organizations nor national unions⁸ have fostered labor-management committees since the war. Employers rely primarily on engineering and personnel departments for improvements in production methods and effective use of manpower. National union officers, though in favor of union-management coöperation on production, generally write off the war committees as a bad debt in which their members made concessions but did not gain acceptance for many of their ideas for improving production. They feel that there was no change in the status of the union, no recognition of the union and its members as partners in production. They consider that the discontinuance of the vast majority of committees at the close of the war is evidence that employers ask for coöperation from the union only when they need it, not as a permanent basis of operation. In some cases committees dis-

⁸ A few national unions, for example the United Steelworkers, CIO, and the International Brotherhood of Paper Makers, AF of L, when negotiating contracts, aim to secure a clause calling for regular conferences on production matters exclusive of bargaining or grievance issues.

banded because the union as well as management deemed them unimportant.

Local officers, stewards, and rank and file members give more intimate testimony some of which is favorable to the experience and to building on the foundations which have been laid. Both local and national union officers seem to sense the lack of integration of the production committee with the rest of the collective bargaining machinery. This was due to the fact that the wartime committees were instructed to avoid discussion of grievances and duplication of bargaining functions. It was probably the only basis on which a large-scale program could be launched in a country in which so many industries had been recently unionized. It produced an anomalous situation. Few innovations or adaptations in production and personnel matters are without their industrial relations significance. In peacetime there would be a *quid pro quo* in such joint dealings. If the future activities of labor-management committees are conducted on a sound basis they will be integrated with the customary union-management machinery.

Evidence that interest continues in the committee form of union-management coöperation is shown in the replies received in a questionnaire survey conducted by the United States Bureau of Labor Statistics. While there was heavy mortality of labor-management committees at the close of the war, 944 of the plants which had joint committees during the war responded to the inquiry, showing that 287 committees continued to function.⁹ New labor-management committees are forming. For example, the American Management Association reports that one-fourth of the 76 plant-wide union-management committees responding to a questionnaire in 1947 had been established since the war.¹⁰

Those representatives of management and of organized labor who are continuing their labor-management committees or are in favor of doing so, have reached their affirmative conclusion through a combination of practical experience and measured idealism which is typical of behavior in democratic industrialized countries. They recognize the value of committee structure which calls for equal numbers of union and company representatives and participation of rank and file workers and management men, not

⁹ Frank S. McElroy and Alexander Moros, "Joint Production Committees, January 1948," *Monthly Labor Review*, United States Department of Labor, Bureau of Labor Statistics (Washington, D. C., August 1948).

¹⁰ Ernest Dale, "Employee Cooperation to Increase Productivity," *Personnel*, American Management Association (New York, November 1947).

just the coöperative dealings between the works manager and union officers. Most of the current committees would probably represent the "information-sharing" stage of coöperation, with some including "problem-sharing," and a few moving on to "idea-sharing." The wartime experience provided a type of training and produced a growth of understanding which is achieved through problem-sharing and teamwork. The joint committee was a natural development in a country scrutinizing its procedures in contrast to authoritarian methods. With recognition of the needs of factory discipline and of executive performance, committee members were feeling their way toward the solution of the problem of liberty in a democracy. The achievement of liberty with its practical limitations in a democratic society has been described as an "orchestration of human interests."¹¹ In such a society the labor-management committee certainly has its place.

¹¹ Otto F. Kraushaar, discussing "The Problems of Liberty Today," Smith College, June 1947.

CHAPTER II

THE LABOR-MANAGEMENT COMMITTEES OF THE WAR PERIOD

THE COMMITTEE PROGRAM

IN THE EARLY MONTHS of 1942 when the shock of Pearl Harbor had begun to wear off, responsible persons in the War Production Board felt it necessary to impress both employers and workers with the serious production situation confronting them. The idea of a War Production Drive was advanced by "information" specialists of a number of agencies. As originally conceived by this group, labor-management committees were to be a vehicle in war plants for government campaigns and literature. They were also to "pay attention to plant efficiency." When the program was discussed with officials in the Labor Division of the War Production Board, concern was expressed over the need for securing the understanding and participation of management and organized labor through advance consultation and for devising programs suited to different types of employer-labor relations in individual plants.

But there was little time for this preparation. On the evening of March 2, 1942, Donald Nelson, then chairman of the War Production Board, addressed the managers and workers of American industry on the radio requesting them to set up "joint management-labor committees to push production up to and beyond the President's goals." Letters and a plan book were mailed to 2100 prime contractors and to the "recognized labor representatives" in their plants. During the course of the war some 20,000 war plants were urged by mail to set up labor-management committees.

Labor consultants and management consultants from the War Production Board assisted in the inauguration of committees in 23 plants in a variety of industries, about half under contract with AF of L unions and half with the CIO. Through the first-hand contacts they discovered initial reactions and problems of organization. This was done in March 1942 and was followed by conferences in 29 cities attended by 10,000 representatives of manage-

ment and organized labor. At these meetings it was emphasized that this production drive was not a "speed-up," that the committees were to deal with interferences to production and that undue strain was not to be placed on the worker. The other point of emphasis was the separation of labor-management activities from grievance or collective bargaining functions. There was also discussion of the choice of labor representatives and it was made clear that the recognized collective bargaining agent was to arrange for the selection of the labor members of the committees.

Aside from efforts in inaugurating the committees, the War Production Board left the development of a plant program to the employers and the unions. Field service was rendered to promote new committees and occasionally to assist in reorganizing a committee; a weekly *Labor-Management News* and promotional literature were mailed to the committees; and, later, guides were provided on special subjects based on the committees' own experience. Employers were encouraged to invite labor's coöperation in setting up joint suggestion systems, and a national scheme of War Production Board honorary awards to individual workers was established. Furthermore, workers and management were reminded of their responsibility as citizens in a democracy which was at war with autocratic regimes. They were requested to demonstrate that in a democracy everyone engaged in war production could be given an opportunity to participate in improving the work.

In England, where there was more complete mobilization of material and human resources, the "Joint Production Committees" were integrated into the total production process through tripartite (labor, management, government) machinery both national and regional. National agreements for the establishment of joint production committees were signed in February 1942 for the Royal Ordnance Factories by the Ministry of Supply with the trade unions in the engineering (metal fabrication) and shipbuilding industries. In March 1942 the Engineering and Allied Employers' National Federation signed similar agreements with the unions for private industry. There is no evidence to show that the simultaneous American and English developments in the spring of 1942 were planned jointly, but after the two movements were launched there was interchange of information on program and progress. The Industrial Cooperation Board of Canada also exchanged experience with the other two countries.

THE RECEPTION OF THE PROGRAM BY MANAGEMENT AND LABOR

Some reactions to a War Production Drive were favorable; others were antagonistic. Organized labor, after cautious inquiry, endorsed it wholeheartedly. William Green wrote Donald Nelson:

Your suggestions obviously grow out of serious understanding of the value and of the experience of those who control the machines and the materials in carrying out the work. I offer you the coöperation of the five million wage earners organized in the American Federation of Labor who are glad to do their utmost to give the armed troops the munitions and tools of war.¹

Philip Murray, in a broadcast of his own a few days after Mr. Nelson's first radio talk, addressed part of his remarks to the Congress of Industrial Organizations: "Speaking now to the officers and members of our affiliated unions and councils, I call upon you to act without delay in the spirit of the call issued by our President and our War Production Chief."

The National Association of Manufacturers, after extended discussions, offered Mr. Nelson its "wholehearted support," used two pages of the *NAM News* for an announcement of the Drive on March 7, 1942, and reported in the *News* of March 28: "The NAM Board repledged the Association's complete support of WPB Director Nelson's production drive . . . The Board also called on members—with respect to the Industry-Labor Committees being set up under WPB direction—to utilize all possible avenues of this voluntary plan that might step up production." Similarly the United States Chamber of Commerce endorsed the "appeal that labor and management join hands in order to produce on time the quantities required to win a complete and speedy victory."² In 1943, the National Association of Manufacturers issued a manual on Joint Labor-Management War Production Committees which outlined program and procedures and stated that it had been prepared "for those plants believing that a joint Labor-Management Production Committee may prove helpful to the attainment of increased production."

The national unions also provided aids to the joint committees during the first period of the war. The American Federation of

¹ Proceedings of Drive Steering Committee, War Production Board, Washington, D. C., March 31, 1942.

² *Ibid.*

Labor's Executive Council report to its convention in October 1942 contained an extended discussion of the value and proper operations of labor-management committees. The member unions, especially the shop crafts which had had experience with union-management coöperation on the Baltimore and Ohio and other railroads, were familiar with problems of coöperation on production and applied their knowledge and experience. The local bodies of the Metal Trades Department assisted employers in creating order out of the chaos of mammoth, hastily thrown together shipyards. The International Association of Machinists, then in the AF of L, the International Brotherhood of Electrical Workers, the International Union of Molders and Foundry Workers, as well as the International Association of Bridge and Structural Iron Workers (the fabricating group) and the International Brotherhood of Papermakers were among those who coöperated with employers in setting up joint committees.

Similarly, the Congress of Industrial Organizations, although it knew that the program did not include Philip Murray's recommendations for industry-wide councils, nevertheless gave attention to the development of plant committees. The United Steelworkers and the United Electrical, Radio and Machine Workers had organized production committees before the inauguration of the War Production Drive as such. The Steelworkers had their guide, "Production Problems," and later issued a folder, "How to Organize a Labor-Management Production Committee," which it distributed at a series of all-day conferences in the principal steel centers in the first months of 1943. The Electrical Workers printed "Basic Rules for Production Councils" in the *UE News* in April 1942 and conducted conferences in many of their districts throughout the war. In July 1942 the national office of the CIO issued a pamphlet, "Producing for Victory," which was a simple discussion of scientific management written by the War Production Department of the Federation of Architects, Engineers, Chemists and Technicians, CIO. The United Automobile, Aircraft and Agricultural Implement Workers and the Industrial Union of Marine and Shipbuilding Workers also issued publications. The latter organization called a two-day conference of labor members of committees on the Atlantic Coast in the summer of 1942 and the proceedings of the conference, "Building Ships for Victory," included a program for committees which was distributed to labor groups.

But aside from these and similar efforts in the first year and a half of the War Production Drive, neither management nor labor national organizations rendered extensive service to their local members in this new and difficult undertaking. Interest diminished. As one union official put it, in the latter part of 1943: "The labor-management committee is no longer an issue in our organization." The reasons for this will be considered later.

Individual employers and local union officers and members felt their way in the formation and development of labor-management committees. Some employers, in response to the general appeal, took the initiative, requested the union or unions to choose their representatives, coöperated in a jointly formulated committee program, and maintained it actively throughout the war. The committee at one of the plants, assisted by WPB management and labor consultants, was organized in coöperation with a Federal Labor Union and a large number of craft unions in the American Federation of Labor. Management was behind the experiment and labor's appraisal of the effectiveness of the plan can be seen in this quotation from a union leader's remark made in June 1942 about the attitude of the men:

They [committees] do increase personal effort in the shop, but not in speed-up. There is less waste time, faster service in the tool crib, better care and conditioning of tools and less waste material. The result is that now you make six pieces where you made five before. There's better quality too; scrap is dropping way down.³

The minutes of the labor-management committee of the White Motor Company and the United Automobile Workers, Local No. 32, show unanimity of purpose in the statement that

it was mutually agreed that the whole idea of the Committee was to try to improve production to help win the war. This theme was carried to all subcommittees as they were selected . . . It was also agreed that these subcommittee members would sit down and work together as an individual unit, *not* sitting opposite each other at the meeting table.⁴

³ Informal Visit Report, War Production Board, Washington, D. C., July 6, 1942.

⁴ Mimeographed Report, *The Labor Management Committee at the White Motor Co., Cleveland, and United Automobile, Aircraft and Agricultural Implement Workers of America (UAW-CIO) Local #32*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., March 1944.

By the fall of 1943 the Monsanto Chemical Company at Monsanto, Illinois, and the Chemical Workers Union No. 20032, AF of L had developed not only good committee structure but a strong common interest.

According to the executive who had been Works Manager during the early days of the joint committee work, the coöperative production process improved relations still further. "Our foremen and supervisory staff [the technical men] have gotten sold on it and in the main they see that it has merit. Now I do not mean that everyone of them is sold, but that is the general conviction." Both the management and union spokesmen emphasized that "the more you can sell people that this is a coöperative and a joint effort, the more its success. We want it clearly understood that this is our war and it is necessary for us to increase production. As soon as the members get that picture, they always respond." ⁵

The patriotic and enthusiastic reception by some labor unions and employer organizations was offset by a variety of opinions and attitudes of other individuals and groups. In September 1942, the situation was described by the National Industrial Conference Board in this way :

Mr. Nelson's urgent request for the organization of Production Drive Committees in every plant got off to a bad start . . . Many in industry saw in the proposal a veiled attempt to give organized labor a hand in determining management policy. Many in organized labor saw in it a concealed scheme for speeding up workers. Both regarded it with scepticism and suspicion.⁶

The Conference Board said later, though this time commenting on the success of the program: "On the part of management, there were many who suspected that this might turn out to be the back door entrance into the realm of either the Murray plan or the Reuther plan because of the previous demands by labor for participation with management in attaining maximum war production." ⁷ That some employers distrusted even the government was

⁵ Mimeographed Report, *The Labor-Management Committee at the Monsanto Chemical Company (Monsanto, Illinois Plant) and the Chemical Workers Union #20032, AF of L*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., November 1943.

⁶ *The Conference Board Management Record*, National Industrial Conference Board (New York, September 1942).

⁷ *The Conference Board Management Record*, National Industrial Conference Board (New York, December 1943).

illustrated when a small group told Donald Nelson he was "sovietizing American industry."⁸ One manufacturing concern, refusing to organize a committee, wrote an open letter in December 1943, saying: "Many of those who worked on the program in Washington were people very much interested in the furtherance of the political stature of organized labor." This may have been directed against Sidney Hillman who, at the inauguration of the War Production Drive, was director of the Labor Division of the War Production Board, but who by 1943 was chairman of the Political Action Committee of the Congress of Industrial Organizations. Actually Sidney Hillman was unwilling at first to endorse the program because of his long experience in union-management coöperation and his conviction that effective results could be obtained only after an extended period of education and preparation. He changed his stand, however, and gave his full support to Mr. Nelson in inaugurating the program and in securing the coöperation of labor leaders. As will be seen later, the fears of employers were not well founded. Management itself reported that unions did not encroach on the functions of management through the labor-management production committee.⁹

More prevalent than fear and distrust on the part of employers was the problem of inertia—not usually associated with American industry—inertia in habits and attitudes. It was not customary for superintendents and foremen to sit down and talk things over with the men and women under them. Orders up and down the line were quicker and more efficient, they thought. One general manager stated that he did not appoint more management representatives to the committee because he did not trust them to work tactfully with labor on plans for committee operation.

Pride was another complicating factor. One committee chairman, an assistant superintendent, said: "I let the committee lapse because we hurt the boss' feelings. We suggested things that needed to be done and we did not realize that his pride was affected." This may also have been a problem of poor committee organization and poor procedures.

Ulterior motives were attributed to some employers. They were said to have considered it good policy to form a committee in order to secure renewals of government contracts. Other manu-

⁸ Donald M. Nelson, *Arsenal of Democracy* (New York: Harcourt, Brace and Company, 1946), p. 319.

⁹ See Chapter V, pp. 130-132.

facturers were supposed to have welcomed the opportunity to provide work for their advertising and public relations men who no longer needed to stimulate business for the company. But, as the National Industrial Conference Board said, "when these committees have been perfunctorily established in response to Administration pressure their accomplishments seem to have been of a perfunctory character."¹⁰

Labor leaders, too, were filled with fears and distrust. They feared the introduction of labor-management committees into unorganized plants. They feared that employers would turn labor-management committees into "company unions" or use them to dominate such "independent" unions as were currently under suspicion of being a tool of the employer. As far as can be ascertained, this occurred in only a few cases.¹¹

The leaders of organized labor distrusted or disagreed with the plans of the government. They knew that the operation of joint committees at individual plants was an industrial relations problem not a publicity operation. They recommended that the program be placed in the Labor Division (later the Office of Labor Production) of the War Production Board which included on its staff representatives of organized labor, management engineers, and economists in the field of industrial relations. In this recommendation they ran into a problem of government administration which has not been solved. Does a labor division or department render service to both employers and labor in industrial relations problems, or is it an advocate for labor? In the case of the War Production Board, the issue was complicated by the fact that leaders of the American Federation of Labor, the Congress of Industrial Organization, and the Railroad Brotherhoods had been invited to serve in the Labor Division, just as leaders from industry were serving in the industry divisions.¹² Some of the labor leaders were already well known to industrialists. The personalities and policies of the AF of L and CIO representatives *were* the Labor Division in the minds of many people. Of this situation, Donald Nelson said: "It seemed essential — to me, at least — to

¹⁰ *The Conference Board Management Record*, N.I.C.B., New York, December 1943.

¹¹ See Chapter V, p. 133.

¹² The Labor Division differed from the industry divisions in that it was a staff service rather than a line operation. Later labor representatives were placed in some of the industry divisions and appointed as vice-chairmen of the Board itself.

make the operation a wholly separate part of WPB.”¹³ The War Production Drive Headquarters, after a year and a half of disagreement on this point, became the War Production Drive Division under the direction of an advertising specialist with a staff from industrial relations, labor and business fields.

THE EXTENT OF THE PROGRAM

Of the 20,000 war contractors¹⁴ approached by mail on behalf of the labor-management committee program, only about 5000 notified the War Production Board that they had organized committees.

The existence of the 5000 registered committees was doubted by representatives of organized labor after the first difficulties of organization became apparent. “Paper committees,” they were called. Reports were received from committees as follows: In March 1943, about a year after the inauguration of the program, a questionnaire mailed to the 2000 committees recorded at that time brought over a thousand replies. In March and April 1944, letters signed personally by the director of the War Production Drive Division were mailed to the 4000 committees then registered and they brought over 3000 replies. In January 1945, a questionnaire sent to 5000 committees was returned by some 2000 committees, one-quarter of which said they had ceased to function. In the ensuing months a regional field check was made through WPB visits and telephone calls which resulted in a final statistical report showing 3224 joint committees as of July 1, 1945.¹⁵

In addition, about 300 committees regularly mailed copies of their minutes to the War Production Drive Division and around 300 committees, in some instances the same ones, submitted meritorious suggestions of workers to the Awards Branch of the Division. House organs with news items or a page devoted to labor-management committee activities were also sent to the Board, as well as photographs and stories for the *WPB Labor-Management News*, and reports for the Labor-Management Exposition held in Washington in 1944.

¹³ Donald M. Nelson, *op. cit.*, p. 328.

¹⁴ There were 20,000 establishments with contracts over \$50,000, the majority of which were solicited. The mailing list, however, was not identical with this list of principal contractors.

¹⁵ Mimeographed Report, *Labor-Management Production Committees, Statistical Summary, July 1, 1945*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C. (September 1945).

From the material thus indicated and from visits to labor-management committees by both Washington and regional representatives of the War Production Board, it is estimated that the 5000 registered committees could be divided functionally in this fashion: several hundred committees registered but never functioned; another several hundred served to conduct one patriotic rally; about 1500 to 2000 conducted war activities such as rallies, the distribution of literature, the display of posters and the use of bulletin boards, bond drives, community fund and blood donor campaigns; another 1000 to 1500 covered war activities, but also operated a joint suggestion system, handled employee transportation, had joint subcommittees on absenteeism, safety, and the like; and, finally, upward of 500 conducted most of the above activities but gave considerable attention to production methods, improving quality of work, conservation of materials, care of tools and equipment, and the discussion of production schedules. Some of the committees did creditable work for short periods of time but then ran into difficulties and disintegrated. It is not likely that more than 3000 committees functioned at any one time at any level of performance.

With this diversity in kinds of program and in performance indicated, it is appropriate to record the bare numbers of committees, number of employees covered, and industries and unions represented. The registration of committees was as shown in Table 1.

TABLE 1

NUMBERS OF REGISTERED LABOR-MANAGEMENT COMMITTEES AND OF
EMPLOYEES COVERED IN THE WAR PRODUCTION DRIVE, AS OF
GIVEN REPORT DATES*

Date	No of Committees	No of Employees
June 25, 1942	932	2,000,000
Dec. 1, 1942	1,817	3,582,000
Nov. 1, 1943	2,786	5,982,200
Sept. 15, 1944	4,835	7,265,900

*Assembled from the periodic mimeographed statistical reports of the War Production Drive Headquarters, later called the War Production Drive Division of the War Production Board.

Registration consisted in filling out and mailing to the War Production Board a blank from the back page of the "Plan Book,"

the prospectus mailed to employers and unions. The form provided space for the names of the management and labor members of the committee, the name of the collective bargaining agent, approximate number of employees (wage and salaried employees), main type of war production, and the usual identifying information. Until the spring of 1945, all committees which had registered were kept on the list, the number of committees reaching the figure of 5053 in the monthly report for March 1945. But, as has been indicated above, a final check resulted in a report as of July 1, 1945, which showed 3224 committees covering 5,066,700 workers. This was not a sudden falling off of committees from the high figure of March or of the 4835 committees recorded in the previous statistical report of September 15, 1944. For example, some 400 coal committees had been carried on the list continuously, after a wholesale registration in 1942. It is not likely that many of them functioned later than March 1943, when a period of negotiations began, ending finally in the spring of 1944 in the contract between the government and the United Mine Workers. Committees in other industries had been carried incorrectly for similar lengths of time because there was no information about them until the check of 1945. On the other hand some labor-management committees formed during the war period were not registered with the War Production Board.

The committees were located in every area of the United States with a clustering in the industrialized states such as Massachusetts, New York, Pennsylvania, Ohio, and Illinois. The number of committees registered from the southern states reached 253 in the fall of 1944.

As the labor-management committee program was a war undertaking, a list of the committees by industry shows them to be primarily in metal manufacturing, mines, and shipyards. Table 2, the report for September 15, 1944, includes the largest number of committees for any period, hence it will provide a view of the extent to which joint committees were introduced in these industries.

It is not possible to compare these figures with the total number of establishments and employees in each industry because of the problems of industrial classification in the war years. However, the total number of workers (both wage and salary) in manufacturing in September 1944, has been given as 16,888,000 and the number in mining (coal, iron and non-ferrous metals) as 878,-

000.¹⁶ With seven million employees in plants having labor-management committees, it can be estimated then that roughly 40 per

TABLE 2

NUMBER OF LABOR-MANAGEMENT COMMITTEES AND OF EMPLOYEES COVERED, BY INDUSTRIES, SEPTEMBER 15, 1944*

Industrial Classification ^a	Number of Committees	Number of Employees ^b
Total.....	4,835	7,265,900
Ordnance ^c	587	1,162,300
Shipbuilding and Ship Parts.....	196	1,132,300
Aircraft and Aircraft Parts.....	171	811,500
U. S. Naval Shore Establishments.....	46	748,600
Iron and Steel ^d	505	728,700
Engine and Engine Parts ^e	115	404,100
Communications Equipment ^f	248	294,500
Machinery and Industrial Equipment.....	416	286,700
Synthetic Products ^g	316	200,400
Coal and Iron Mines.....	428	178,000
Scientific Instruments ^h	98	171,400
Non-Ferrous Metals ⁱ	241	164,100
Textile and Textile Products.....	282	144,800
Machine Tools.....	199	136,400
Motor Vehicles.....	80	117,200
Rubber and Rubber Products.....	58	83,900
Lumber and Wood Products.....	125	29,400
All others ^j	724	471,100

* Derived from mimeographed statistical report for September 15, 1944, War Production Drive Division, Washington, D. C.

^a Labor-Management Committees classified by largest dollar value war contract in each individual plant

^b Number of employees, miscellaneous reporting by committees from June 1943 through August 1944 Both wage and salary workers.

^c Includes all types of gun manufacture, ammunition and tanks

^d Includes blast furnaces, rolling mills, steel plants, steel fabrication plants, and iron foundries.

^e Includes aircraft, marine and tank engines

^f Includes telephone, telegraph, radio and radar equipment, and communication wire.

^g Includes products and materials of chemicals, glass, and paper.

^h Includes navigation instruments, range finders, etc.

ⁱ Includes the mining and smelting processes.

^j Includes petroleum products, leather and leather products, safety equipment, miscellaneous hardware, plumbing supplies, food products, railroads, airlines, and government agencies.

¹⁶ *Employment and Payrolls*, United States Department of Labor, Bureau of Labor Statistics, Employment Statistics Division, Detailed Report, February 1947.

cent of the workers in manufacturing and mining in the United States were reached by some form of committee work on plant problems or war activities.

The numbers of committees in different sizes of establishment were as shown in Table 3. The per cent distribution of these com-

TABLE 3

NUMBER AND PERCENTAGE OF LABOR-MANAGEMENT COMMITTEES, BY
NUMBER OF EMPLOYEES IN THE ESTABLISHMENT, JULY 1, 1945*

Number of Employees	Committees	
	Number	Per Cent
Total.....	3,224	100.0
99 and under.....	478	14.8
100- 499.....	1,247	38.7
500- 999.....	554	17.2
1000-4999.....	643	19.9
5000 and over.....	234	7.3
Unclassified.....	68	2.1

* Labor-Management Production Committees, Statistical Summary, July 1, 1945, *op. cit.*

mittees in 1945 is about the same as in the report of the larger number of committees in September 1944, which however is not available in similar usable form. It is not possible to ascertain how the grouping of establishments would compare with a similar grouping of all war plants. Despite the increasing concentration of industry during the war, however, there remained a large proportion of industrial establishments with less than a hundred employees.¹⁷

With more than half of the committees in plants with less than 500 workers it might appear that it was easier to organize a committee in a small establishment or that a committee was needed to assist management more often in plants which had no personnel

¹⁷ The United States Census of Manufactures for 1939, the most recent one, shows that 91 per cent of the establishments having wage earners had 100 employees or less. Social Security Administration figures for employees (wage earners and "white collar" workers) in manufacturing establishments in 1945 show only 1 per cent fewer establishments with 100 employees or less. (The difference is slightly greater because Social Security figures include clerical and executive personnel.)

However, the report on Economic Concentration and World War II of the Smaller War Plants Corporation (to the Special Committee to Study Problems of American Small Business, U. S. Senate) shows that 64.7 per cent of the wage earners in *metal manufacturing* in 1945 were in plants of 1000 or more, as compared with 33.7 per cent of the wage earners similarly placed in 1939.

departments and few specialists in engineering, safety, and similar matters. It might mean also that it was the small plants which felt it important to comply with the government request to establish a labor-management committee, although the awarding of war contracts had no relation to the existence or nonexistence of a committee.

The union affiliation of the employees in plants having committees is shown in Table 4. It combines the figures of September 1944

TABLE 4

PERCENTAGES OF LABOR-MANAGEMENT COMMITTEES AND OF EMPLOYEES COVERED, BY UNION AFFILIATION ACCORDING TO PEAK REGISTRATION AND FINAL COUNT*

Union Affiliation	Per Cent of Committees and of Employees			
	Sept 15, 1944		July 1, 1945	
	Committees	Employees	Committees	Employees
Total.....	100.0	100.0	100.0	100.0
AFL.....	24.0	24.0	25.8	22.5
CIO.....	32.3	41.6	37.7	44.2
AFL-CIO ^a	2.9	9.5	2.3	4.8
Independent (including railroad workers).....	7.6	10.8	8.0	9.6
United Mine Workers (also independent in 1944 and 1945)	9.3	3.0	1.9	.9
Other combined affiliations ^b ..	—	—	1.6	6.0
No Union.....	23.9	11.1	22.7	12.0

* Combination of mimeographed statistical reports for September 15, 1944 and July 1, 1945, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D C

^a AFL and CIO having contracts for different bargaining units in the same establishment.

^b AFL, CIO, and independent unions in various combinations, exclusive of AFL-CIO combination.

which represent the greatest numbers of committees registered for the war period and, by comparison, those of 1945 after the count of committees surviving until June 1945. Union affiliation was defined according to the unions having contracts in the establishment registered.

The percentage of committees in plants under CIO contracts was larger than the proportion under the AF of L, presumably because the CIO had organized extensively in mass production industries which dominated in war production and included large numbers of employees. This was the case especially in airplane plants, electrical manufacturing, basic steel, and similar establish-

ments. It will be noticed also that representatives of the AF of L and of the CIO served on the same labor-management committee, for example, members of the Pattern Makers League, AF of L, and of the United Steelworkers, CIO, and other combinations of a skilled AF of L craft with CIO production workers. The apparent falling off of the Mine Workers committees between 1944 and 1945 was a cessation in committee work early in 1943 which has been discussed previously. An interesting item of the figures in Table 4 is found in those for non-union plants; although 22 to 24 per cent of the committees were in plants in which the workers were unorganized or had no union contract, these represented only 11 to 12 per cent of the total numbers of employees covered in labor-management committee work. These committees then were in plants of small size and the War Production Drive, even if considered a rival to unionism, did not constitute a large-scale interference with its status.

The unions which participated in labor-management committee work are shown in the following lists:

PRINCIPAL CIO UNIONS PARTICIPATING IN LABOR-
MANAGEMENT COMMITTEES¹⁸

	<i>No. of Committees</i>
United Steelworkers of America	497
United Electrical, Radio and Machine Workers	352
United Automobile, Aircraft and Agricultural Implement Workers	326
International Union of Mine, Mill and Smelter Workers ..	139
United Rubber Workers	66
Textile Workers Union	63
Amalgamated Clothing Workers	46
Marine and Shipbuilding Workers	46
International Woodworkers of America	23
Oil Workers International Union	24
United Furniture Workers	20
United Farm Equipment and Metal Workers	22
All Other CIO Unions	114

¹⁸ Mimeographed Report, *Analysis of Labor-Management War Production Drive Committees According to Unions Having Collective Bargaining Agreements in Plants With These Committees*, WPB War Production Drive Division, Committee Standards and Analysis Branch, October 15, 1944.

PRINCIPAL AF OF L UNIONS PARTICIPATING IN LABOR-
MANAGEMENT COMMITTEES¹⁹

	<i>No. of Committees</i>
International Association of Machinists (then in the AF of L)	364
Directly Affiliated Locals	156
Metal Trades Councils	99
International Brotherhood of Electrical Workers	124
International Molders and Foundry Workers	123
International Association of Bridge and Structural Iron Workers	54
United Brotherhood of Carpenters and Joiners	65
United Automobile Workers	38
International Brotherhood of Pulp, Sulphite and Paper Mill Workers	38
International Ladies' Garment Workers	26
International Brotherhood of Boilermakers and Iron Ship Builders	32
International Association of Sheet Metal Workers	22
All Other AF of L Unions	460

The above figures should not be added to form totals of committees in either group because each figure represents the numbers of instances in which the union was the sole collective bargaining agent plus those when it was one of several contractual parties at a given plant. For example, there were only 209 plants in which the International Association of Machinists was the only bargaining agent, 72 plants in which the International Brotherhood of Electrical Workers was the only bargaining agent, 62 plants in which the Molders and Foundry Workers was the only union, and so forth. In other words, several unions in some plants were represented on the labor-management committee or acquiesced in its policies. This was true in a few of the plants where the CIO participated in labor-management committees. In most instances, because of the policy of industrial organization, the CIO was the only union in the plant, as for example in the case of 463 of the committees for the Steelworkers, 336 of those for the Electrical Workers, 305 for the UAW, and so on.

With several hundred committees requiring the thought and co-

¹⁹ *Ibid.*

operation of local union officers of large and powerful unions in both the American Federation of Labor and the Congress of Industrial Organizations, the conclusion might follow that labor-management coöperation at the plant level would have become an important issue for policy and technique in the labor movement. It is necessary, however, to look at the total union picture. At the time when 497 local unions of the United Steelworkers were participating in labor-management committees, there were 1823 locals in the organization.²⁰ Similarly in 1944 when 352 was the top committee figure of the United Electrical Workers, CIO, they had contracts in 1082 plants.²¹ The Automobile Workers, participating in 326 labor-management committees, had over 900 local unions and 1671 plants under contract, and the Mine, Mill and Smelter Workers had about 390 locals but only 139 labor-management committees.²²

The situation was the same with the American Federation of Labor. The International Association of Machinists, then a member of that parent body, had 1640 local lodges,²³ the International Brotherhood of Electrical Workers had 1275 local unions,²⁴ and the number of local unions affiliated directly with the American Federation of Labor was 1625 in 1944.²⁵

It is not likely, in view of the small proportion of local unions participating in the labor-management committee program, that this subject became an important issue in union discussions or union politics. This was the case also because of the type of committee activities. According to the estimates made earlier in this chapter, more than half of the committees associated with each of the unions here listed would have been engaged primarily in slogan contests, bond drives, community fund campaigns, plant celebrations with possibly a suggestions committee and work on absenteeism. Union officers were disappointed in the limitations on program after the more serious activities advocated by their national organizations in 1942. This appears to have been the experience of important local unions which were the bargaining agents at some establishments of the larger corporations in steel, in mining, and

²⁰ Information secured from the national headquarters of the union.

²¹ Proceedings, Tenth Convention, United Electrical, Radio and Machine Workers of America, CIO, September 25-29, 1944.

²² Information secured from the national headquarters of the union.

²³ Information secured from the national headquarters of the union.

²⁴ Information secured from the national headquarters of the union.

²⁵ Information secured from the national headquarters of the union.

in the automobile and airplane industries. As one union man expressed it:

Even in the height of the war when there was real sincerity, they only let us go so far. They always held up this fence. If we suggested anything more than placing a traffic light, it was none of our business. This was the policy of top management more than the local managers who worked with us every day and felt the human relations angle.

In addition to this problem of the type of activities permitted or developed in individual plants, there were some corporations which may have made good records in war production but did not encourage the program of the joint committee. This is evidenced in the following figures: Ford Motor Company, 2 committees in 22 plants; General Motors Corporation, 18 committees in 115 plants; Republic Steel Company, 14 committees in 30 plants; and United States Steel Corporation, 74 committees in 201 plants.²⁸ Management's problems and point of view which are reflected in these figures have been discussed in the previous section. Suffice it to say that labor-management committee activities on the more serious aspects of production and personnel problems, while affecting some hundreds of plants throughout the United States, were not concentrated in given industries sufficiently to affect the policies of the large national unions.

NATION-WIDE PROBLEMS AFFECTING LABOR-MANAGEMENT COMMITTEES

While it has been necessary to recount the negative reactions of labor and management, it should be emphasized that sincerity and good-natured tolerance on the part of plant officials and labor representatives was the dominant tone; and teamwork developed to an extent which had not been experienced before. Competent performance was achieved within the agreed-upon scope of committee operation. It is hardly necessary to add that the committees functioned in a dynamic situation, the like of which the United States had never known. At the inauguration of the War Production Drive the first plan book, citing the program of the President, asked for 60,000 planes and 8,000,000 ship tons for 1942. Between

²⁸ Figures selected from *Labor-Management Committees in War Plants of All Corporations with More Than 50,000 Employees*, *Labor Management News*, WPB War Production Drive Division, March 25, 1944 with footnote, "Plant locations obtained from 'Moody's.' All subsidiaries of corporations are included."

Pearl Harbor and August 14, 1945, American management and workers produced 274,941 military planes. The record for 1944 alone was over 96,000 planes, with a high of 9117 in one month (March 1944).²⁷ Similarly, "by the time Germany surrendered in May, 1945, we had built in this country about 5200 large ocean-going vessels, with a total dead-weight tonnage of nearly 53,000,000, plus hundreds of smaller types."²⁸

With similar expansion in other industries, difficulties developed which were beyond the scope of a plant committee. All-out production was not possible because materials were not available. In the summer of 1942 when the priority system was falling down, the shortage of materials and parts was so severe that delays and lay-offs demoralized the recently organized production committees and discouraged the formation of new ones. After the Controlled Materials Plan became effective in the fall and winter of 1942-43, production planning in the plants was eased and, in some organizations, information on contracts and scheduling was shared with the committee members who in turn informed the working force.

Not only did the committees function in a rapidly expanding economy but they had to adapt their work to conditions created by rapid shifts in demand. For example, early in 1942 Liberty ships were the pressure item for shipbuilding workers. By April the invasion of Africa was planned and, much as cargo ships were needed, landing craft became the dominant urgency. This affected not only shipbuilding but the factories making component parts. No sooner was a rhythm established for this program when the situation changed after the African invasion in November 1942 and once more the call was for Liberty ships, destroyers, and other large vessels until the summer of 1943 when landing craft again became the critical need for the ensuing year. This was the problem for one industry and its feeder plants.²⁹ The same could be said for guns, planes, tanks, half-tracks, trucks with heavy duty tires—a changing

²⁷ Donald M. Nelson, *Arsenal of Democracy*, p. 238.

²⁸ *Ibid.*, p. 243.

²⁹ Donald Nelson describes the changes in demand for the manufacture of the Browning automatic rifle as follows: "By January, 1944, the new company was producing 7,000 complete rifles a month . . . The Army cut this order to 4,000 rifles for March, only to raise it to 5,000 for June, to 6,500 for July, to 7,000 for August. For September the order dropped back to 4,000 and was cut again for October to 3,000. The following month it was raised to 4,000 again, and raised progressively month by month until it stood at 11,000 for April. You can imagine what ingenuity these changes demanded of management which had to keep both an adequate materials and labor supply on hand." *Arsenal of Democracy*, p. 287.

situation with pressures, pauses, cutbacks, a drop in morale, new contracts, a change in design, delays during planning and engineering, then new pressures for production.

Another problem beyond committee control was, for example, the wage-price situation in copper where the custom of a sliding scale of wages in relation to price caused dissatisfaction when production was pushed in high-cost operations. Similarly production in lumber was affected by the differential in wages between the rates in the lumber camps and sawmills in the northwest as compared with the high wages in the new airplane factories on the coast, to which lumber workers flocked before September 1942 when the War Manpower Commission issued orders to implement its Employment Stabilization Plan in non-ferrous metals and lumber. Ultimately there was wage and price relief in copper under the "rare and unusual" policy of the War Labor Board, but the lumber workers received no increase. Under any circumstance there were relatively few committees in the lumber industry because employers were not convinced of their value. The problems of these two industries are cited as examples of situations which made it hard for labor-management committees to improve morale and increase production.

The growth of unionism affected the work of labor-management committees. Union membership increased from about ten million at the beginning of the war to over fifteen million by 1945. In 1941 there were some 50,000 employer-union contracts.³⁰ Every year new contracts were being negotiated for the first time between some employers and union representatives. With the majority of contracts renewed annually and new ones added, it has been estimated that on the average over 1000 contracts were signed every week. This meant periods of intense activity for employers and union officials, just the persons needed to steer the new venture in industrial relations, the labor-management committee. It also meant a time of uncertainty for all workers, especially in plants where organization was taking place. Should they join the union? Who were the representatives of the employees to be chosen for membership on the labor-management committee? If an election was pending in order to establish the recognized bargaining agent, it was essential to postpone action on the formation of the joint committee. If this was not delayed, further difficulties ensued. The

³⁰ Estimated in *Union Agreement Provisions*, United States Department of Labor, Bureau of Labor Statistics, Bulletin 686, Washington, D. C., 1942.

size of the problem alone is indicated in the fact that 20,055 representation cases were filed with the National Labor Relations Board between July 1, 1942 and June 30, 1945.³¹

Uncertainties about wages and other bargaining issues caused unrest in industrial plants. Delays over wage adjustments and disputes over wages and working conditions before the War Labor Board caused strain on the patriotism of workers and committee members who were called upon to devise ways of improving production for which they felt they were being paid inadequately. The size of this problem is shown in the numbers of cases handled by the National War Labor Board and its agents (Table 5).

TABLE 5

LABOR DISPUTES AND WAGE ADJUSTMENT CASES AND NUMBERS OF
EMPLOYEES COVERED, NATIONAL WAR LABOR BOARD,
JANUARY 12, 1942-AUGUST 18, 1945*

	No. of Cases Closed	No. of Employees Covered
Labor Disputes	17,650	12,207,000
Voluntary Wage and Salary Adjustments ^a	412,543	26,099,000

* This is derived from tables 1 and 21, vol. 1, chapters 43 and 44, pages 480 and 504, of *The Terminal Report of The National War Labor Board*, published by the United States Department of Labor, Washington, 1948.

^a Decided cases; some 25,000 cases were disposed of in other ways.

More serious disputes were represented in the complaint cases before the National Labor Relations Board, 8403 in the three-year period. While small in number, they included allegations against employers of discrimination against employees for union activity, company domination of a labor organization and refusal to bargain with the representatives of the majority of the employees. While such issues are being determined, the mutual trust deemed essential for labor and management teamwork on production is close to nonexistent.

POSTWAR SURVIVAL OF COMMITTEES

In the face of the problems just recounted many plants did not attempt to organize labor-management committees. Others formed committees but permitted them to die. As stated earlier in this chapter a questionnaire survey by the War Production Board in

³¹ *Eleventh Annual Report*, National Labor Relations Board (1946), Washington, D. C., 1947, p. 75.

January 1945 indicated that at least a quarter of the registered committees had ceased to function and a later check showed a final count of 3224 committees as of July 1, 1945.³²

One of the items, on the questionnaire issued earlier in the year, read as follows: "Do you expect to continue committee after the war?" Of the 1343 active committees responding, 66 per cent answered yes, 7 per cent answered no, and 27 per cent reported that they were undecided.³³ About three years later the Bureau of Labor Statistics of the United States Department of Labor mailed a questionnaire to the three thousand plants which had been listed as having committees as of July 1945. In December 1947 and January 1948 replies came from 944 firms 30 per cent of which reported that their committees had continued to function through 1947 and were active at the time of reply. In some of these cases, 68 of the 287, the company reported that there was no committee but described a form of union-management coöperation which amounted to the same thing. Replies were received also from 126 local unions, out of 580 circularized, and these corroborated in all but a few instances the information supplied by the larger number of companies responding.³⁴

Table 6 portrays the survival of committees according to the size of plant and whether or not the workers were represented by a collective bargaining agent when the reply was made. The nine hundred odd plants reporting seem to constitute a fair sample of the original group of registered committees. The proportions of plants with a given number of employees are almost identical in the two groups, if the number of the "unknown" classification is removed from the figures.³⁵ Only 17 per cent of the firms responding in 1947-48 were non-union as compared with 23 per cent in 1945,³⁶

³² See p. 20.

³³ Mimeographed report, *Labor-Management Committees in Action*, WPB War Production Drive Division, Committee Standards and Analysis Branch. Washington, D. C., March 1945.

³⁴ Much of the information in this section, as well as a number of items in Chapters III and IV, consists of unpublished material furnished by the Bureau of Labor Statistics from its questionnaire survey. See also the article by Frank S. McElroy and Alexander Moros, *Joint Production Committees, January 1948*. *op. cit.*

³⁵ See Table 3, p. 22. As for postwar changes in the size of individual plants, there is variety. Some plants report reduction in force and others considerable expansion.

³⁶ See Table 4, p. 23.

but this may be due to an increase in unionism in the postwar years. The size of the non-union plants continues to be small, as with the original group. The distribution of the plants among different industries and varieties of unions appears to be similar to that of the original group when allowance is made for the change-over to peacetime industrial operations.

The survival of committees does not seem to be related to the number of employees in the plant. The proportions of plants of

TABLE 6

POSTWAR STATUS OF WARTIME LABOR-MANAGEMENT COMMITTEES BY
NUMBER OF EMPLOYEES IN THE ESTABLISHMENT AND BY
UNIONIZATION OF PLANT, 1947*

Number of Employees	Total No. of Plants	Plants with Active Committees			Plants in which Committees Were Discontinued		
		Total	Unionized Plants ^a	Non- Union Plants	Total	Unionized Plants ^a	Non- Unionized Plants
Total.....	944	287	223	64	657	564	93
Under 100.....	123	41	22	19	82	49	33
100 and under 500.....	307	110	83	27	197	175	22
500 and under 1000.....	145	52	44	8	93	85	8
1000 and under 5000.....	168	48	41	7	120	115	5
5000 and over.	37	5	5	—	32	26	6
Unknown.....	164	31	28	3	133	114	19

* Derived from Table 1, *Joint Production Committees, January 1948, op. cit.*

^a Includes AF of L, CIO, and independent unions.

different sizes having active committees are almost identical with those of plants of similar size not having committees. It is possible that more non-union plants continued their committees. About 72 per cent of the union plants disbanded their committees as compared with 60 per cent of the non-union plants. This may be related to the reason which some firms gave for discontinuing their committees: "Union came into plant and there was no further need for a committee." As indicated in Chapter I, a labor-management production committee comes later in union-management relations,

after grievance machinery has been established and seniority provisions, overtime and vacation clauses, and similar requirements of the contract are understood and in working order. After a new union is introduced, the activities in this connection absorb much of the time available for industrial relations work.

"End of the war" was the principal reason given for discontinuing labor-management committees. Although 66 per cent of the 1300 committees reporting early in 1945³⁷ had stated that they expected to continue their committees, it is apparent that committee members changed their minds because of conditions which they had not foreseen. Three situations prevailed after the close of the war. The activities for which committees were especially responsible — bond drives, car-pooling, blood bank, Army-Navy E celebrations, patriotic rallies — became less important or ceased entirely. Production urgency decreased, and the spirit of coöperation was interrupted by temporary shutdowns, some layoffs, reductions in hours and earnings, and plant reorganizations. For example, in certain jobs at one plant men who had been earning \$63.24 for seven days a week now found their "take-home" about \$48 for a 48-hour week. Later, even after the wage increase in 1946, they were earning \$44.60 a week because they had resumed the 40-hour schedule. A drop of some seventy dollars in the monthly income of a family creates an atmosphere that does not breed a coöperative spirit. At another company the earnings of one group of men at \$48.36 for a 48-hour week dropped to \$37.20 with the return to 40 hours, a loss of over forty dollars in monthly "take-home." The cost of living continued to rise. Unadjusted grievances had accumulated at some plants. Strikes were in prospect and occurred in certain industries and in certain large corporations. There was an atmosphere of waiting to see how the outcome of these disputes would affect industry in general. Both the workers and the industrial relations directors were in little mood for coöperation.

The third problem concerned the management executives who were responsible for materials and, during the war, had devoted considerable time to labor-management committee work to improve quality and eliminate waste. After the war when the priority system ceased and no longer guaranteed them an adequate supply of raw materials and component parts, such management representa-

³⁷ See p. 18.

tives had to spend the bulk of their time in procuring supplies and working out substitutions. Often these men had previously been the spark plug of the committee. Without this aid some committees became ineffective or extinct.³⁸

The influence of these situations is shown in some of the replies to the BLS question, "Why was the committee discontinued?" as given by the 657 firms which had disbanded committees. The principal reason, however, seemed to be in the acceptance of the point of view that the committees were a wartime measure. Some firms reported that their committee meetings deteriorated into constant airing of grievances. One company said: "If the union could persuade its members to be more conscientious perhaps this program could be effective. The committees coöperate but the task isn't fulfilled because of ineffective dissemination of ideas by the union to its members." On the other hand a union reported: "I guess the supervisors couldn't stand constructive criticism . . . Production problems and methods of improvement are no longer jointly surveyed. Management only consults the union now when they have a tough problem to overcome and want our coöperation . . . Management tried the liberal plan during the war but has now again gone back in their shell which is unfortunate." The figures indicate that both union and non-union firms met with the same difficulties.

TABLE 7
REASONS FOR DISCONTINUING LABOR-MANAGEMENT COMMITTEES IN
657 MANUFACTURING PLANTS*

Reason for Discontinuance	Total	Number of Plants	
		Unionized	Non-Union
Total.....	657	564	93
End of war.....	272	233	39
Ineffective.....	133	118	15
Lack of interest.....	135	118	17
Plant closed after war.....	14	11	3
Problems handled by other unre- ported method.....	19	17	2
No reason given.....	84	67	17

* Information provided by Bureau of Labor Statistics.

³⁸ These postwar conditions were described to the writer during visits to manufacturing plants in 1946 and 1947.

There are, however, encouraging reports from the committees which have survived. From one, a union officer writes: "Our committee is very effective—it meets once every week, has authority to act and there's complete coöperation between management and labor." And of another postwar committee a personnel director says: "Our present set-up is most effective in as much as Top Management sits in on every monthly meeting and follows thru and, if possible, has executed all feasible suggestions and recommendations before the next meeting." Among both the committees which disbanded and those which have continued there were management and labor representatives who kept the goal before them, insisted on committee meetings while the going was hard, or secured a resumption of activities after inevitable lapses. They maintained an atmosphere of mutual trust. Chapter III will tell how these more successful committees assisted plant management and Chapter IV will describe the procedures which were essential to union-management coöperation.

SUMMARY

The labor-management committees of 1942 to 1945 were a wartime phenomenon. They were proposed by the government to some 20,000 war contractors and the labor representatives in their plants. Their purpose was to increase and improve production through teamwork of management and labor. They were not to duplicate or interfere with the regular collective bargaining machinery. In unionized plants, the recognized collective bargaining agent was to determine the choice of the labor representatives of the committee.

Individual employers and labor leaders, as well as the American Federation of Labor, the Congress of Industrial Organizations, the National Association of Manufacturers, and the United States Chamber of Commerce endorsed the program. These attitudes were modified by inexperience, fear and distrust of employers and union men. Management feared that labor might take over its prerogatives and a few employers thought that the government intended to help in this. Labor feared that management might use the committees to dominate labor and thwart unionism. It wished the government to service the program as an industrial relations problem through the Labor Division of the War Production Board. A middle course was chosen through the establishment of a War Production Drive Division. It provided some industrial

relations service and conducted a promotional program. But the program was developed primarily by the committees in the individual plants. The nature of the work, therefore, depended on the policies of the firms and on the attitudes and abilities of the local management and labor representatives.

A total of some 5000 labor-management committees, covering over seven million workers, registered with the War Production Board. Of these committees from 500 to 1000 worked on production problems, with larger numbers concentrating on absenteeism and accident prevention, using a joint suggestion system as the means of securing the production ideas of the workers. Almost all of them handled the war activities of their plants — car pooling, bond drives, community fund and blood donor campaigns, rallies and celebrations — welcoming teamwork methods in preference to unilateral action. The committees were located in every type of war industry with predominance in ordnance plants, 587 committees, and in shipyards, 196 committees, each group representing over one million workers. Airplane factories, Naval Shore establishments, the steel industry, engines, communications equipment, and other machinery concerns were next in order of numbers. Twenty-seven per cent of the committees were in plants having over 1000 employees and 53 per cent were in plants of 100 to 500 workers. Twenty-four per cent of the committees and 24 per cent of the workers were in companies where the American Federation of Labor had contracts and 32 per cent of the committees with 42 per cent of the workers were in establishments under Congress of Industrial Organizations contracts. Twenty-four per cent of the committees, but only 11 per cent of the workers, were in non-union plants. Although there were several hundred committees in which each of the more important AF of L and CIO unions participated, as high as 497 in the case of the United Steelworkers, these figures are small in comparison with the thousand or more local unions which these large international unions serve and by which policies are determined.

The committees functioned in a dynamic situation, under almost explosive expansion in shipyards, and in airplane, munition, and engine plants. They also had to accommodate their activities to abrupt shifts in demand when materials were channeled from Liberty ships to landing craft, from tanks to trucks, and to and from all types of component parts.

They functioned also in a period of wage inequities between in-

dustries, under a wage stabilization program, at a time of rapid growth in unionism and of numerous elections to determine the representatives of workers, and in a period when labor disputes await decisions through the process of arbitration.

Some committees broke under the strain of pressure on management and labor, but it is estimated that with some disappearing and new ones forming, there were always 3000 committees covering about five million workers during the war period. A final check toward the close of the war indicated that about 3000 committees were functioning at that time.

Although 66 per cent of some 1300 committees responding to a questionnaire early in 1945 stated that they intended to continue after the war, only 30 per cent of some 900 committees answering an inquiry in 1948 actually survived the vicissitudes of the postwar period. The bulk of these disbanded because management and unions looked upon them as a wartime undertaking, the principle duties of which ceased with the end of hostilities. Others reported that their work was ineffective or that there was lack of interest. Management became absorbed in problems of reorganization and procurement of materials. Labor became restive under plant changes, drops in earnings on the resumption of the 40-hour week, the rise in the cost of living, and the conflicts which arose in 1946.

Nevertheless, at least 300 of the more effective committees have continued as originally set up, or under some similar arrangements, for coöperation in the common goal of improving production, quality of work, and employer-labor relations.

CHAPTER III

MANAGEMENT AND THE JOINT COMMITTEE

THE COMMITTEE AND THE MANAGEMENT FUNCTION

CAN LABOR *participate* in management? *How* does labor work with management in a joint undertaking? Management as separate from ownership in the modern industrial corporation is well understood today. Management as a function, distinct from the persons who do the managing, is an abstraction which is difficult, and probably not practical for the discussion of the conduct of a business enterprise. This is primarily due to the fact that with the term "management" goes the concept of responsibility to the owners and the authority to act in their behalf. Even where management has accepted increasingly the responsibility for the welfare of employees and of the general public, it still has a function different from that of the union which is interested in the success of the enterprise but has a special responsibility for the concerns of the employees. This would be the case also under a publicly owned or operated enterprise.

The question cannot be answered by saying that labor or the workers are different from the union. The workers themselves would be expected to think first of their own welfare. Furthermore, if the union is the bargaining agent representing the majority of the employees its representatives in the plant must be used, and possibly increased in number, for coöperation with management. The war experience showed that confusion resulted if dual representation of workers existed through the labor-management committee and through the union, or if the union tolerated but did not participate in the coöperative effort.

The answer to the question can better be approached through a further analysis of the function or functions of management. The terms have been clarified by Neil Chamberlain¹ in defining the

¹ Neil W. Chamberlain, *The Union Challenge to Management Control* (New York: Harper and Brothers, 1948). The reader is referred to the entire chapter, "Management in Theory and Practice."

work of management as direction, with emphasis on the deciding function; as administration, with emphasis on the planning function; and as execution, the operating function; together with co-ordination which is inherent in all three. These functions are performed at each level or "frame" of management, "the decision-making function within any frame" operating "within the outlines prescribed by the frame above." In the top frame "resides the ultimate and final authority within the organization" and at any particular level "the decision-making function of those managers in the frame above assumes the *nature* of direction, of final authority."

Mr. Chamberlain goes on to say that in "practice many decisions and policies originate in frames several stages removed from the directive level, and are forwarded up through the organization for approval."² Writing some twenty years ago, Mary Follett describes this process as follows: "But it is a matter of everyday knowledge to business men that their heads of departments pass up to them much more than mere facts. They give interpretations of facts, conclusions therefrom, judgments, too, so that they contribute very largely to final determination, supreme control, ultimate responsibility . . ."³ Miss Follett emphasizes the diffusion of responsibility saying that, "Authority belongs to the job and stays with the job," that "authority and responsibility go with function and not with a certain position at the top of the chart." She notes "the tendency in present business practice to solve problems where they arise, to make reconciliations at the point where conflict occurs, instead of the matter being carried 'up' to someone." But she recognizes that "it is the chief executive, or one of the upper executives, to whom we look to tide over unexpected difficulties or when instant decisions are necessary."⁴

Both writers feel the necessity for assigning responsibility for direction, or decision making, and both show that direction, administration, and execution operate at different levels or within different frames. Both also indicate a diffusion of responsibility. Mr. Chamberlain writes: "Collective action characterizes these managerial functions. Within any frame direction and administra-

² *Ibid.*, p. 31.

³ *Dynamic Administration, The Collected Papers of Mary Parker Follett*, Edited by Henry C. Metcalf and L. Urwick (New York: Harper and Brothers, 1942). See chapter on "The Meaning of Responsibility in Business Management." See also her *The Illusion of Final Authority*, *Taylor Society Bulletin* (New York, December 1926).

⁴ *Ibid.*, pp. 149, 153-155.

tion are customarily the work of a committee consisting of a number of the managers within that frame, to whom are frequently added certain managers from the frame immediately below.”⁵ A labor-management committee is another variation of this situation. It differs in that both labor and management representatives are on the committee, sometimes acting as a unit and sometimes acting in their separate capacities. It is inaccurate to say that a “committee made a decision.” It would be more precise to say that the committee comes to an agreement and one of the management representatives makes the decision in his managerial capacity. Occasionally the decisions are contrary to the wishes of some or all of the committee members but management, receiving the recommendations from the committee, has the assistance of this body in arriving at its decision, either in the committee meeting or apart from it.

It is in the administrative function of management that labor-management committees render their greatest aid. Management having determined in the first place the very existence of a joint committee and having also exercised its control as to areas of operation, the committees plan how the coöperative efforts should be carried on. It is fairly clear that the management members of the committees decide on the adoption of these plans and designate whose is the function of execution. This has been evidenced in complaints from labor over disregard of recommendations or delays in decisions, primarily when the management members of the committee have insufficient authority to deal with the issue involved. On the other hand Miss Follett’s emphasis on the fact that function follows the task has been borne out in the experience of the committees. The situation itself, the facts of the case, determine the decision. This might be especially true during a war when the immediate goal for management and labor is the same and their insecurities in relation to each other are minimized. Where committees work effectively they concentrate on the task, the problems to be solved, and the decisions emerge from their deliberations. It might be said, however, that management’s consent, and therefore decision, is implicit in the situation.

In his analysis of the job of management Mr. Chamberlain lists the areas of operation to which the management functions apply — finance, personnel, procurement, distribution, and coördinate or cabinet activities. The operating functions, other than coördination

⁵ *Op. cit.*, p. 32.

and research, have been classified elsewhere⁶ as production, personnel, engineering, sales, and finance. The labor-management committee participates, as described above, primarily in the areas of production and personnel. This chapter describes the areas of operation in which committees serve and the results of labor-management coöperation. The following chapter will describe how the committees operate. The material is based primarily on the work of the six or seven hundred committees which worked effectively⁷ during the war, with some information on about 200 committees which have continued to the present time.

COMMITTEE WORK ON PRODUCTION PROBLEMS

The following subjects relating to production, directly and indirectly, came before wartime labor-management committees. This list was prepared by a management engineer⁸ who visited committees, read the minutes of their meetings and their reports on suggestions, and analyzed committee processes.

Subjects Directly Related to Production

Conservation, Reclamation and Salvage. The efficient use of raw materials and the reworking, recovery, or salvage of raw materials, material in process, and tools.

Design, Product. Changes in parts or in the entire product to facilitate manufacture; or to improve the usability or salability of the product.

Design, Tool. Changes in machine, tool, jig or fixture primarily to facilitate manufacture, includes design changes which conserve tool steel or other materials.

Disregard of Rules. Pressure upon executives or employees concerned, to observe shop practice which is both agreed upon and understood but is disregarded.

⁶ Morris L. Cooke and Philip Murray, *Organized Labor and Production* (New York: Harper and Brothers, 1940), p. 78.

⁷ See Chapter I for definition of word "effective" and Chapter II, p. 19, for estimate of numbers handling different types of program. Much of the information in Chapters III and IV has been secured from War Production Board files, especially from reports on visits to committees by Clarence Bolds, Clifford Jessup, and Anthony Luchek in 1942, by Hal Denman, Muriel Ferris, Francis Goodell, and William Leen in 1943 and 1944, and by the writer from 1942 to 1945, and again in 1947.

⁸ Francis Goodell whose services were assigned to the War Production Drive Division by the War Production Board for the period of a year, 1943-44.

Equipment. Bringing idle or partly idle equipment into fuller use or the procurement or redesign of equipment to facilitate manufacture.

Housekeeping. Orderly disposition of machines, equipment, and all materials, including marking of work and storage space and of aisles, and the maintenance of physical surroundings in the workroom so that work can be carried on more efficiently and in more inviting surroundings. Changes made primarily to promote safety classified under *Safety*.

Instruction. Teaching and training both for individuals and for groups, or as part of entrance orientation, refresher courses, or upgrading; excludes preparation or change in content of instructions done as part of improving the work which is classed under the subject considered.

Inter-process Relations. Systems and methods to improve correlation of production processes to facilitate manufacture, including layout of production units and the rearrangement of one or more machines.

Lighting. Betterment of artificial or natural lighting primarily in the interests of production and eyesight conservation. As an element in safety research classified under *Safety*.

Maintenance and Repair. Upkeep of machinery and equipment through adequate maintenance procedure and anticipating and promptly making repairs to prevent breakdown of production; also the interdepartmental relations involved.

Personnel. Recruiting and selecting employees, and improvement in their use through coordination of departmental needs for help; excludes all training and all welfare considerations and adjustment of personnel to the production program which are classed respectively under *Instruction*, *Welfare*, and *Reconversion and Cutbacks*.

Process Change. The modification of a process, change in sequence of processes, addition or substitution of one process for another to facilitate manufacture, including process study and means of setting production standards.

Progress Charts. The preparation and use of progress records covering production and quality problems as an aid to cooperation, including discussion and use of statistical control charts for that purpose.⁹

Quality Improvement. Analysis of causes of poor quality, changes in instructions, or inspection to facilitate standard grade production to eliminate unnecessary expense for inspection and further proc-

⁹ See E. J. Lever and Francis Goodell, *Labor-Management Cooperation and How to Achieve It* (New York: Harper & Brothers, 1948), Chapter VII, "Teamwork and Progress Records."

essing of defective parts, including statistical quality control for executive use.

Reconversion and Cutbacks. Adjusting the details of the manufacturing program and expected changes in manufacturing volume or type of output.

Stores Control and Stowing. The physical care of raw, semi-finished, and finished worked material and systems of control of their supply and movement to factory floor.

Suggestions. Means of developing and evaluating suggestions. Specific suggestions classified by their subject matter.

Tool Control. Methods of insuring that tools are properly standardized, stored, ground, repaired, replaced, and issued to machines and workers without delay.

Urging Action. Pressure for decision or for promised research on any pertinent proposal, whatever its subject, when action is believed unduly delayed.

Ventilation. Improvement of ventilation or the introduction of air cooling in the interests of production. As an element of employee comfort in cafeteria, locker rooms, etc., classified under *Welfare*.

Work Assignment. Methods of supplying work orders, worked material, and equipment so as to facilitate production, not elsewhere classified.

(See also the various "services," as *Maintenance, Instruction, Stores Control, and Tool Control*.)

Subjects Indirectly Related to Production

Absenteeism. Definition and analysis of absences and effort primarily intended to reduce them.

Committee Conduct. The mechanics of planning or conducting meetings, including joint consideration of representation, payment for lost time, etc.

Financial Drives. All authorized requests for employees' money for charity or for investment or other savings plans.

Publicity. Informing employees of the existence or importance of certain general values of the plant and products as related to the war effort or to civilian and industrial needs, or of committee programs. Excludes details which guide solution of operating problems which are classed as progress records.

Safety. Prevention of accidents and occupational diseases and lessening their effects, such as related educational work, safety inspection, provision of mechanical safeguards, first-aid equipment, and other means of stimulating care in observance of safety rules.

Transportation. Facilitating the movement of employees primarily between the plant and their residences, excluding transfer of factory equipment and product.

Welfare. Changes benefiting workers as persons, such as locker and toilet facilities, cafeteria and canteen service, medical and nursing service, information on food and nutrition.

No committee worked with management in all of these activities, but most of the above items appeared as part of the program during the war years. There should be added also the committee discussions on production schedules, which aroused interest and secured the coöperation of the work force in getting out production. Since the war many of these subjects come before the committees which continue.

The kind of contribution which labor made in solving production problems depended on the size of the plant, the nature of the work, the ability of committee members, and the attitude of management. When labor-management committees are introduced abruptly into a large number of plants, as was the case in the war period, they are not called upon to prop a faltering management. Many of these establishments have excellent management, know the best practices in the industry, and are not experiencing high unit costs or financial distress. Yet the contribution from the labor members of the committees was appreciated more than they perhaps knew. At one firm a management representative said, "It helped quite a bit. Many changes were made as a result of those discussions"; and of the same firm the union president said, "They didn't adopt our suggestions." At another large corporation, a management representative pointed out that "every operating official knows the things that need to be done, but he just does not get around to all of them." In such cases it may be not special knowledge but emphasis that points the way. In this respect the vice-president of another company, which operates a committee currently, said, "The union keeps us on our toes. These meetings serve as a safety valve to call to our attention the things that need to be done. Sometimes our faces are red but we know the men are right." The president of still another concern said, "It is quite worth the time spent on it. There are no outstanding ideas to dramatize but all the discussions add up to valuable results." And a union president who had been working year after year on production problems in the labor-management committee, both during and since the war, expressed his opinion in this way, "I think the committee is a good thing. I don't mean for any advantage for the union. It's just a necessity." These

remarks are quoted to summarize the effect of working together on a volume of production ideas in plants of over a thousand employees with presumably competent management.

In a smaller organization of some 200 employees with a war conversion job to do, management spoke this way: "These committees were kept busy as long as there were war products to work on and also during the reconversion period. Management didn't have the know-how any more than the men. They worked it out in committee." This was in a machinery concern where the members of the International Association of Machinists contributed from their personal experience in the trade. Here the contribution from labor was technical and specific. In other small plants with less skilled work, the assistance from the committee was due to the sum of many ideas similar to the situation described in large organizations.

On page 46 is a listing of the types of production problems handled in department committees of three large industrial organizations and also the type of production ideas received through the suggestion systems of two other companies. These items were obtained by the engineer¹⁰ mentioned previously, through analysis of samples of committee minutes on the occasion of his visits to these plants in 1943 and 1944.

Comparison of the experience of these companies of widely different products indicates that every type of production problem comes up for discussion in a labor-management committee. The emphasis on certain items apparently varies with the needs and current situation of the organization. The ideas which come to the suggestion committee from individual workers are more likely to be in the realm of design, equipment, and process change than in other problems of production. Material conservation also was featured in suggestion campaigns during the war. In committee work the subjects discussed reflect the relationships between labor and management and the type of program which has been encouraged. For example, at the Springfield, Massachusetts plant of the Westinghouse Electric Corporation to which the above figures refer, the company and the union had been coöperating through department committees since 1937. These directed their attention to improving the quality of work, the reduction of the number and cost of rejected items. This was important in war products as it had been on

¹⁰ Francis Goodell.

civilian goods, hence the preponderance of items on this subject. The wartime committees also placed emphasis on interdepartmental relations and on failures in other types of employer and employee

TABLE 8

TYPES OF PRODUCTION PROBLEMS HANDLED BY LABOR-MANAGEMENT
COMMITTEES AND BY SUGGESTION COMMITTEES IN PLANTS
DURING THE WAR PRODUCTION DRIVE

Subject	Percentage distribution of production subjects ^a appearing in sample minutes, by type of committee and by company				
	Department Committees			Suggestion Committees	
	Westing- house Electric Corp. ^b (229 items)	Bridgeport Brass Company ^c (294 items)	Monsanto Chemical Co. ^b (114 items)	Emerson Electric Co. ^b (107 items)	The — Electric Co. ^d (176 items)
Total.....	100	100	100	100	100
Conservation and salvage....	4	—	—	14	12
Design (tool and product)....	5	6	4	33	57
Equipment.....	5	27	35	13	21
Failure of supervision or of workers.....	25	—	—	—	1
Fatigue alleviation, personnel, etc.....	2	5	2	5	°
Interdepartmental relations...	10	16	8	3	4
Layout.....	2	12	14	2	2
Lighting.....	2	3	4	—	°
Maintenance and repair.....	1	20	5	—	°
Process change.....	9	—	—	21	—
Quality improvement.....	25	1	—	4	°
Stowage and stores control...	2	2	16	5	1
Tools and tool control.....	6	—	7	—	°
Work assignment, routing....	2	8	5	—	1

^a This refers to production items only. There were also matters of publicity, safety, bond drives, etc.

^b One plant.

^c Two mills.

^d One plant. The company prefers to remain anonymous.

^e Less than 1 per cent.

performance which committee members had discussed frankly in previous years.

In order that this committee work on production problems does not remain in the abstract form of "subject matter" a few examples are added here.

Methods

The first example illustrates how management and labor together, within a department, improved the methods of making the insecticide dispenser for the army, after it had been put into production :

These "Insect Bombs" are loaded with an insecticide for killing insects and bugs in army tents in the tropics. J-32 was the old refrigerator compressor department. The space was limited. The old equipment was used in making the new product. The J-32 committee worked out a system of multiple stamping of discs which went into the insect bombs. Rather than stamp these discs from steel strips they devised a method of stamping five at a time from steel sheets. This not only increased production 400 per cent, but also saved 401,380 pounds of steel annually.

A new type of ferrule (copper ring) was devised to eliminate a high percentage of rejects. A new copper ring was used for diaphragm brazing. An enclosed holder was devised for tubes at the welding station. A method was perfected for pinching off leaks, for decreasing diaphragm and ferrules, and for cleaning the inside of cans (bombs) by exploding the cans inside the furnace. The bottom of the cans was made flat so they could ride through the brazing furnace on the belt.

One worker in the department suggested a method for dipping a basket full of cans instead of one at a time. He received a \$350.00 award for his idea.¹¹

The original quota for these bombs was set at 600 per day but by the time all of these improvements had been made the men and women were turning out 24,000 per day.

An example of other ways of improving methods of work is as follows :

Another suggestion developed by the joint production drive committee was the numbering of plant bays and machines. This was done in large numerals using a highly colored, easily visible paint. This was done to eliminate an extremely high amount of lost time due to the intra-plant stock truck drivers (usually new men, unfamiliar with the plant lay-out) being unable to locate the exact place where opera-

¹¹ Mimeographed report, *The Labor-Management Production Committee of the Westinghouse Electric and Manufacturing Co., Springfield, Mass., and the United Electrical, Radio and Machine Workers of America, CIO, Local 202, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., July 1944.*

tional stock was supposed to be delivered. By the new method, delivery trucks are provided with slips specifying the building, bay and machine number which makes possible the easy location of the point of delivery by even a very new man. The savings of man-hours is impossible of specific valuation.¹²

Conservation

The departmental committee of one department, with assistance from the Committee on Conservation of Material, devised a method of using steel piping on punch presses instead of high pressure rubber hose, thereby saving a quarter of a mile of rubber hose.

This idea was referred to other departments. It was then applied to the situation of the die-casting machines where the hose is not in continuous use. By unhooking the couplings and hanging the hose on the wall when not in use, thus using the hose interchangeably between machines, these employees not only saved rubber but also preserved the amount needed because it was kept clear of splattering oil and flying, cutting metal. It was estimated that a thousand feet of rubber was saved every six months on these machines alone. The principle of saving hose was being applied to drop presses and single action machines.¹³

Care of Tools

. . . the department committee for the tool cribs worked out a new scheduling or routing method whereby all tools were turned in at various sub-cribs, and from these, sent to a sorting department in the central tool crib. Standard tools, such as drills, taps, and reamers are sorted by size, repointed and put away to be used on some future job. All tools are renovated whenever possible . . . An example of the savings brought about through this committee program is that some of the broaches saved were worth \$70.00 each.¹⁴

In June 1943 also the subcommittee (on tools) started working out publicity ideas to help sell the campaign to the workers . . .

- (1) To show the importance of keeping all tools working.
- (2) To eliminate the practice of keeping tools in boxes when not in use.

¹² Mimeographed memorandum, *Indications of Joint Production Drive Committee Accomplishments in Improving Plant Efficiency*, War Production Board, Labor Production Division, W. Ellison Chalmers to Wendell Lund, June 16, 1942.

¹³ *Ibid.*

¹⁴ *The Labor-Management Production Committee of the Westinghouse Electric and Manufacturing Co., Springfield, Mass. and the United Electrical, Radio and Machine Workers of America, CIO, Local 202, op. cit.*

- (3) To show the danger resulting from careless practices in using tools.
- (4) To educate workers as to the proper use and care of tools.
- (5) To impress upon all departments the fact that many tools cannot be purchased.
- (6) To impress upon departments that tool orders should be placed promptly as need is foreseen.

The Executive Committee assisted the subcommittee in putting articles about tools in both the "Keel" and the union paper. And the artist designed flyers with such titles as "Idle Tools Were Made For Fools," "Before We Bury The Hatchet, Let's Use It," and "Loafing Tools Hinder Workers."¹⁵

Improving Quality

Bad Wire

- (1) Broken Wires and Cables.

Braiding Department is the principal offender. When broken wires occur in the Braiding Department, the reel is not marked. When spooling wire for cable machine loading, these breaks come along on unmarked spools and cause a delay in production on cable machine until brazed and repaired. Also, delays and changes in the Testing Department. This is very annoying to both departments and should be remedied by Braiding Department. Dave . . . will be contacted.

- (2) Damaged Wire.

Testing Department is plagued with a large amount of damaged wires. This is caused by careless handling throughout the factory. Some men in all departments do not seem to realize that by bumping two reels together it is very easy to damage the insulation of the wire on both reels. This is particularly true with the newer members of the Yard Gang when moving wire from one department to another. William . . . will be contacted to see that this condition is improved immediately.¹⁶

¹⁵ Mimeographed report, *The Labor-Management Production Committee of the New England Shipbuilding Corporation, South Portland, Maine, and Local 50, Industrial Union of Marine and Shipbuilding Workers of America, CIO*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., July 1944.

¹⁶ Excerpts from minutes, Nov. 10, 1943, of Labor-Management Committee of The Okonite Co., Hazard Insulated Wire Works Division, Wilkes-Barre, Pa., and International Brotherhood of Electrical Workers, AF of L, Local No. B 1001.

Quality Committee Suggestions For Broad Goods Mill (textile plant)

Raise level of trucks so goods don't drag on the floor. Cover drive shaft with paper so oil does not spatter cloth. Employees' hands and clothes should be kept clean. Grease spots on cloth from cravat looms due to lack of grease pans. (On order — will follow through.)¹⁷

Worker Suggestions

Suggestions from individual workers were a special activity of the wartime labor-management committees. With relatively little fear of unemployment that might come from technological improvements and labor-saving suggestions, unions which hitherto had held aloof from management-run suggestion systems decided to encourage workers to submit suggestions to the established systems or they participated in a new joint suggestion committee as part of the labor-management setup. In response to a War Production Board questionnaire in the spring of 1943, 90 per cent of 1008 committees reported that they had a suggestion system and in the winter of 1945, 75 per cent of 1343 committees reported likewise. By the summer of 1942, the Individual Awards Plan of the War Production Board was in operation and ready to receive the best suggestions from committees. Between August 1942 and August 1945 over 11,000 suggestions were sent to Washington to the Awards Board which granted honors for Production Ideas — 18 Citations, 410 Certificates, 2762 Honorable Mentions, and 7168 Letters of Commendation.

These honorary award winners had previously received similar honors or cash awards from their individual plants, as did many other workers whose suggestions were adopted but not considered sufficiently outstanding to be sent to a board in Washington. It is estimated that over a million and a half suggestions were received by labor-management suggestion committees during the three years from June 1942 to July 1945. It can be assumed that over three hundred thousand of these would have been adopted with a saving of millions of man-hours and of almost sixty million dollars for war production. This calculation is based on a report of the National Association of Suggestion Systems on 50 industries and

¹⁷ Excerpts from minutes, October 14, 1946, of Labor-Management Committee, Cheney Brothers, Manchester, Conn., and Textile Workers Union of America, CIO, Local 63.

businesses covering over two million employees for the first six months of 1944 and of 1945.¹⁸

By way of summary and in order to show the numbers of labor-management committees with their own estimates of the extent of their work on different types of production problems, the results of a questionnaire survey conducted in January 1945 are given in Table 9.

These figures and the descriptions of the work of the labor-management committees which worked on production problems show that they directed their attention to methods and to operation. Some of them also received information on other matters such as purchasing problems, production studies, and time studies. In the matter of time studies, the union as such dealt with management because of the need to bargain over wage incentive plans which were widely introduced during the war.¹⁹ Although production time standards and wage incentive plans are bargaining issues, 34 per cent of some 200 postwar labor-management committees re-

¹⁸ *Comparative Statistical Report—Suggestion System Performance*, The Bulletin of the National Association of Suggestion Systems, Chicago, Oct. 1945.

In the first year the firms received over 268,000 suggestions or 120 per every thousand employees in the first six months and in the second year they received over 288,000 or 132 per thousand employees for six months. Of these, 22 per cent and 24 per cent were adopted in six months in 1944 and 1945 respectively with awards amounting to around one and a half million dollars, on the average \$23.22 per suggestion in one year and \$21.67 the next.

The estimate of the number of suggestions received by labor-management committees is based on rather broad assumptions. First it is assumed from Table 1 in Chapter II that there were three million employees covered by committees in the six months, June to December 1942, and four million from January through June 1943, and five million for each of four succeeding six-months periods. As said before, it is unlikely that there were ever more than 3000 committees with five million employees functioning at one time.

The next general assumptions are that 75 per cent of the committees on the average handled suggestions throughout the war and that they represented 75 per cent of the employees covered. But because some of the committees were new to the work it is estimated that only two-thirds as many suggestions were offered by these employees as compared with those under the better established systems. This would mean that there may have been 80 suggestions for every thousand employees for each six-months period, hence the total of a million and a half suggestions of which possibly 22 per cent, or some 300,000, were adopted. If the adopted suggestions had averaged awards of \$22 each, making an awards total of \$6,600,000 and these awards represented 10 per cent of the total savings (as is the case with many companies) there would have been a net savings of roughly \$59,400,000 in production costs.

¹⁹ "Approximately one million workers were affected by new wage incentive plans in 1944."—*A Handbook on Wage-Incentive Plans*, War Production Board, Management Consultant Division, Washington, D. C., 1945.

sponding to the United States Bureau of Labor Statistics survey²⁰ reported that they discuss such matters and 31 per cent reported work on job evaluation.

TABLE 9
PRODUCTION ACTIVITIES OF 1343 LABOR-MANAGEMENT
COMMITTEES FOR 1944^a

Production Activities	Number of Committees and Extent of Participation			
	Considerable	Some	Little or None	Unclassified ^b
Production problems (including plant efficiency)	548	433	285	77
Production schedules discussed	339	428	499	77
Suggestion system	612	394	260	77
Care of tools and equipment	371	543	352	77
Conservation and salvage	445	473	348	77
Quality improvement	446	386	434	77

^a Mimeographed Report, *Labor-Management Committees in Action*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., March 1945.

^b Incomplete reports due to recent organization of committee or to informal committee structure.

Production Problems of Postwar Committees

A comparison of the work on production matters between the wartime committees and those surviving the war is shown in Table 10.

It is likely that many of the wartime committees which reported on their 1944 activities in a War Production Board questionnaire

TABLE 10
PRODUCTION ACTIVITIES OF 1266 LABOR-MANAGEMENT COMMITTEES IN
1944^a AND 274 COMMITTEES IN 1947^b

Activities	Percentage of Committees Participating	
	1944	1947
Production problems (including plant efficiency)	77	81
Suggestions by workers	79	78
Care of tools and equipment	72	59
Quality improvement	66	72

^a Derived from *Labor-Management Committees in Action*, *op. cit.*

^b Information provided by U. S. Bureau of Labor Statistics, see footnote, Chapter II, p. 31.

²⁰ See footnote, Chapter II, p. 31.

survey were those which gave considerable attention to production problems as well as to the more general war activities and it can be expected that those committees which survived the war and answered the 1947-48 inquiry were those which valued the work on production methods and plant operation. A significant increase in emphasis on improving quality of work may be due to the development of competition on the quality level in the postwar period. A decline of interest in the care of tools may be because of a decrease in the scarcity of tools since the war and also because of a change in the proportion of firms in munitions and metal manufacturing where care of tools was so important during the war years.

PERSONNEL PROBLEMS

Although management itself has given more attention to personnel problems in the past decade than ever before, it was in this area that it especially welcomed the coöperation of labor during the war period. Labor-management committees which began their work on slogan contests, bond drives, and plant rallies soon found themselves working on absenteeism, recruiting, health, and similar services. Even the war activities were the concern of the personnel department or, in some corporations, of the public relations department. According to the questionnaire survey mentioned above, the personnel or "manpower" activities of the committees were estimated by them as shown in Table 11.

TABLE 11
MANPOWER ACTIVITIES OF 1343 LABOR-MANAGEMENT
COMMITTEES FOR 1944^a

Manpower Activities	Number of Committees and Extent of Participation			
	Considerable	Some	Little or None	Unclassified ^b
Absenteeism.....	777	315	174	77
"Stay-on-job program".....	496	396	374	77
Upgrading and training.....	267	433	566	77
Recruitment of employees....	247	386	633	77
Health.....	352	438	476	77
Nutrition.....	144	306	816	77
Housing.....	87	193	986	77
Safety.....	773	312	181	77
Transportation.....	586	306	374	77

^a *Labor-Management Committees in Action*, op. cit.

^b Incomplete reports due to recent organization of the committee or to informal committee structure.

Absenteeism

The increasing handicap of absenteeism was the personnel problem which management recognized as calling for the most activity on the part of labor. Early in 1942, this appeared as an urgent matter before labor-management committees. Managements which considered it inappropriate or unprofitable to consult union representatives on production problems were ready to consult them as to "what was on the workers' mind" concerning health, food in the cafeteria, housing, transportation, recreation, shopping problems, and similar interferences with work, and also to enlist the support of union stewards and officers in disciplining those who were inexcusably absent.

The duties of committees on absenteeism and labor turnover, based on the experience of the labor-management committees over a period of three years, are listed in the Basic Guide for Labor-Management Committees as follows :

Obtain statistics by departments, shifts, or special groups from the personnel office.

Interview individually selected groups of absentees or arrange exit interviews of those wanting to quit.

Determine most important causes of absenteeism and turnover.

Coöperate with other subcommittees in arranging for housing, transportation, child care, evening hours for shopping, medical services, etc.

Coöperate with personnel department and foremen in interpreting the importance of their jobs to new workers, in acquainting them with plant regulations and facilities, and in making adjustments or transfers where needed.

Work with publicity subcommittee in making known the worker services available, the urgency of the production situation, future employment prospects, and other matters of interest to workers who are lax in attendance or thinking about quitting.

Conduct "presenteeism" campaigns, with honors or awards for individuals and departments.

Arrange interviews, and penalties if necessary, for chronic absentees — the penalties to be handled by management in coöperation with the union.²¹

²¹ *Ways of Operating a Labor-Management Production Committee*, War Production Drive Headquarters, War Production Board, Washington, D. C., 1945.

While not all committees conducted such a rounded program as here indicated, many of them did use the majority of these approaches as they came to grips with the problem. The personal interview was used not only to deal with the problems of individual workers but also to impress on them the significance of the current work load. Reports on committee activities serve to show precisely what they did:

The absenteeism committee at Addressograph-Multigraph consists of six management and nineteen labor members. A punch press operator (labor) is chairman of the committee. The vice-chairman is head of the purchasing department (management). The large membership of this committee is the result of wanting to "spot" members in all departments, since much personal contact work is done by committee members.

The committee at first tried sending telegrams to the homes of absentee workers, reminding them of the importance of staying on the job. This proved to be very effective, but the committee sought to make their work still more effective by instituting a new system of AWOL cards. These AWOL cards replace the absentee worker's time card in the rack. When he returns to work he must explain to the committee why he was absent and also get a release from his foreman. In addition to this a visiting nurse calls at the home of the absentee who sends in a report that he is sick. The absentee rate during the past year and a half has dropped from 8 per cent to 2 per cent for women workers and from 7 per cent to 1½ per cent for men. (Absence isn't considered as absenteeism in case of excused sickness. Hours scheduled are divided into hours lost to get the percentage of absenteeism.)²²

Another program appears as follows:

The following means of reducing absenteeism have been put into effect:

- (a) Posters, movies and other types of publicity have been used to bring home to the workers the importance of being at work every day.
- (b) More suitable hours and shifts were arranged for individual workers who were unable to maintain their regular schedules.
- (c) Special departmental committees composed of Labor-Management

²² Mimeographed report, *The Labor-Management Production Committee of the Addressograph-Multigraph Corporation, Euclid, Ohio, and the International Association of Machinists, AFL, Local 1228, and the Euclid Office Employees, AFL, Local 22337*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., March 1944.

ment representatives from the main committee conducted regular interviews.

(d) Each day absentees were checked and interviewed on next day or on the first day they returned to work.

(e) Absentee charts were constructed and posted in the clock house.

(f) A "Victory Shift" was organized by the committee which provides for the replacement of men who know beforehand that they would be unable to be at work on a certain day.

Since these measures have been put into effect by the committee absenteeism has been reduced by approximately 200 man hours per week.²³

The instructions to interviewers of a shipyard committee show the scope of work involved in a thorough handling of the problem of absenteeism.

Instructions to Interviewers on Absenteeism

Reason for absence: Transportation trouble.

Interviewer's question: "Which are you having trouble with, buses or car rides?"

Answer: Recommend this employee to Plant Transportation Committee.

Reason for absence: Illness.

Interviewer's question: "Is this illness of yourself or within your family?"

Answer: If of himself, recommend that this employee see the company doctor to see if he can help him.

Reason for absence: Eye flashes, etc.

Interviewer's question: "Do you work in Department 39 or 41, or in some other department?"

Answer: If in another department, advise him to be more careful and not watch welders or tackers while working. If employee is member of Department 39 or 41, recommend his taking his helmet to be reconditioned and leaks repaired.

Reason for absence: Had to go to ration board.

Interviewer's question: "Is this for gas rationing, fuel oil, or food?"

Answer: Find out which, and advise employee to go to ration board set up within the yard for further advice.

²³ Mimeographed report, *The Labor-Management Committee of the Symington-Gould Corporation, Depew Works, Depew, New York, and the United Steelworkers of America, CIO, Local 1630*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., June 1944.

Reason for absence: Cannot work for certain leadmen.

Interviewer's question: "What is the reason?"

Answer: Refer this man's reason to foreman of department, to see if he should be put under another leadman.

Reason for absence: Cannot work in confined spaces.

Interviewer's question: Have employee define the confined spaces he is not able to work in and find out what his reasons are for being unable to work in these spaces.

Answer: Discuss with foreman and see if he would approve sending employee to company doctor for a check-up, and if there are conditions which do not warrant employee working in these confined spaces. Let doctor make recommendation to foreman.

Reason for absence: Fatigue ("tired out").

Interviewer's question: "How many days each week have you been working? Have you had eight hours of rest each day?"

Answer: Recommend that employee work only six days a week, Monday to Saturday inclusive, and rest on Sunday, or secure foreman's permission for a vacation in order to rest up.

Reason for absence: Personal business.

Interviewer's question: "Are there any personal reasons which we might help you with?"

Answer: If "Yes," find out employee's problems and refer him to head of Personal Services Department.

Reason for absence: Dissatisfied with job and department now working in.

Interviewer's question: Find out reasons for dissatisfaction.

Answer: Refer to Labor Relations Field Officer for interview.

Reason for absence: Housing facilities.

Interviewer's question: "Have you recorded your name and facilities needed to house your family?"

Answer: Recommend this employee to Housing Committee.²⁴

These instructions emphasizing causes were important because labor representatives who conducted interviews at many plants were more severe on other workers than a personnel officer would have been. When absence was found to be inexcusable, penalties were exacted, consistent with the union agreement. Penalties of layoff or discharge defeated their purpose in the face of manpower shortages, hence many committees in coöperation with personnel departments devised prizes for good attendance — free theater tick-

²⁴ *The Labor-Management Production Committee of the New England Shipbuilding Corporation, South Portland, Maine, and the Industrial Union of Marine and Shipbuilding Workers of America, CIO, Local 50, op. cit.*

ets, the privilege of drawing for a \$25 war bond, a banner for the department with the best record. The latter device sometimes led to further penalties inflicted by fellow workers on the chronic absentee who might be labeled "Jap" and ostracized for a period of time. While the American labor-management committees did not possess the authority held by the British committees, whereby the absentee committee under the Essential Work Order made its reports on individual absentees to the national service officer, yet it is generally conceded that the committees in the United States during the war assisted widely in the management function of securing regular work attendance.

Upgrading and Training

Upgrading and training were also matters in which the labor-management committee coöperated with the personnel department. Most often this took the form of endorsing and publicizing courses planned by management but the discussions in such cases provided an opportunity for union representatives to make suggestions for improving certain phases of the program. Various policies and programs developed in this way. For example, the committee minutes at John B. Stetson Company (and United Hatters, Cap and Millinery Workers Union, Local 63) show on September 4, 1942 that a labor member suggested that the Job Instruction Training course of the War Manpower Commission be given to all employees who were helping instruct other employees. At subsequent meetings it was decided that training and upgrading should be plant-wide and that files should be set up in the Industrial Relations Department showing every kind of work an employee had done at that plant or elsewhere, that all should be given opportunity to learn several skills, that relief operators be appointed and trained to fill in, persons in classes outside of regular hours should be paid, critical jobs should be given first consideration, and that a special committee review all jobs to see which could be done by women during the war. Such matters are not handled as swiftly and easily as they are recorded in committee minutes. It was found that employees of long service in a department were reluctant to transfer. One person in the Industrial Relations Department was designated to work on problems of transfer, notifying the union representative in advance of prospective changes.

At the California Shipbuilding Corporation labor-management committee where the business agents of the AF of L craft unions

constituted the labor members of the body, it was agreed that "committees would be appointed for each craft and each section of the yard; these groups to be known as craft upgrading committees. These committees would review and advise with superintendents in charge of the various departments in regard to (a) all new appointments of leadermen and foremen;²⁵ (b) the adequacy and competency of all existing leadermen and foremen . . . Although the committees were to act in an advisory capacity only, their counsel was to be sought by the department superintendent in every instance of upgrading. A proper list of qualifications was established to serve as guide in analyzing qualifications of the prospective appointee."²⁶ (The Boilermakers union, however, did not participate in this phase of the program, considering it a "management function.")

The committee of the Weyerhaeuser Timber Company and the International Woodworkers of America, CIO, also had a subcommittee on training. "A list of 'hard to handle' jobs was compiled and training was made available for all these jobs. Forty workers completed the first training classes in JMT. The committee prepared posters, showing the proper way to stack lumber. They met with the War Manpower Commission representatives and endorsed a course in Job Relations Training for foremen."²⁷

During the war the rapid growth of joint apprenticeship committees for semiskilled operations as well as for the skilled trades also affected labor's share in the functions of the personnel department. As of June 30, 1947 there were 4949 union-management apprenticeship committees²⁸ in the United States, both "area-wide" and in individual plants. Of these, there were 1426 plant committees which presumably integrate their work with other union-management dealings within the plants.

²⁵ Many of these were members of the craft unions.

²⁶ Mimeographed report, *The Labor-Management Production Committee of the California Shipbuilding Corporation and The Metal Trades Council, Affiliated with the Metal Trades Department, AFL* (composed of 19 AFL unions in Wilmington, California), WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, September 1944.

²⁷ Mimeographed report, *The Labor-Management Production Committee of the Weyerhaeuser Timber Company, Longview Branch, and the International Woodworkers of America, CIO, Local 5-36*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., October 1944.

²⁸ Information secured from Bureau of Apprenticeship, U. S. Department of Labor.

Recruiting

During the war, recruiting was a problem which the labor-management committee discussed and tried to solve, some local unions circularizing other locals at a great distance in order to secure new employees (before the issuance of War Manpower regulations). There was also recruiting by individual workers. One committee has assisted in this matter even since the war. In the fall of 1946, The Carborundum Company at Niagara Falls which has a labor-management committee with Local 12058, United Chemical Workers, CIO, referred to the committee a plan for a one month's recruiting campaign, "One Will Get You Five." This was similar to their wartime program. The company ran the campaign but it was endorsed by the committee and the union. An employee could earn \$5 for each recruit actually secured, with additional prizes of savings bonds for larger numbers. In the course of a month, 119 prospective employees were referred to the employment office. A later campaign, based on the four previous contests, offered higher rewards and brought 166 applicants for employment with the company in June 1948.

Health and Nutrition

Health and nutrition work of labor-management committees consisted in urging on management the establishment of cafeterias or supplementary canteens, the maintenance of standards of food and prices, the distribution of booklets on diet and nutrition, and work on a number of specific health problems. At the Chicago plant of the Carnegie-Illinois Steel Company²⁹ there was a joint subcommittee with the United Steelworkers for the inspection of canteens and restaurants for sanitary and other conditions. At White Motor Company³⁰ the Automobile Workers and the company had a committee survey other cafeterias in the area in order to make plans for their own. An excerpt from a report on the committee of

²⁹ Mimeographed report, *The Labor-Management Production Committee of the Carnegie-Illinois Steel Company, South Works, and the United Steelworkers of America, CIO, Local 65*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, December 1943.

³⁰ Mimeographed report, *The Labor-Management Production Committee of the White Motor Company, Cleveland, Ohio and the United Automobile, Aircraft and Agricultural Implement Workers of America (UAW-CIO), Local No. 32*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., March 1944.

the R. Hoe and Company, New York City, and the International Association of Machinists shows work on a specific health problem :

The chairman of the subcommittee on health and food, who is the company physician, is credited with recommending measures for the elimination of dermatitis. It is a skin condition found among workers whose work brings them in close contact with cutting and lubricating oils.

The recommendations made, which the subcommittee helped to put into effect, are :

- a. Adequate time be allowed workers to wash up.
- b. Adequate washing facilities be provided such as sufficient soap and hot water and clean toilet and wash room facilities.
- c. The purchase of an apparatus for straining oil so as to keep the bacteria count low.
- d. Providing workers with a skin cream which protects the skin and lessens its sensitivity to infection.

It is reported that there are only one or two cases of oil dermatitis at present and it appears that the use of skin cream gives the worker reasonable protection against this skin condition.³¹

The main labor-management committee at this plant, which continues in modified form, recently suggested eye examinations for some thousand employees in the printing press manufacturing division. Fifty persons were found to need glasses and about a hundred required a change in prescription. Such activities affected production directly as the improved reading ability aided workers to read blueprints, micrometers, and dials accurately and more rapidly.

Safety

Among the large proportion of labor-management committees reporting work on safety, there were many joint safety committees which had functioned before the war and there are also those which continue in the postwar period even though the main labor-management committee has disbanded.

The work of the safety subcommittee of the Cooper Alloy Foundry Company and the International Molders and Foundry Workers Union, AFL, was described in this way :

³¹ Mimeographed report. *The Labor-Management Committee of the R. Hoe & Co., Inc., Press Division, New York, N. Y., and the International Association of Machinists, AFL, Local No. 434*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., September 1944.

Campaigns are conducted and short articles are published in the committee house organ on the prevention of accidents in the plant . . . The Safety Committee organized and conducted a First Aid Class in conjunction with the local Chapter of the American Red Cross . . . Ten members completed the course. All are fully qualified to render first aid and are specially trained to handle typical foundry cases.

Extensive training in fire protection is available to workers. Under the supervision of the safety subcommittee, workers are not only instructed in the correct use of fire extinguishing equipment but trained to distinguish types of fires on which apparatus might be used without risk or additional damage.³²

This committee in a foundry of some 450 employees functioned under the chairmanship of the production manager who was also a trained safety engineer. In an electric motor manufacturing plant employing some 2000 workers, the labor-management committee's work on safety was as follows :

A score board is located in the main entrance listing the month's injuries, frequencies, and lost time by departments.

One of the outstanding features recommended by the Committee is the color scheme adopted for machines. The danger points or hazards on all machines are painted red. The working parts are painted yellow and the rest of the machine is grey. With this color scheme the new worker is aided in remembering the danger points on his or her machine. The Committee ruled that all drill press operators should wear goggles.

The smoking-on-the-job program was set up by the safety subcommittee since there are many areas where smoking becomes a hazard. The housekeeping item becomes important, also, since paper left on the floors becomes a fire hazard. The Committee visited another plant where smoking was permitted, studied methods and checked results. They then secured the approval of both the Labor-Management Committee and the Union.

New aisles were painted and on December 6, 1943, the new program went into effect. All stewards received copies of the new rules and penalties as drawn up by the Committee. Red lines along the aisles outside a department mean that the department is a restricted area and that there shall be no smoking. Yellow lines mean smoking is permitted. No smoking is allowed during the last half hour of a shift,

³² Mimeographed report, *The Labor-Management Production Committee of the Cooper Alloy Foundry Company, Hillside, New Jersey, and the International Molders and Foundry Workers Union, AFL, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., June 1944.*

since someone might toss a lighted cigarette into something inflammable just before quitting time.

To eliminate this type of fire hazard there is a good housekeeping penalty. Any department guilty of poor housekeeping — leaving paper on the floor, etc., loses its smoking privileges for a period of 24 hours, or until their department is cleaned up. This penalty imposed upon any department is announced over the Public Address system.³³

The duties of the safety committee were described in the War Production Board guide³⁴ as follows:

Obtain statistics on standing of plant in regard to accident frequency and severity.

Analyze and make reports on accidents, according to cause;

Break-down of equipment.

Non-use of safety equipment.

Poor housekeeping.

Overloading equipment.

Ignorance of operation.

Failure to give orders.

Disobeying instructions.

Poor working conditions, bad light, overcrowding, poisonous materials.

Publicize such reports, in simple form, on bulletin boards and in folders handed out to workers.

Analyze safety rules, as to their necessity and clarity.

Inspect the plant in coöperation with the safety inspector, making sure that safety rules are posted in good locations, that safety equipment is being worn, that equipment is in good condition, and that guards on machines are used.

Make recommendations for the assistance of the safety director or other appropriate management official.

Promote safety and first-aid training for committee members and workers.

Coöperate with subcommittee on publicity in making all workers and supervisors safety conscious — through instructions to new employees, department meetings, posters, reports on bulletin boards, and articles in company and union papers.

³³ Mimeographed report, *The Labor-Management Committee of the Leland Electric Company and the United Electrical, Radio and Machine Workers, CIO, Local #804*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., January 1944.

³⁴ *Ways of Operating a Labor-Management Production Committee, op. cit.*

Work with subcommittees on suggestions and publicity to induce a flow of safety suggestions.

Manpower Problems of Postwar Committees

Before leaving the subject of manpower problems it is of interest to compare the activities of the wartime labor-management committees with those of the committees continuing to the present day. Absenteeism remains a significant problem in the postwar period and it is surprising to note that as high as 67 per cent of the committees are able to work on this subject without the aid of patriotic appeal to keep workers at their posts. As all of these committees had been started during the war it is possible that they had learned

TABLE 12

MANPOWER ACTIVITIES OF 1266 LABOR-MANAGEMENT COMMITTEES IN 1944^a AND 274 COMMITTEES IN 1947^b

Activities	Percentage of Committees Participating	
	1944	1947
Absenteeism.....	86	67
Health.....	62	69
Safety.....	86	89
Training.....	55	32

^a Derived from *Labor-Management Committees In Action*, op. cit.

^b Information provided by U. S. Bureau of Labor Statistics, see footnote, Chap. II, p. 31.

how closely absenteeism affects production and plant operations and are now willing to try to impress on employees the importance of coöperating in the interests of the total undertaking. It is to be expected that emphasis on health and safety would continue both for the sake of production and of worker comfort. Training, with its stimulus from the Training-Within-Industry program and with the needs of many new raw recruits to industry during the war, received much more attention than it does at present. With the growing interest of unions and management in joint foremen and steward training the programs of labor-management committees may throw more weight to this subject in the coming years.

Transportation and Rationing

Transportation was another concrete problem, relatively non-controversial, to which the joint committees turned their attention. The Office of Price Administration required that workers in plants

employing more than 100 persons must have gasoline and tire applications certified by a representative of an "Organized Transportation Plan." Such a plan was one set up by an agreement between labor and management which provided for car pooling and the most economical use of transportation facilities. Often the work was handled by a management department after labor had assisted with car pooling arrangements and had agreed to the plans for rationing. In some of the larger plants this led to the establishment of a rationing office located near the labor-management office, if there was one. Applications for shoes and fuel coupons and other rationed items were also handled there. The transportation committees secured better schedules from bus companies and, in the case of some new shipyards, arranged for special service which was sometimes accomplished as much through organized labor with its influence in the community as through management officials possibly new to the locality.

Other War Activities

As indicated above, the personnel and related departments felt new burdens with the impact of the war. There were recurrent requests for campaigns, from government bond drives to collections of pennies for gifts to the employees overseas. The labor-management committee, with both management and labor members, could shoulder some of the responsibility for the machinery of this work and for meetings and celebrations connected with it. As the war drew to a close there was also the discussion of the problems of absorbing returned veterans and assisting them in community readjustments. Nearly all of the committees engaged in these miscellaneous war activities, and, as was stated in the previous chapter, many of them did this work and nothing else. Their reports on these duties in response to the 1945 questionnaire are given in Table 13.

Publicity for the projects of the labor-management committee and on the war situation took various forms. There was the newspaper; some committees supplied news to the union paper and the company house organ, others issued their own publication. Here is a description of a committee undertaking:

The publicity committee is headed by a coremaker who is editor-in-chief of the Co-Operative News. This monthly publication published exclusively by the workers is the official organ of the Cooper Alloy

Co-Operative Committee. In launching the News it was emphasized that the publicity subcommittee depended upon employees to keep its pages filled with interesting news. In addition to the editor-in-chief, the News has an associate editor, features editor, art editor, photographer, bugle call editor, 7 reporters, 2 cartoonists and a news editor. The News is the chief outlet for publication of committee activities.³⁵

This same committee which served about 500 employees used the bulletin board as another means of keeping everyone informed. The following account shows how this board helped in various phases of the program:

At first a number of small bulletin boards were distributed throughout the plant. They were found to be unsatisfactory and were replaced by one large board directly inside the entrance to the plant. The board is kept up to date. Current pertinent War Production Drive material is posted when received. Letters are written to various agencies, governmental and others, requesting posters and other literature which is being used by the subcommittee on publicity, safety, absenteeism, transportation and civic affairs.³⁶

TABLE 13
MISCELLANEOUS ACTIVITIES OF 1343 LABOR-MANAGEMENT
COMMITTEES FOR 1944*

Miscellaneous Activities	Number of Committees and Extent of Participation			
	Considerable	Some	Little or None	Unclassified ^a
In-Plant Publicity ^b	678	321	267	77
Recreation and Entertainment	272	443	551	77
War Activities ^c	885	229	152	77
Veterans Reemployment	234	337	695	77

* *Labor-Management Committees in Action, op. cit.*

^a Incomplete reports due to recent organization of committee or to informal committee structure.

^b Bulletin boards, leaflets, etc.

^c War Bond, Red Cross, and Community War Fund drives, rallies, etc.

During the first year of the war there was considerable discussion of the feasibility of posters and pamphlets explaining the nature of the war and the uses of parts and raw materials in the

³⁵ *The Labor-Management Production Committee of the Cooper Alloy Foundry Company, Hillside, New Jersey and the International Molders and Foundry Workers Union, AFL, op. cit.*

³⁶ *Ibid.*

conflict — “an insult to our intelligence,” said one labor official. Many companies constructed bulletin boards the size of government posters and erected them throughout their plants. This sort of committee activity not backed by discussions of production schedules or efforts at the solution of basic production and personnel difficulties became a cause of lowered morale for union officials and labor members of committees. It is possible, however, that the vast numbers of workers who at first barely knew of the existence of a joint committee, somewhere at the top, experienced a lift of energy and of purpose when they saw illustrations of the four freedoms, or posters which said: “Don’t send him a dud” or “From Mine to Firing Line.” Posters made by local talent also elicited enthusiasm from fellow workers of the artists.

Production score boards were widely used to depict the month’s goal of production and the progress toward it. Thermometer and clock charts for the whole plant predominated. There was a paucity of those dealing with progress in individual occupations. Many plant-wide charts included lively motifs such as caricatures of Hitler and Hirohito getting the worst of it as production mounted. This activity provided opportunity for originality and teamwork between those who issued the figures and those who planned and constructed the boards, both labor and management representatives. The score boards were erected at the entrance to ways in shipyards, at the gate or within departments in manufacturing plants. They were used as a source of interdepartmental rivalry when a common denominator for measurement of production could be found. They also served in the competitions for “presenteeism” and accident rate reduction.

Rallies serve a variety of purposes as was the case with a shipyard of some 30,000 workers who through these rallies learned something of race relations, the labor movement, the government, production records, and also had a day of recreation.

The Calship Labor-Management Committee has promoted or helped promote some successful rallies. On September 30, 1942 the Booker T. Washington was launched with Marian Anderson sponsoring the ship. Three labor members of the Labor-Management Committee were appointed to the Committee promoting this event, and at the sponsoring both labor and management members vouched for the lack of racial discrimination at Calship by either management or labor.

On Labor Day 1943, the Samuel Gompers was launched. The Metal Trades were very enthusiastic about this launching and John Frey, the

national president of the Metal Trades Department, was the principal speaker, with Samuel Gompers, Jr., an invited guest. The program (music and speeches) was broadcast.

Rallies were also held when the 100th, 200th, and 300th ships were launched. Either Admiral Land or Vickery attended and addressed the workers at each of these rallies, and both labor and management members of the Labor-Management Committee made talks.

On August 6, 1944 (Sunday) a Family Day was staged by the Labor-Management Committee. Three ships being outfitted were made available for inspection by visiting families of the workers. A launching was held. Coffee and milk were provided, with other food and drinks being sold at stands throughout the yard. Approximately 100,000 persons attended.

Rally dinners have been held in the plate shop to celebrate the previous month's production and inspire workers to greater achievements during the month following.³⁷

Slogan contests also served many purposes, focusing attention on current problems:

From April 1943 through September 1943, slogan contests were conducted by the Employee Relations Committee. During April slogans were submitted through the suggestion boxes, concerning production. In May the workers were asked for suggestion slogans. In June health and safety slogans were asked for, and in July the Committee selected as the winning absenteeism slogan: "You Can't Stay Home and Beat Hitler." Production slogans were featured during August and Bond Drive slogans in September. During the entire four months workers were asked to submit plant slogans. The one adopted was: "Every Board a Bullet — Every Timber a Bomb. Let's Pass the Ammunition."

Each monthly slogan contest awarded three prizes in War Bonds and stamps (\$25.00, \$10.00, and \$5.00), and the grand prize for the plant slogan was a \$100.00 War Bond. Posters were made up carrying the winning slogan each month.³⁸

Committees furthered recreation both at the plant and in the community, giving attention to the problems of young people on the second shift who were thus cut off from the usual evening

³⁷ *The Labor-Management Production Committee of the California Shipbuilding Corporation and the Metal Trades Council, AFL, op. cit.*

³⁸ *The Labor-Management Production Committee of the Weyerhaeuser Timber Company, Longview Branch and the International Woodworkers of America, CIO, Local 5-36, op. cit.*

entertainment, commercial or otherwise. At larger plants employee bands and motion pictures, educational or amusing, were sponsored by committees. Action on the question of smoking was appreciated by both office and production workers. Sometimes a series of experiments were conducted, as marking off smoking areas, or arranging for smoking "rest periods," before final regulations were established. A casual question to employees as to what was the value of the labor-management committee often brought the response: "Well, they got us the right to smoke."

Music was introduced into plants at the request of the committee. Here is a report from one small firm.

There is a Public Address system at this plant and at first the music was provided by . . . After a year, however, the workers found the selections monotonous and they decided to run their own musical program. Under the direction of a member of the Labor-Management Committee, a poll is taken through the plant of the workers' preference and the records are purchased accordingly. In addition to the usual popular records, the Gussack workers enjoy light classical works, and an occasional symphony.³⁹

Bond drives were a serious business for every committee and were handled in different ways. Labor was given much of the responsibility. In a small plant it was like this:

The war bond committee consists of three labor members and a foreman as chairman. The war bond Drives are turned over to the union. The Drive was carried on at regular union meetings and through soliciting individual workers. The Committee went over their quota.⁴⁰

Large establishments required a detailed organization plan which developed as the scope of the undertaking became clear. An illustration follows:

³⁹ Mimeographed report, *The Labor-Management Committee of the Gussack Machined Products, Long Island City, New York and the United Electrical, Radio, and Machine Workers of America, CIO, Local No. 1227*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., January 1944.

⁴⁰ Mimeographed report, *The Labor-Management Production Committee of the Harshaw Chemical Company, Cleveland, Ohio and the Federal Labor Union 20611, Directly Affiliated with The American Federation of Labor*, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., March 1944.

A permanent bond-sales department was set up at a meeting between union and management representatives. A labor representative (a welder and chief steward) was made bond-sales director, with an assistant and clerical help furnished.

As the first two bond drives had not gone over the top, the Third War Loan drive was launched with department committees (section chiefs and section captains from labor, and workers from each department serving as aides to canvass their respective departments).

The committeemen reported to the section captains (departments) who in turn reported to the section chiefs (division) who reported to the bond-sales director. Payroll deductions forms were distributed (by the department aides). Ninety-four percent participation was reached (10 percent or more of pay) to win the Treasury "T" flag in 1944.⁴¹

The labor-management committees provided machinery also for Red Cross, March-of-Dimes, and community fund drives. The majority of committees reported extensive work in these fields of contribution to the general welfare.

ENGINEERING, SALES, AND FINANCE

There is not much evidence that the labor-management committees participated in the management functions of engineering, or of sales or finance. As far as engineering is concerned there were occasional instances of labor participation. But in large organizations with engineering departments, in chemical companies, in the manufacture of rayon and nylon, in continuous process operations, the laboratory and design engineers exert the principal influence on the nature of production and the quality of the product. As the superintendent of a coke company said: "When you don't see what you're making, it's difficult to suggest ways of improvement." In that establishment the committee's help was chiefly in matters of maintenance and repair and in improving some of the conditions of work. The local union president of the United Steelworkers said: "As for production, by watching you can put in more coal, you can do a few things . . . The maintenance men had good ideas, short cuts on ways of repairing."

At the Monsanto, Illinois, unit of the Monsanto Chemical Company, the plant manager said:

"The Labor-Management Production Committee of the New England Shipbuilding Corporation, South Portland, Maine, and Local 50, Industrial Union of Marine and Shipbuilding Workers of America, CIO, op. cit.

There can be few basic changes suggested for improving the actual manner of manufacturing our chemicals. The operations are technical to the highest degree and once a department is set up and operating, few changes can be made which do not mean shutting down for long periods. Under wartime commitments this is not feasible or wise, but when all the suggestions for making minor improvements are added up, they make a noticeable production increase.⁴²

Bottlenecks became the important issue in this continuous process work and were discussed at every department committee meeting. While basic engineering changes were not suggested, study and action on each bottleneck produced significant results even though the workers could not "see what they were making." "Proposals were considered. Perhaps a pump with more capacity should be substituted for the present pump. Perhaps an available tank should be connected into the system so that in an emergency it can supplement the product of the existing tank or take its place." This type of committee work aided in production rather than in engineering.

Occasionally at these committee meetings ideas would develop which required technical exploration and the principal management representatives would suggest that they be referred to the research department. In fabricating plants when labor contributes an original idea of product or tool design classified in the realm of engineering, this often came through the suggestion system.

As for sales and finance, labor participation, if any, was in the nature of information sharing. During the war, sales policy was not an issue since the customer, the government, was also directing production. Issues over determination of price did not appear in committee discussions but this might arise in the future, beginnings being evidenced in the union stand on price in the automobile industry in 1946 and in the offer to northern manufacturers to forego a wage increase by the Textile Workers Union in 1947 if prices would be lowered. In both these instances, however, the union programs for price retention or decrease were industry-wide, not in relation to a given plant; they were also in relation to wages, not an offer to aid in production. By way of information sharing on the prospects of the business of an individual firm, one Indus-

⁴² Mimeographed report, *The Labor-Management Committee, Monsanto Chemical Company, Monsanto, Illinois and the Chemical Workers Union #20032, AFL, op. cit.*

trial Relations Manager puts it this way: "Twenty years ago employees didn't have the education they have now. For example, in the dye house they might have had 3rd or 4th grade schooling whereas now some of them have had high school work and, in some other departments, we have high school graduates. Workers need to know why and how we do things." This firm which began its labor-management committee during the war, shares business information with the committee members up to the present time. At a steel roll fabricating plant of some 250 employees where the union committee meets monthly with the plant superintendent, the works manager also calls a meeting from time to time; for example when he returns from a sales trip :

I tell them where they stand in the business and something about other businesses. The men like to know they have work ahead. I tell them about new products in the industry and ask them for suggestions. They like to know you have confidence in them. First-hand information is the best. These meetings pay in good feelings. When you have good feelings, you have better production.

Sharing information in finance has made its appearance in recent reports of some companies to employees, as well as to stockholders, giving the financial statement in attractive graphs and charts. This information in substance is the same as part of the material which research departments of national unions secure from various sources for purposes of periodic collective bargaining. There is no general evidence that this report distribution has been instigated by labor-management committees, although there is the instance of the joint committee of the John B. Stetson Company and the United Hatters, Cap and Millinery Workers Union which recommended that new employees, after a month of service, receive copies of the annual report of the company. This sort of information sharing does show a trend, though differing from postwar legislation in France which makes labor-management committees compulsory and authorizes committees to give advice on price increases and to be consulted on the financial condition of the enterprise.⁴³ The agreement for voluntary labor-management committees signed in 1946 between the Federation of Swedish Em-

⁴³ *Labor Participation in Industrial Management in European Countries, Monthly Labor Review*, United States Department of Labor, Bureau of Labor Statistics, November 1946.

ployers and the Confederation of Swedish Trade Unions makes it the duty of the employer to give the Council

regular information — concerning business trends and the state of the market within the industry in question, with special attention to the position of his own enterprise and to supply information concerning the economic conditions of production and possible sales. The Council has the right to obtain information from the employer concerning the firm's balance sheet, profit and loss statement, and administration report and auditor's report to the extent that the law requires publication of such reports.⁴⁴

As for participation in sales or finance in this country, there was in the early 1930's the situation in which the United Mine Workers had a coal sales committee at every mine of the Rocky Mountain Coal Company in Colorado.⁴⁵ The miners also loaned half of their wages for five pay-roll periods without interest so that the company could meet an interest payment in October 1931. Similarly, the United Electrical, Radio and Machine Workers offered a proportion of their wages in 1940 to the Emerson Electric Company to provide a sum adequate to keep the company from moving away from St. Louis. (In this case, funds were found without the need of accepting this offer.) Also the International Association of Machinists, the Amalgamated Clothing Workers, and other unions have loaned money to an employer in a period of stringency. All of these instances represent distress situations but they demonstrate joint action in the realm of finance.

On general business prospects during the war there was considerable discussion in the labor-management committees of orders ahead and of impending "cut backs." For example, at the labor-management committee meetings of the California Shipbuilding Corporation and the Metal Trades Council (representatives of 19 AF of L unions)

management informed the committee in April 1943 that enough additional contracts had been received to carry Calship through 1944 . . . At the June 5, 1944 meeting the yard president told the committee of

⁴⁴ *Sweden Sticks to "The Middle Way,"* Teamwork In Industry, Industrial Production Co-operation Board, Department of Labour, Ottawa, May 1947.

⁴⁵ *Miners and Management*, Mary van Fleck, Russell Sage Foundation, New York, 1934. Chapter 5, Marketing and Prices, pp. 111 and 115.

the urgency of the Troop Transport Construction program and that meeting schedules on this program would require the assistance of every union steward and business agent. Labor agreed to coöperate 100 percent.⁴⁶

Similarly in the critical foundry situation of 1944 a report on the committee of the Capital Foundries Corporation and the United Electrical, Radio and Machine Workers, CIO, has this to say :

Facts and figures relating to present commitments and future schedules are discussed. Workers know that their work is scheduled to meet the urgent requirements of Curtiss-Wright, Sperry Company, Glenn L. Martin, Bell Aircraft, and other airplane assembly plants. Workers through the Committee know that orders are ahead of production and that schedules are retarded by the manpower and absentee situation.⁴⁷

Rumors, correct and incorrect, of impending layoffs played havoc with sustained effort and regular attendance. Exact information helped the committees to reassure workers or to plan for transfers and for other employment. At the R. Hoe & Co. where management has met with the union committee (International Association of Machinists) every month since 1935 to the present time, the situation on changing war requirements appeared as follows :

toward the end of 1943 when there were cutbacks, the works manager kept the Committee informed of prospective contracts, which almost simultaneously absorbed the productive facilities of the plant. Correspondence with the War Production Board on contracts and available plant facilities is read and discussed at Committee meetings. Even though cutbacks have tended to bring about a changing production situation, nevertheless, there have been no severe fluctuations.⁴⁸

⁴⁶ *The Labor-Management Production Committee of the California Shipbuilding Corporation and The Metal Trades Council, Affiliated with the Metal Trades Department, AFL (composed of 19 AFL unions in Wilmington, California), op. cit.*

⁴⁷ Mimeographed Report, *The Labor-Management Production Committee of the Capital Foundries Corporation, Astoria Specialties, Long Island City, N. Y. and the United Electrical, Radio and Machine Workers of America, Local 1225, WPB War Production Drive Division, Committee Standards and Analysis Branch, Washington, D. C., June 1944.*

⁴⁸ *The Labor-Management Committee of the R. Hoe & Co., Inc. Press Division, New York and the International Association of Machinists, AFL, Local No. 434, op. cit.*

THE RESULTS OF LABOR-MANAGEMENT COÖPERATION

It is difficult to measure the effectiveness of a labor-management committee. So much happens at once in a factory or mine or shipyard. And in wartime it happens faster than under normal conditions. In the 3000 letters which came from committees in the spring of 1944, there was considerable reference to the tangible and intangible values, with emphasis on the intangibles. The president of one firm put it this way :

As much as we should like to do so, it is not possible for us to present outstanding facts and figures which would enable you to appraise the success of our Labor-Management Committee activities. Fortunately, or unfortunately, in labor-management relations, it is necessary to proceed largely on the basis of faith in sound principles rather than on the basis of facts and figures.

Sound labor-management relations do *not rest on any one or any few actions* or activities nor on any number . . . undertaken at intervals and *forgotten between times*. (Italic ours.)

A few employers discussed measures and supplied figures without trying to apportion the credit between committee work and management activities or general fortuitous circumstances.

The works manager at a plant manufacturing airplane engines said :

Many of these results can be directly measured in terms of the standard time per engine, our plantwide and departmental efficiencies, the scrap records, and our attendance and punctuality records. Progress on these items has been very gratifying . . .

The labor cochairman and the management cochairman of the committee at an electrical equipment firm put their report in a nutshell: "We received the Army Safety Award as a result of this coöperation, our absenteeism ratio has been decreased from 4.6 to 1.2 and our overall efficiency has been increased from 101 per cent to 112 per cent."

The general manager of an ordnance plant wrote :

Our records on the production of gun barrels and torpedo air flasks for the Navy and the continued reduction in the cost and selling price thereof indicate that the close cooperation between labor and manage-

ment through the Labor-Management Committee is working satisfactorily in this organization.

Here the items for measurement are narrowed down to two products and the plant's prowess in regard to them is attributed partially to the committee.

The progress of another firm was described by its president in this way: "Our record of 60 per cent more production in 1943 compared to a corresponding period of 1942 with only a 13 per cent increase in personnel, is in substantial measure creditable to the efforts of our committee." In this case it is possible that the product and the equipment remained the same in both years but the other factors affecting the situation are not given.

Precise measures in time per unit were watched at another plant and the progress was attributed to coöperation by the general manager :

Last year when we were re-negotiated we picked out certain items, and were very proud of the fact that in a period of 14 months this particular group of items had come down in production time from an average of 2 hours per unit to $\frac{3}{4}$ hour per unit. Today this same operation is being done in half an hour per unit and we are jointly studying ways and means of further reduction in order to increase our production capacity with present machine tool facilities and men.

By contrast a general estimate on a large scale came from the president of a shipyard: "We are confident that our War Production Drive has improved our production so much that at least one of our ships is the direct result. This means one extra ship in service, also saving at least 700,000 man-hours, which saved Uncle Sam at least a million dollars in cost."

A more cautious estimate came from the president of a welding company who reported: "An increase in production since the formation of the Labor-Management Committee of 125 per cent. All of this increase cannot be attributed to this committee but undoubtedly they had considerable effect in making the increase possible."

More specific credit could be given to the individual workers who offered production suggestions which in turn were valued in terms of time and money saved. It was so much easier and so much more definite for committees to report on suggestions received

and adopted that they often neglected to describe some excellent committee operations. One committee, after paying tribute to the "intangibles," added:

The Suggestion Committee has received 722 suggestions and awarded \$1,756.50 for 253 suggestions. Since the suggestions are roughly awarded on the basis of 10 per cent of the value of the idea in savings to the plant, the Suggestion Committee can be considered to have earned for the war effort \$17,565.00.

A shipyard which encouraged suggestions throughout the war wrote in August 1943: "A total of about 3,500 suggestions have been received to date." At the January 1945 meeting of the WPB Board for Awards, 164 of 447 suggestions submitted gave sufficient information to estimate that these resulted in saving 2,023,386 man-hours or 253,000 man-days in a year, or on the average 1500 man-days for each suggestion. These were outstanding "production ideas" selected to be sent to Washington for an honorary award, but if the 300,000 suggestions, estimated earlier in this chapter⁴⁹ as adopted by committees during the course of the war, were of some value comparable to those submitted to Washington, a great number of man-days were saved by labor-management committees through this activity alone.

Other measures were in terms of tons of steel, copper, paper, and similar scarce materials salvaged, in reductions in the accident rate and in absenteeism, in numbers of riders in each car pool, and in thousands of dollars pledged in bond drives and fund campaigns.

More difficult to measure was the improvement of employer-labor relations. This was mentioned not only occasionally but by many employers voluntarily and by almost everyone when the question was raised. Even labor representatives who complained that their employers were unwilling to adopt any proposal that cost money, and in general were unreceptive to labor's ideas, commented on the improvement of relationships, the secretary of one Steelworkers local union adding: "If only we could have that spirit all through the year."

In 1944 there were some 300 specific comments,⁵⁰ many of them

⁴⁹ See page 51.

⁵⁰ In the 3000 letters which came to the War Production Board in the spring of 1944. See Chapter II, p. 18.

showing surprise, concerning this "intangible" result of the labor-management committee, the better understanding between management and labor. A few are submitted, all of them from firms dealing with the powerful international unions mentioned in Chapter II. Here is one from a company president who took the long view :

Once in the dim days of American Industry, increased production could be secured by a very simple expedient. The plant management merely put on the pressure — turned the screw a little harder on the labor force. Employees had to produce more — or lose their jobs . . .

Industry today is a working partnership of Management and Labor. Management does all the planning, assumes the economic risk, and directs all of the numerous departments of a modern industrial enterprise. Labor, on the other hand, is the force that converts the plans of Management into a stream of finished products. It is recognized as a vital partner in the battle of Production. Efficient Management now recognizes both the importance and the strength of its labor force.

" . . . With the establishment of Labor-Management Committees, Labor came to the conference table with the same desire as Management . . . "

Specific problems, such as long hours, were eased by the knowledge and understanding provided by committees. This was expressed by the labor and management cochairmen of one committee as follows :

There have been many tangible benefits and, on the intangible side, we feel that possibly the great value of such work has been better acquaintanceship between labor and management so that many of our problems have been minor rather than major particularly during conditions arising from long hours of production required in the manufacture of products for the prosecution of the war . . .

The delays over wage increases due to heavy caseloads and policy problems of the National War Labor Board were also mitigated by the committee, as shown in the comment of two other co-chairmen: "The intangible results would include the harmonious and coöperative spirit that exists despite delays by the National War Labor Board of action on a request for increased wages for certain of our workers which has been pending for over a year."

One general manager pointed to the effect of "mutual contemplation of joint problems" when it came to renewing the union contract :

This sense of understanding has manifested itself in many ways. For instance, our last union contract was negotiated for the coming year in 3½ hours instead of taking weeks and months as in former years. Labor-management coöperation possibly didn't do the whole job in this case, but it certainly helped.

And a personnel director commented on the relative ease with which a company dealt with a union for the first time:

Prior to the Labor-Management movement here the destiny of our business rested entirely on management, labor having very little to say in such matters . . . We have recently become unionized and due to the fine relationship between labor and management, our period of negotiations has been one of a most pleasant nature with either side quite willing to recognize reasonable requests.

These quotations are not submitted to imply that joint production committees can solve the basic issues between management and labor, a problem which will be discussed in Chapter V, but rather to show their contribution to the total situation. This is summed up by the labor chairman and management chairman at one of the important rubber companies:

To summarize the intangible value which we have secured from our Labor-Management Committees: the opportunity to sit down together and talk over mutual problems and projects, which do not come under the grievance procedure, has promoted personal friendship and general coöperation between labor and management representatives in the underlying desire of each to direct our productive effort to one end — winning the war.

SUMMARY

The labor-management committee, in an advisory capacity, aids management in direction, administration, and execution. If decisions are made in committee meetings it is because the management members of the committee, in their capacity as managers, have the authority and responsibility for making such decisions or because management recognizes that at certain levels and in certain situations the facts and circumstances determine the course of action. Final authority rests with management but in actual practice there is considerable diffusion of this authority.

The labor-management committee coöperates with plant manage-

ment in various areas of operation, especially in production and personnel. It works on problems which affect production both directly and indirectly. Subjects relating directly to production vary from design, layout, care of tools and equipment, conservation, and stores control, to quality improvement, interdepartmental relations, the discussion of production schedules, and the stimulation of workers' suggestions. In response to a questionnaire in 1945, 77 per cent of 1266 reporting committees said that they did "considerable" or "some" work on production problems (plant efficiency), 60 per cent discussed production schedules, 79 per cent promoted suggestions, 72 per cent worked on tools and equipment, and 66 per cent aided in improving quality of work. Postwar committees show a similar record with less emphasis on care of tools (59 per cent of 274 committees) but increased activity in improving quality of work (72 per cent).

In the area of personnel, the labor-management committees affected production directly and indirectly by their work on recruiting, training, absenteeism, safety, transportation, health, welfare, publicity, and activities interpreting and furthering the war program. They assisted in planning training courses, in getting their friends to come to work. They interviewed chronic absentees and attempted to reduce the causes of absenteeism by securing improved cafeteria and canteen service, in extending health services, supplying information on nutrition and getting community co-operation for improved transportation. They obtained more appropriate shopping and banking hours, day care for children, and recreation, especially for second shift workers. They introduced and extended labor-management coöperation in safety inspection and instruction. They stimulated interest in production through score boards, instructional posters, rallies which gave information on war products and promoted understanding of the labor movement, race relations and other industrial problems. They shouldered much of the responsibility for getting bond subscriptions and gifts for community funds and for the men overseas.

Replying to the above-mentioned questionnaire, 86 per cent of 1266 labor-management committees did "considerable" or "some" work on absenteeism, 55 per cent on upgrading and training, 50 per cent on recruitment, 70 per cent on transportation, 86 per cent worked on safety, and 88 per cent of the committees engaged in one or all of the activities interpreting the war situation and assisting in its campaigns.

The committees which have survived to the present time are giving emphasis to work on safety (89 per cent of 274 committees) and health (69 per cent) and even to absenteeism (67 per cent), which remains a constant handicap to production.

In the management functions of engineering, sales, and finance, the labor-management committees did not assist extensively. Occasionally a committee member or individual worker made a suggestion in the field of design which could be classed as engineering. Work in the realm of sales and finance took the form of information-sharing on costs, on new contracts, and on cutbacks, which information was conveyed to the workers so that plans could be made for their continued employment.

There is little information available on measurements of the results of committee work. There was discussion of unit costs, department and plant efficiency, and reports on general increases in production, decreases in absenteeism and accidents, the number of suggestions adopted and, in some cases, the man-hours saved, and on outstanding achievements in blood donations and fund subscriptions. But it was not possible to isolate the factors, managerial and governmental, which affected production at the same time that labor-management coöperation was doing its part.

No committee conducted all the phases of the program reported in the preceding pages. Most committees concentrated on war activities, but, as stated on page 41, the information in this chapter describes the experience of several hundred committees which worked effectively on production, personnel, and other management functions.

One result, emphasized more than any other accomplishment, was the improvement in employer-labor relations. While committees did not solve basic economic issues, they promoted understanding and eased situations caused by long hours, concern over War Labor Board wage cases and union contract negotiations, both renewals and first agreements, and aroused interest in management's problem of securing efficient operation and labor's need for recognition of the efforts which workers were making to achieve the record accomplishment in war production.

CHAPTER IV

COMMITTEE PROCEDURES AND THEIR RELATION TO MANAGEMENT AND UNION FUNCTIONS

THE INTRODUCTION OF THE LABOR-MANAGEMENT COMMITTEE

LABOR-MANAGEMENT COMMITTEES were organized during the war in those plants where employers decided to respond to the request of the government. In some cases committees had been formed before the government program was launched. Labor was usually willing to cooperate but committee work involved so many activities for which management is responsible that the committee could not function unless the employer took the initiative in introducing the program. Since the war committees have formed where management favors this type of "communication" and labor is ready for it. In some instances the activity is introduced because union representatives have requested regular meetings between management and the "union committee" on matters other than grievances. When a committee is in prospect there is preliminary discussion among management representatives and union officials, separately and together. Unions consider the proposition in membership meetings or shop stewards' meetings, though, during the war, action was taken more often by the union executive board because of the speed with which most committees were organized. In some instances local union officers consulted their national organizations, and companies their attorneys.

In previous experience under union-management cooperation a joint committee was selected to deal with a specific problem. In the war period the problems were numerous and not always recognized at the beginning. The government had proposed the joint committees as a democratic and effective way of dealing with mounting difficulties. Some employers and union representatives met without conviction, contemplating a ready-made list of subcommittees on problems which they had not yet felt. Others were ready for the experiment and proceeded with the items which claimed first attention. For example, five divisional managers of

the White Motor Company met the day after the chairman of the War Production Board broadcast his request for labor-management committees. They in turn appointed three to meet the following day with three union representatives chosen by the officers of the local union of the United Automobile Workers. At the Bridgeport Brass Company, with the support of the company president, the works manager of the Mill Products Division and the vice-president of the company (the works manager of the Fabricating Division) attended a War Production Board meeting on the subject, each worked out a plan, pooled their efforts, and then discussed their program with the officials of the Mine, Mill and Smelter Workers.

As the precipitate introduction of joint committees at the beginning of the war differed from previous, more gradual methods of inaugurating union-management coöperation, some committees enlisted the support of supervisors and employees through a series of plant meetings. One company and a large AF of L affiliated local together with craft unions, launched their program for a plant of 8000 employees (it later reached a high of 15,000) in the following fashion:

A meeting was called for the entire plant supervisory force from the works manager on down the line. The details of the Drive were explained to them and an outline given as to the Operating Board's proposed method of functioning. They were told how they were expected to participate as individuals and in their official capacities. The labor representatives on the Operating Board were present at this management meeting and heard what top management had to say to the superintendents and foremen. The same procedure was followed by the unions, who called a meeting of all shop stewards and officials. The Drive was explained to them in the same language management had used, and every steward and union official knew that identical knowledge and interpretation of the various aspects of the Drive was held by both management and labor. This was insured by the presence of the management representatives of the Operating Board. Both management and labor representatives spoke at each other's meetings.

Following these meetings, a "Joint Breakfast Conference" of both groups was held on Sunday morning, March 29, at 7 A.M. Attending were all members of the Operating Board, subcommittees and all union stewards.¹

¹ Mimeographed memorandum, War Production Board, Labor Division, Washington, D. C., July 6, 1942.

In a plant having around 3000 employees the committee was able to reach the workers, as well as foremen and stewards:

The first activity engaged in by the committee was to call mass meetings of all three shifts in the main plant, one in the weld rod plant and one in the West plant. At these meetings, the purpose of the War production Drive was explained to them in detail both by the Works Manager and the union president. They were told what was expected of them as individual workers and why it was necessary. The highlight of the procedure was the public announcement of the Works Manager to this effect: "I will herewith guarantee all now existing rates to stay where they are regardless of the amount turned in by the men. I will also guarantee that any performance turned in by our men from today on until this war has been successfully won will not be used at any time as a past performance record when and if such rates should be scrutinized, time-studied, or in some other way adjusted." ²

This type of guarantee was announced at other plants. It was an important reassurance for employees but obviously fraught with complications. In this instance it was handled in good faith by the workers and the United Steelworkers' union:

Certain workers finding themselves working on operations where the standard of production was set at extremely low hourly figure, voluntarily asked the company to re-establish their rate of production commensurate with work standards as established on similar jobs. Such actions were approved by the union.³

These methods of securing initial support for committee programs were followed by practical work and by additional ways of maintaining interest and understanding.

COMMITTEE FUNCTIONS

Most committees agreed that their purpose was to increase war production and that they would not handle grievances. At the beginning they did not draw up bylaws or formal statement of purpose and method. In some cases, however, there was a memorandum of understanding as for example at The John B. Stetson Company in Philadelphia where the problem was simplified by a

² Mimeographed memorandum, War Production Board, Labor Division, June 16, 1942.

³ *Ibid.*

letter from the vice-president of the company, confirming previous conversations and addressed to the local president of the United Hatters, Cap and Millinery Workers Union: "This is not a grievance committee. Quite to the contrary, it is a glorified suggestion committee in which we will jointly endeavor to devise ways and means for improving our manufacture and, by this means, for improving the welfare of the Company and its employees." This committee worked on production directly. In a later memorandum on the committee's work its purposes were stated as:

- Increasing production and sales
- Reducing costs
- Improving quality
- Improving physical working conditions
- Long range planning.

Another type of "memorandum of understanding" was signed between the Wheeling Steel Corporation and the United Steelworkers, early in March 1942. It stated that the purpose of the committee was "to bring about maximum possible production during the war emergency" and to conduct the "activities suggested by the War Production Board in its Official Plan Book." The memorandum laid emphasis on the machinery by which the work should be conducted. It provided for a General Production Drive Committee for the Corporation, for individual Plant Production Drive Committees, and for Departmental Production Drive Committees.

Later committees began to draw up constitutions and bylaws. The "plant-wide council" of Leece-Neville Company and the International Brotherhood of Electrical Workers, AF of L, which was organized in the fall of 1943 and benefited from the experience of other committees, drafted a "Proposal for a Plan to Increase Efficiency" designating the objectives, functions, the number and types of subcommittees, meeting times, order of business, provision for revision, and so forth. It defined its purpose as follows: "The objective is to increase efficiency for the mutual benefit of all who are dependent upon the Company for an income. While the immediate aim is to aid the winning of the war, a longer range viewpoint is endorsed and the council described hereafter would be concerned with postwar activities also."

A limiting clause added that the committee activities would not deal with rates of pay, wages, hours, or grievances and that the committee would not attempt to take over management functions.

Nineteen functions were listed on which the Council would "consult and advise." They ranged from maximum use of existing machinery, upkeep of fixtures, jigs, tools and gauges, improvement in methods of production, to training and retraining, humidity and temperature, and improved morale. Seven subcommittees were designated: Methods (conversion, planning), utilization of personnel, safety, absenteeism, discipline and morale, training, and economy. The first and last were later combined because "economy" dealt with utilization of facilities, use of supplies, maintenance of equipment, and scrap reduction all of which began to overlap with "methods."

The "proposal" of the Leece-Neville Company was for a plant of over 2000 employees but an equally specific constitution was agreed upon between the Cooper Alloy Foundry Company and the Molders and Foundry Workers Union for a group of 450 employees to whom the constitution was distributed in the fall of 1943 soon after the committee was organized.

Most committees were designated as "advisory" but there appears to have been little recognition of the fact that committees came close to making decisions within certain areas, not specifically defined, and that they performed executive functions, not clearly designated. If management was accustomed to listen to its staff officials as specialists with a particular contribution it was just one more step to extend this attitude to a committee which included not only staff and line officers but also labor members with special knowledge of worker reactions and union policy. In this case the committee work was advisory. If the works manager and other executives with authority were on committees, the decisions could be made then and there, because such committee members, acting in their managerial capacity,⁴ decided policy and action as a result of committee discussion. As few committees took formal votes, the "sense of the meeting" held the day and the degree of satisfaction with what was done depended on the thoroughness with which the chairman canvassed opinion, the open-mindedness of the highest company representative, and the ability of the labor representatives to deal with their own feelings toward the executive—usually feelings of respect, mingled with guardedness and fear of being outwitted. One company explained that after a proposal had been thoroughly discussed, the recommendation of the committee

⁴ See also the discussion in Chapter III, p. 40.

was followed provided that the company gave no specific reasons against it.

The committee also delegated functions to subcommittees in specific areas and at certain levels, directive, administrative, and executive, but it would probably be more precise to say that the directive, or deciding, function was performed by the management members in the process of committee work.

The relationship of the labor-management committee to the bargaining machinery varied with the situation. At R. Hoe and Company where the International Association of Machinists had been meeting with management for many years previous to the war, the committee handled "anything that came up." On the other hand a committee at the Weyerhaeuser Timber Company, formed in 1942 and with no union officials in its membership, referred, for example, a recommendation on absenteeism to the bargaining machinery of the company and the International Woodworkers local because it involved a complete change in schedule, though no increase in total weekly hours. As for grievances, it was reported from many plants that they dwindled to a minimum once regular labor-management committee meetings were held.⁵

Just as labor-management committee work was integrated into management functions through the personalities of the management representatives and through their positions in the company, it could also be geared to union activities through the union officers

⁵ Such widely separated persons as the Regional Director of the International Brotherhood of Paper Makers, AF of L, in the Philadelphia area and the International Representative of the Bridge, Structural and Ornamental Iron Workers, AF of L (the fabricating group), in Buffalo report similar experience in regard to grievances. Both of them, as they negotiated agreements during the war and since, secured informal commitments from employers that they meet once a month with the union committee to discuss both grievances and production matters.

As in the case of more formal labor-management committees, the representative of the Paper Makers reports as a result of regular meetings: "They get used to expressing their opinions freely. There is not so much a feeling of antagonism, and grievances disappear as the local has experience and initial difficulties get wiped out. There are continual gains for the company. A happier worker does a better job."

And from the Iron Workers who discuss with management the prospects of the business, production, safety, grievances, and working conditions: "If they meet regularly they don't hold a grievance so long."

A pattern of regular meetings with management and of the integration of production discussions and other union concerns has developed in some local unions of the International Association of Machinists, the United Steelworkers, CIO, and other organizations.

on the committee. In some unions reports of labor-management committee business were made at membership meetings by the union president or the chief steward under "new business" or "reports of committees." If the union office received copies of committee minutes the secretary read them under "communications." Occasionally the business agent or union president took up production problems as is the case at the Hazard Insulated Wire Division of the Okonite Company where the business agent of the Electrical Workers union (AF of L) addresses the union meeting under "Good and Welfare," on the problem of maintaining standards in their high quality product.

Policies of labor-management committees were further determined by the very decisions as to what subcommittees should be appointed. The most usual ones were production, conservation and salvage, suggestions, publicity, absenteeism, safety, and transportation, but some organizations in large establishments had as many as ten or fifteen standing subcommittees. There were, in addition, special purpose committees for a slogan contest, metal or paper salvage, and bond campaigns which were dismissed when their work had been accomplished. The main committee as a rule discussed and designated the appropriate members for subcommittees as suggested by the respective parties for membership on subcommittees or it agreed upon a subcommittee chairman and requested him to appoint the members.

Some top committees divided themselves into subcommittees of two members each, one management representative and one labor representative, to handle the activity concerned. There is not enough material available to determine whether this was good procedure. Obviously it did not draw as many persons into the spirit and work of the committee. It is also possible that if the management representative were pressed for time it would be easy to postpone meetings and activities when only two people are involved. Furthermore it might be difficult for a labor representative to assert his point of view, as labor men are not accustomed to confer singly with management unsupported by other union members. At Cheney Brothers (with the CIO Textile Workers) and General Instrument Corporation (labor then represented by the AF of L Electrical Workers) these two-men committees did not meet as such but set up further committees by mill or department and reported on progress as they gradually permeated every section of the company's organization.

Labor-management committees spent much of their meeting time considering reports of subcommittees. Subcommittee chairmen, chosen from the main committee's membership, sometimes brought their subcommittee members to meet with the main committee. At The White Motor Company (and the United Automobile Workers) all the subcommittees were invited to meet with the top committee at first and later one group at a time was included. Some subcommittees submitted reports and requests, especially if recommendations involved the expenditure of funds for repairs and maintenance equipment or facilities for cafeterias and canteens; or the determination of policy in matters of inspection, interdepartmental relations, absenteeism, recruiting, securing better outside bus schedules, and similar proposals. If subcommittee work showed duplication, the main committee combined the committees as indicated above.

The interpretation of committee program was effected through the planning of rallies, launching of ships, and in securing the coöperation of all groups. Management and labor speakers were selected for the great occasions, and also for broadcasting information through the public address system on production needs and accomplishments. Special departments were given credit for their work. Many committees issued a labor-management bulletin or determined the character of the material to be placed in the local union paper or in the company house organ. Management frequently put up to the committee the desirability of having notices in the plant issued in the name of the Labor-Management Committee, such items varying from requests for sanitary conditions in the washrooms to endorsement of a recruitment drive.

Committees assisted in other general situations, preparing the way with recalcitrant males for the introduction of women workers and giving similar attention to the problems of Negro employees. Programs were interpreted and coöperation was secured through occasional dinner meetings to which larger groups were invited. For example the Sunday Morning Breakfasts mentioned previously were arranged by the company at intervals throughout the war. They were for the Operating Board (top committee) and all subcommittee members, some eighteen committees involving about 300 individuals. At one breakfast they invited all union stewards — at another, all persons concerned with safety — at another, all superintendents and foremen — at another, union officials. Foremen and stewards attended some of the same meetings and

reported fruitful results of frank discussion despite the size of the gathering. Another way of securing interest for committee work and projects was to invite two or more guests, foremen or workers, to each meeting until most of the plant was familiar with the program.

A final word on the functions of the labor-management committee should emphasize the importance of developing methods which would guarantee steady performance. Even when this obligation is recognized, the pressures on both management and union officials often cause a lapse in meetings and in program. The executive vice-president of a concern employing some 2000 workers, in sending a 1944 report to the War Production Board, stated: "I hardly need add that the Labor-Management Committee takes a lot of careful and thoughtful work. It is not automatically self-operating." Nor can it be left to one side or the other to carry the ball. An official of an iron construction and fabricating plant commented: "A labor-management committee is like a teeter totter. You must keep the balance. If labor is on top it is not successful. If management is on top it is not successful. Anything you work for and put work into, is bound to pay you."

COMMITTEE MEMBERS

As the labor-management committees of the war period were to increase plant efficiency, those that worked directly on production problems had in their membership management representatives who were key men, both staff and line officials, such as the superintendent of production, the works manager, the industrial relations director, an engineer or methods man, the chief inspector, and one or two superintendents or foremen. In small organizations the management representatives were the general manager, the superintendent, and the personnel, or industrial relations, director.

The effect of this top management representation was fourfold. Such men could put before the committee the current production problems, they could receive the impact of questions and suggestions of committee members, they could determine through which management departments the committees could effectuate their work, and, above all, they could give authoritative answers to the proposals that are made in such meetings. The most frequent complaints from labor concerning the ineffectiveness of committees could be summed up in the phrase: "They didn't pay any attention to our suggestions." This occurred in committees in which the

management representative had to refer important issues to someone "higher up" or in those where management had not yet learned that, just as under a suggestion system the suggester must be informed as to why his suggestion is rejected, so committee members need a full discussion with a definitive answer concerning the issues which have arisen. Another complaint arose from the fact that the general manager, often the chairman of the committee, did not attend regularly because of the pressure of other business. A perusal of the minutes of effective committees shows that this officer scarcely misses a meeting, thereby demonstrating that he considers it worth his time to be there.

The labor members of the committee were also among the top people in the union. At first there was some confusion about this. Such emphasis had been laid on the fact that the labor-management committees were not to take up grievances or matters covered in the union contract that an effort was made by some unions to assign men who were not on the grievance committee. As the union officers and members of the grievance committee are the elected representatives of the membership, it was essential that such persons be also members of a committee which was an experiment and an extension of the field of industrial relations. They were needed because of their knowledge of union policy, their competence to develop new policy, and their ability to recognize when the committee was incorrectly entering into a bargaining issue. After trial periods and some reorganizations, it soon appeared to be established procedure to have as labor members the union president, the chief steward, and one or two vice-presidents or other members of the executive board, with some regard for covering typical occupations, different shifts, or areas of the plant. Occasionally a woman was a committee member and here and there Negroes were included in the membership. Sometimes the union business representative, not an employee of the company, was a member of the committee. In the case of those shipyards in which American Federation of Labor craft unions were the recognized bargaining agents, the labor side of the labor-management committee usually consisted of ten or more business representatives, none of whom were employees of the yard but whose presence was essential to the solution of production and personnel problems.

Of the 287 committees which reported their existence after the war to the Bureau of Labor Statistics,⁶ 17 indicated that the

⁶ See footnote, Chapter II, p. 31.

management members were primarily policy-making officials and 135 committees reported that both policy-making and operating officials constituted the management side of the committee. In 68 cases operating officials alone represented the company and there was no report on the management status of committee members in 67 firms. For the labor members in almost all of the unionized plants, union officers or union stewards served as representatives sometimes without, but almost as often with, rank and file members of the union.

Although both company officials and union representatives who customarily bargained over contracts constituted some of the members of the labor-management committees, it seems to have been possible for them to separate the bargaining and production functions. They recognized their dual capacity but, as with the Lord Chancellor in *Iolanthe*, their higher principles prevailed and bargaining issues were avoided as much as possible. There were lapses. Occasionally meetings were suspended during a critical period. The advantage of this form of committee organization, however, lay in the fact that the members were aware of all issues involved in any proposal coming before the meeting. A disadvantage consisted in the danger that unsettled grievances might creep into these meetings reserved for consideration of production problems. Another difficulty experienced by some committees was due to the possibility that the men elected as bargaining representatives were by temperament not as well adapted to cooperative activities.

The management members of the main committee were usually appointed by the general manager or executive vice-president in charge of production. The labor representatives were often chosen by the union executive board or at the shop stewards' meeting. At smaller shops such as some in which the International Association of Machinists is the recognized bargaining agent, the committee members were chosen by discussion or election at union meetings. At one or two large establishments the labor representatives on the committee ran for office on the regular ballot at the annual union elections. This is the case with The Carborundum Company at Niagara Falls and Local 12058, United Chemical Workers, CIO, where the labor-management committee⁷ is primarily a joint suggestion committee and the union membership can estimate the

⁷ The committee was organized in 1942 and is continued to the present time as part of the union-management machinery.

qualifications for committee members. At the New England Shipbuilding Corporation at Portland, Maine, the Industrial Union of Marine and Shipbuilding Workers elected their representatives but it was the judgment of a key union official that those who were appointed (to make occasional replacements) were more adapted to this new field of work than those elected at large by the membership. Alternate management members and labor members were appointed by some committees to insure adequate representation at meetings.

The term of office was in many cases one year but some committees which planned their work for the war period only, retained the same members throughout. Others changed members more frequently than once a year in order to familiarize additional persons with the work but provision was made for the retention of an adequate number experienced in the program. A problem is presented if certain committee members are voted out of office in the regular union organization. This occurred in one situation and the new union officers, not wishing to upset the labor-management committee, suggested that merely one of their number be added to the joint committee together with one more from management. "It still didn't work," they reported. "The old officers were a company union type. We discussed committee policies in our new union executive board but we couldn't function through the labor-management committee because those men had been voted out of office. So we had to take over and reorganize the committee."

Similar situations arose when a new collective bargaining agent was chosen. Usually the committee became ineffective while the new union and management were negotiating an agreement. Later new committee members were appointed. If management proposed the continuance of the old committee with the former non-union members or members of a different organization, this was the source of another dispute. In some instances when there had been no union previously, the labor-management committee was dropped as union and management considered that they were sufficiently occupied with working out meetings on grievances, job evaluation, wage incentives, and similar activities.

A large number of committees had five members from each side, smaller organizations finding three of each adequate and large establishments running to 10 or 12 members each, for labor and for management. Westinghouse Electric Corporation at Springfield, Massachusetts, and the United Electrical, Radio and Machine

Workers representing some 5000 employees had only three each, with the Works Manager and Business Agent serving as Advisers. This was because of their more experienced setup which will be mentioned again under department committees.

Even though there was little voting in labor-management committees there seems to have been agreement that there should be an equal number of management representatives with labor representatives in the policy-making top committee. Equal representation changes the climate from "What have you to complain about today?" to a team spirit in which each one present, whether a line officer or a technical staff member, is there because of the contribution he can make. On this subject, G. S. Walpole of Masson, Seely and Company, Ltd., a precision engineering works in England, said:

Meetings at which two or three representatives of management meet a much larger number of employees create much more the hateful spirit of the "deputation" than of the free assembly met for objective discussion. Moreover, this unequal arrangement rather ignores the views of the intermediate management and supervisory staff who may well have their own useful contribution to make to the pooling of opinion on topical problems.⁸

Of the 203 committees, surviving after the war,⁹ which reported on their committee membership, 92 stated that there was an equal number of management and labor representatives, most of these committees having six, eight, or ten members.

OFFICERS OF THE COMMITTEE

The chairman of the labor-management committee was chosen by the members without much hesitation. In those committees which worked on production and personnel problems, not just war activities, the chairman was usually the top operating official of the plant, the general manager, works manager, or executive vice-president of the company in charge of production. Sometimes it was a staff executive such as the superintendent of production, the production engineer, or someone in a similar capacity. Concerning the British experience Sir Frederick Leggett had this to say:

* G. S. Walpole, *Management and Men, a Study of the Theory and Practice of Joint Consultation at All Levels* (London: Jonathan Cape, 1944), p. 7.

* See footnote, Chapter II, p. 31.

The Managing Head of an undertaking should be chairman of a Joint Production Committee in order to establish its importance. It has generally been the experience that where subordinate officials are the Chairman or persons have been appointed because they are regarded as having the most time to spare, those committees have failed.¹⁰

In many instances there was a labor cochairman, the union president, chief steward, or other leader of the labor members. He sometimes presided at alternate meetings. There were committees such as the one at Cheney Brothers and at The John B. Stetson Company where the chairmanship was rotated among the members so that all would have a feeling of responsibility and participation and not let the two leaders, as one union president said, "ask and answer all the questions." In both of the above cases the executive vice-president of the company attended almost every meeting of the committee and secured action on its deliberations. A Committee secretary was chosen occasionally but in most instances the companies provided the services of a stenographer who took minutes or recorded decisions dictated by the chairman in the presence of the members.

An executive secretary, not a committee member, proved to be indispensable to many committees, either full time or on a part-time basis. This required someone who was adept in dealing with various elements in the company and in the union. Some committees recognized that this person should be mutually agreed upon. At one plant the union treasurer was the choice for this full-time job. At another (a large shipyard) a management representative and a labor representative were assigned to the work. Such coordinators helped to prepare agenda, issued advance notice of meetings, made sure that the main committee, department committees, and special activity committees met according to schedule, arranged for alternates to attend when necessary, secured approval of minutes of all committees, had them duplicated and distributed to appropriate persons, checked with management and union officials for action on agreed upon proposals, sat in on subcommittees assisting them in coordinating their work, and attended to matters which fell outside the assignments of the several groups.

According to the 1945 questionnaire survey about 15 per cent of the 1343 active committees responding had a full-time coördi-

¹⁰ Sir Frederick Leggett, Eighth International Management Congress, Stockholm, 1947, Proceedings of the Congress, *op. cit.*

nator, three-quarters of the plants with over 2000 workers employing such an official.¹¹ Under such circumstances the committee was provided with an office, usually in or near the industrial relations department. If space permitted there was also a meeting room for the use of the committee and subcommittees. Whether or not there was an executive secretary or coördinator, the burden of committee work fell heavily on the industrial relations department which became a staff service to this new undertaking that aided production both directly and indirectly.

MEETING ARRANGEMENTS

At first many committees met every week. After the organization was set up and policies were thrashed through, twice a month was often enough. Later if the work had been delegated to subcommittees on special subjects and to department committees, a monthly meeting served to coördinate activities and determine new policy. For emergencies the members were on call. Of the 287 committees reporting postwar survival,¹² 203 stated that they hold regular meetings, and 55 meet irregularly on the call of either management or labor, 29 giving no information on this point. The 203 committees which meet regularly hold their meetings about once a month (in 107 cases) but some of them convene weekly (37) and others twice a month (34) with a few meeting less often.

During the war a few committees tried meeting after hours, but this was not practical. Some members belonged to car pools and could not arrange to stay, others worked irregular hours, many were tired; also daytime personnel, not committee members, were often called in for part of a meeting and sometimes it was necessary to request office records available only during regular office hours. Many committees met from two to four o'clock in the afternoon. If two shifts were represented some committees scheduled their meetings to fall at the end of the first shift and the beginning of the second. One company reports currently that meetings are held in the late afternoon, a half hour on company time and a half hour on the committee members' time "so the discussion won't be prolonged." The meeting place was usually a conference room, in a company official's office, or in a location designated for committee use.

¹¹ *Labor-Management Committees in Action*, op. cit.

¹² See footnote, Chapter II, p. 31.

Agenda were prepared, sometimes by labor, sometimes by management, and often jointly by the cochairmen. Many committees had a regular order of business. A committee representing 800 employees, having no subcommittees except for second and night shifts during the war, has three principal topics for its meeting:

1. Business conditions and company shipments.
2. Committee ideas, under which members could make suggestions or bring up any problems they considered important.
3. Worker suggestions, which were reviewed and granted awards.

There follows the agenda of a large west coast shipyard for its February meeting in 1943:

Items Held Over From Previous Meeting

1. Ladders for dismounting from cranes — Plate Shop and Sub-assembly.
2. Covering exposed trolley wires — Bay No. 3.
3. Vacation pay for hourly men.¹³
4. Adjustable gangplanks for outfitting piers.

New Items Presented

1. Fifth War Production Drive Rally.
2. Claims agent for each division.
3. Conversion of low bed trucks for worker transportation to jenny.
4. Additional canteens and feeding units.
5. War Bond poster contest.
6. Permanent location for Production Drive office.
7. Alarm clocks.¹⁴
8. Shortage of screw drivers.
9. Invitations to launching.

The majority of labor-management committees kept minutes and most of these arranged for distribution of the minutes. This was evidenced in the 1945 questionnaire survey¹⁵ which shows that 73 per cent of those reporting to this question (898 out of

¹³ This item, though a bargaining matter, was presumably permitted because the labor members were the business representatives of the shipyard crafts and management members were equally authoritative for the employer. Such subjects, however, were the exception, not the rule, in labor-management meetings.

¹⁴ The shortage of alarm clocks became an absentee and production problem for committees in a number of areas.

¹⁵ *Labor-Management Committees in Action, op. cit.*, Table 7.

1224 committees) kept minutes and in the 1947-48 survey¹⁶ 78 per cent (172 committees) did likewise. In both cases the minutes were usually distributed. In some instances they were posted on bulletin boards. More often they were sent to superintendents, foremen, union stewards, and to the union office, thus integrating the work into similar management and union activities. Reference has been made to the fact that some union secretaries read committee minutes at the membership meetings. The following excerpt from a report shows how some managements also made use of committee minutes :

all agree that they are read with much interest. The present plant manager says that each foreman reads them "as though he were the only one that were reading them," and tries to make adaptations of the ideas given in his own department, and occasionally suggests ideas for others which he has picked up from the minutes. These minutes, and their distribution, are considered part of the machinery for putting committee recommendations into effect.¹⁷

Apparently the time and expense of committee meetings presented no financial problem. The companies paid committee members their average hourly earnings for meeting time and for activities in the plant. The question "Are these committees worth the time and money you put into them?" was asked of executives. If they believed in the efficacy of committee work they responded that the cost was relatively small, "infinitesimal," as one official put it. Costs during the war were usually covered in government contracts. Some committees ran into considerable expense with monthly dinner meetings at a "down town hotel." Those committees which had a full-time coördinator, an office, a bulletin and extensive activities, operated on a budget. Although it increases expense, much can be said in favor of a coördinator or expeditor so that committees do not become "something ought to be done about it" organizations. This emphasizes the need for measuring the financial returns of at least some of the committee's work, a problem mentioned at the close of Chapter III.

¹⁶ See footnote, Chapter II, p. 31, concerning questionnaire survey by the U. S. Bureau of Labor Statistics. In this survey, 67 of the 287 committees did not answer this question but still a majority responded affirmatively.

¹⁷ *The Labor-Management Committee of the Monsanto Chemical Company and the Chemical Workers Union 20032, AF of L, op. cit.*

COMMITTEE ORGANIZATION

The Main Committee

Although few suggestions were made to local plants and local unions concerning the structure of a production drive setup, a pattern began to emerge. There was usually a top committee supported by subcommittees on special subjects and, in some organizations, by department committees to deal with production problems and to carry out other phases of the program. The main committee was called the labor-management committee or the War Production Drive Committee or the labor-management production committee. Sometimes the whole program was called the War Production Drive and the top or main committee was called the advisory committee, the policy committee, or the steering committee. The latter term was used for the nucleus of a large labor-management committee which delegated some of its functions to the smaller group between meetings.

The functions and composition of the main committee have been described in the preceding pages. Its principal work lay in the formation of program and policies. It also gave considerable time to the appointment of subcommittees, the assignment of work, the study of their reports, and the coördination of their activities.

Department Committees

After the principal problems of organization had been considered, those labor-management committees which wished to discuss ways of improving methods and quality of production found that there must be a device for coming closer to the problems involved. In plants of more than four or five hundred employees, some of the members of the main committee were not familiar with production methods of the whole organization and were handicapped or bored when there was discussion of inspection, layout, or a machine fixture in a shop, mill, or department unknown to them. Accordingly some of these plants organized department committees. The principal purpose of such committees was to break bottlenecks, improve quality, and to work on other production problems; but they were used also for conducting activities such as paper salvage, disseminating information, and so forth.

Work on safety, absenteeism, and bond drives usually had an additional setup, as will be described later. At one plant it was

estimated that two-thirds of the department committees' time was spent in direct work on production and one-third in miscellaneous activities. The department committees of the Symington-Gould Corporation and the United Steelworkers as well as those of the New England Shipbuilding Corporation and the Marine and Shipbuilding Workers were established to pass on efficacy of worker suggestions arising in their departments. The discussion of suggestions sometimes leads to the solution of production problems other than the ones mentioned in the suggestions.

As for department committee members, the management representatives were usually line officials, a superintendent or foreman serving as chairman, and one or two other members from the supervisory force. Similarly the union steward or stewards for the area were members, together with one or two men or women, chosen by the union, who had shown aptitude and interest in the operation of the department. Depending on the nature of the industry, a representative of inspection and also possibly a cost clerk might serve on the committee.

These department committees are advisory to the superintendent and foreman. They also can be executive in nature. For example, at Westinghouse Electric (Springfield, Massachusetts) the minutes of the meeting, distributed to the members, showed in the left-hand margin the name of the person who was to attend to the matter which had been decided in committee. Similarly at Monsanto Chemical Company (Monsanto, Illinois) the minutes of the department meetings, chaired by the plant superintendent, were sent to appropriate plant officials who were to consider the decisions there recorded as directives, if applicable to their work.

The union also might have higher officials, in addition to the stewards, in attendance at such meetings. Both Monsanto Chemical Company, with the AF of L Chemical Workers, and Emerson Electric Company, with the CIO Electrical Workers' had a union officer or member of the executive or the grievance committee serve *ex officio* at department meetings.

This form of organization has the advantage of furthering teamwork and problem-sharing throughout the plant. When all the coöperation is at the top, company officials sometimes state with satisfaction that the union is beginning to understand the problems of the business and later face an upheaval because the union representatives have failed to explain the situation adequately to their members. If this is accompanied by neglect of grievances it

may result in a change in bargaining agency as has occasionally happened!

Twenty-two per cent of the committees responding to the questionnaire survey in 1945¹⁸ stated that they had department committees. These were in both large and small plants but a greater proportion of them were in plants of a thousand or more employees. At Westinghouse Electric, with some 5000 employees, there were 46 department committees involving 184 members. Monsanto Chemical Company, employing some 1500 workers at Monsanto, Illinois, had 22 committees with more than a hundred members representing 31 departments. Symington-Gould, with around 1200 employees, had seven department committees and 34 committee members including alternates. The atmosphere and conduct of a meeting reflect the types of the personalities and the points of view of the management and labor groups involved. The description of a few meetings showing different approaches and written at the time of the visits may serve to illustrate this. The first committee was in a plant of some thousand, fairly homogeneous employees:

Management and workers from a given department, together with one labor and one management representative from the collective bargaining machinery, sat around the table. The chairman, the division manager, went over the operations in the department, asking each worker representative, "What is the bottleneck in your section?" Men spoke up without hesitation, with their minds on the production puzzle, not overawed by the fact that they were telling management what to do. In most instances they had previously canvassed the workers in their sections for problems and ideas. Now proposals and solutions were discussed. Some were recorded on the minutes for immediate action. Others were to be discussed further with technicians or referred to the research laboratory for experiment.

The discussion was ably conducted. The division manager resembled a professor in his seminar. Despite the precautionary measure evidenced in the presence of bargaining representatives, there was no hint of controversy in the atmosphere. But the relationship was a teacher-pupil relationship (of a high order) — not one in which ideas flash and crash against each other as they blend toward ultimate refinement.¹⁹

¹⁸ *Labor-Management Committees in Action*, *op. cit.*, 288 of the 1343 committees. However 457 did not answer this question.

¹⁹ Dorothea de Schweinitz, "Joint Leadership in a Democracy," *The Journal of Educational Sociology* (New York, March 1944).

The second committee was in an airplane part plant which had rocketed up from a closely knit working group of 1500 men and officials to 11,000 people drawn from everywhere. Teamwork was a stark necessity.

A department committee meeting, chaired by the department head, held a heated discussion over the man-hour loss because the men coming on each shift had to wait half an hour or more to receive gauges at the tool crib. It was a serious interference with production. Three responsibilities were involved — inspection (of the gauges), crib service, and production. Management representatives from each were at the meeting. They did not hesitate to “fight it out” before the union men, nor did the workers hesitate to give their evidence and their suggestions. The dominant tone — “We must lick this problem, if we’re to win this war.”

Similarly the union representatives were willing to risk revealing a vulnerability of their group by conducting a survey as to the number of employees who stopped work before the whistle blew, and the causes for this. The department was to solve the problem for many departments. When this purpose was clear the workers were willing to serve as a test group.²⁰

Some plants arranged to have different employees within a department sit in on meetings until all were familiar with committee work. The Weyerhaeuser Timber Company, at Longview, and the International Woodworkers designated all the workers of a department as the committee. There follows a description of this type of organization:

Each production committee within a department has a labor chairman (elected) and meetings are very informal, in the nature of a discussion group. Workers and management men form a large circle with the chairmen and secretary at a desk at the end of the room. The executive secretary of the top Committee takes the minutes and top management men drop in whenever possible. Discussion often becomes so heated that bets are placed with the secretary as to which worker has the proper solution to a problem.

All workers in each department are invited to attend these department committee meetings. Roughly about 20 percent of the employees attend . . . The production committee contended that this morale building was more essential than having a small department committee concentrating on production problems. Workers producing

²⁰ *Ibid.*

the "same old boards" that they have been turning out for years, cannot realize that these boards have suddenly become as essential as bullets. Top management men attend meetings of these department committees (now functioning in all three mills and the planing mill) and give to the workers available information regarding the urgency of the lumber program, and the important part that lumber is playing in all the new invasion areas . . . The main function of the department committees, from the standpoint of production problems, was to bring to light all bottlenecks and situations requiring attention.

Meetings are held every other week during the lunch period. Copies of minutes go to the head of the maintenance department and the mill superintendents. The maintenance department tries to carry out suggestions for improvement in equipment before the next committee meeting is held.²¹

At Westinghouse Electric Corporation at Springfield, Massachusetts, where department committees had been functioning since 1937, the war activity shows how the ideas of many groups were funneled through a single responsible department committee.

A typical committee meeting attended during this survey was in Department R-50, where certain parts are made for torpedos. In this department there were ten separate "groups." These groups have weekly meetings of their own group committees and also, once each week, the chairmen of these group committees meet as the R-50 department committee. At their own group meetings, anything that affects more than one group, or a problem that the members cannot solve is ear-marked in their minutes for consideration by the department committee.

At the R-50 department meeting which was attended, there were four management men and ten labor representatives. The general foreman was the chairman. There were two other foremen from the other two shifts, and the foreman from inspection. Labor was represented by the union steward in the department, a small lathe group leader, a driller and profiler, a production clerk, and leaders from the other groups.

These fourteen men sat in a circle about the room with the chairman, and the secretary who took notes for the minutes, at a table at one end of the room. Various items of unfinished business were taken up and reports made as to whether these items had been taken care of. Both shifts were represented, and second shift representatives

²¹ *The Labor-Management Production Committee of the Weyerhaeuser Timber Company, Longview Branch, and the International Woodworkers of America, CIO, Local 5-36, op. cit.*

reported the progress of certain improvements on their shift. Two operations were discussed, and possible remedies suggested, with the day foreman agreeing to take care of one and the inspection foreman promising to take care of the other. The meeting was business-like and at least twelve items were taken care of or reported in approximately thirty minutes.²²

Subcommittees on Special Subjects

Many labor-management committees, 41 per cent in the 1945 survey,²³ functioned through subcommittees assigned to a special activity. The majority of these were in plants of over 500 employees. While committee failures sometimes were attributed to the presence of subcommittees uncoordinated by a main committee, there were also failures due to the lack of delegation of work to subcommittees. The main committees in such cases were clogged by a combination of items requiring planning and policy determination and others calling for action. A consideration of the subcommittees will indicate how they implemented the work of labor-management committees and geared it to management functions and to certain union activities.

Production or Plant Efficiency

Probably the best work on production problems was done by the department committees, or by the main committees in small establishments. There were however plant-wide subcommittees on production or plant efficiency which called attention to certain situations, conducted educational campaigns, and stimulated suggestions from workers on specific subjects. Progress charts and the promotion of rivalry between departments for increasing production were more likely to be handled by a committee on charts or on publicity. Some organizations had no committee on the broad topic of production but had special committees on conservation of material, good housekeeping, or care of tools and equipment. One large steel plant had three production committees, one on materials and products, another on practices and methods, and a third on machinery and equipment. In each case the work was begun by a

²² *The Labor-Management Production Committee of the Westinghouse Electric and Manufacturing Company and the United Electrical, Radio and Machine Workers of America, CIO, Local 202, op. cit.*

²³ *Labor-Management Committees in Action, op. cit.* 556 out of 1343 committees, with 345 not answering this question.

survey of conditions and then followed by an educational program. Another large establishment manufacturing car frames and bombs had a company-wide committee on plant efficiency which in turn formed nine subcommittees — on plant transportation, weldrod and rivet conservation, machine tool and die conservation, idle time, maintenance and repairs, bottlenecks, perishable tools, scrap and salvage, machine capacities. The sub-subcommittees met anywhere from 10 to 54 times in the three-year period.

There is insufficient information to determine whether plant-wide committees on production efficiency were feasible. There were cases in which the general subcommittee ceased to function and the main labor-management committee relied on smaller units in departments or sections for toning up production. There were also instances in which members of a main committee were assigned to an activity such as scheduling, quality, or methods. They in turn organized committees on the subject in departments or mills but this setup was less formal and tended to lapse unless the main committee members continued to call meetings. It is possible that the line organization through divisions and departments is better for work on detailed problems of production and that the plant-wide committee serves best through educational programs on situations common to all.

The chairman of a subcommittee on plant efficiency was usually a management representative, superintendent of production, production control engineer, chief time study engineer, controller of materials, or a similar executive, whose committee work was an extension of his regular duties for the company. A joint committee helped him with ideas on certain problems and the members might be assigned specific tasks. For their educational program they received aid from the main committee or from the specialized services of another subcommittee such as one on training or on publicity.

Improvement of Quality

Although the task of improving quality and reducing rejects is part of the problem of plant efficiency, it is considered separately because there was considerable subcommittee work on this subject whether under the name of production committee, quality committee, or "scrap" committee. The chairman was often the chief inspector, the technical director, the time study engineer, usually the person whose duty it was to handle this work for the company. The following illustration shows how a quality committee, a main

committee, and department committees can work together in this field. It is an example also of the relation of advisory and executive functions within the committees and their integration, through company and union officials, with the management function and union activities.

The Quality Improvement Committee consists of three from labor and three from management . . . Different members of this committee try to sit in on department committee meetings at least once each month in order to stimulate the idea of quality importance, and the fact that better quality means increased production, that increased production means a bigger pay check.

In July 1943, a "Make It Good" campaign was launched by the Quality Improvement Committee, with special posters, and a banner in each department reading, "Make It Good."

A rally was held in the auditorium in the recreation building where speeches were made by the quality committee chairman, the superintendent of production (Labor-Management Committee chairman), Industrial Relations Manager (who acted as master of ceremonies), the union president, an Army major, the manager of quality and the plant manager. The rally was attended by all department committee members, foremen and superintendents, about 300 in all . . .

The chairman of the committee outlined the plan, and explained the charts to be placed in each department, showing the loss in percentages through rejects, or scrap each week. The department committees were to be the backbone of the campaign. Weekly reports were sent by these committees to the quality committee. The quality committee in turn, sent an over-all report to the Labor-Management Committee . . . The quality control department furnishes department committees with statistics and percentages for their reports . . .

If rejects are being caused by faulty workmanship the foreman calls the workman in after the meeting and asks him why. A union representative always sits in on any such questioning. Reports are kept of these interviews and if mistakes continue it is arranged to place that particular worker on a job that he can handle.

The quality committee also stresses to the workers, through department committee meetings, and in the Labor-Management Bulletin, the effects of mixing scrap with good materials, or rejects with inspected parts; the cost of tearing down and scrapping that comes as a result of these practices; the increase in the percentage of scrap resulting from these practices . . .

Girls from the assembly on parts in this department were taken to other departments to see what the parts were going into, since the committee contended that it was important that each worker know what he, or she, was working on, and the application of the particular parts. The committee also devised better tools and fixtures further to reduce faulty work . . . Within two and one-half months after the 1943 "Make It Good" campaign was started, the percentage of scrap was reduced to 6 percent, from 12.7 percent.²⁴

Care of Tools

Even if a labor-management committee had no subcommittee on production there was often a subcommittee on care of tools. Again, this work was led by the management man whose duty it was to supervise the tool cribs, but under the committee scheme he had the assistance of a larger group, sometimes with aides assigned to follow up throughout the plant. A description of one committee's program illustrates again the method of coöperation between committees and between committee and management.

The tool-conservation subcommittee (composed of the superintendent of the tool room and the tool-room foremen, representing management, and a leadman from the toolroom in each area, representing labor) made a survey and then proceeded to redesign existing tool rooms and to establish additional ones to care for yard needs . . .

An aide was appointed in each tool room . . . The Central Control Method, as now operated, is saving the yard approximately \$50,000 a year over the old method.

The training school coöperated . . . by teaching . . . how to care for tools when not in use and by emphasizing the importance of returning tools to the tool room at the end of each shift. Notices were prepared and sent to all tool keepers, asking for suggestions concerning control and conservation of tools.

On the recommendation of the Labor-Management Committee, tool boxes are inspected regularly by a guard, a shop steward, and a member of the subcommittee. Several thousand dollars have been saved by collecting "loafer" tools . . . (Sixteen Ball-Pein Hammers were found in the box of one worker) . . .²⁵

²⁴ *The Labor-Management Production Committee of the Westinghouse Electric and Manufacturing Company and the United Electrical, Radio and Machine Workers of America, CIO, Local 202, op. cit.*

²⁵ *The Labor-Management Production Committee of the New England Shipbuilding Corporation and the Industrial Union of Marine and Shipbuilding Workers of America, CIO, Local 50, op. cit.*

Suggestions

Joint committees to secure suggestions from individual workers were one of the principal activities of the War Production Drive program. In an early speech, Donald Nelson referred to "our secret weapon — the initiative and intelligence and know-how of the free American workman."²⁸ Both union and company officials knew that a workman thinks up ways of improving the product or the operation on his job because he lives with the machine longer and more intimately than the man who designed it. As stated in Chapter III, both workers and union officials with the fear of unemployment temporarily lessened, made numerous concessions to secure these ideas to speed up production. A full description of a suggestion system operated jointly by labor and management would require a volume of its own. It will be feasible here to discuss only the more important items of policy and procedure.

Before a joint suggestion system is agreed upon, the employer and the union, under normal circumstances, would want some mutual guarantees. They would find it difficult to arrive at a formula for timing the introduction of technological changes, resulting from worker suggestions, but there could be provision for the protection and regulated transfer of workers whose jobs might be eliminated through such innovations. There seems to have been little discussion of this point during the war. At one plant there was no concern, because conditions of repricing and retiming jobs were covered in the union contract. At another the union, having before the war experienced layoffs of several workers as a result of a suggestion, had refused to serve on a committee with management unless it had equal power. It did not endorse the suggestion system, leaving suggestions up to the individual worker. "Caveat suggestor" was the union position. With the beginning of the war, however, the union through its officers on the labor-management committee, agreed to encourage workers to submit suggestions and to publicize the activities of the management-run suggestion system. This occurred in a number of situations.

A similar attitude of tolerance and coöperation prevailed in connection with jointly conducted systems. Since the war some local

²⁸ *Labor-Management Committees in the War Production Drive*, Donald M. Nelson, a broadcast to the RCA-Victor War Production Drive Committee, Camden, N. J., War Production Board, September 13, 1942 (printed folder).

union officers have expressed concern over participation in a suggestion system without attention to the effect of technical suggestions. Others have said that the union, though protecting the workers, "doesn't stand in the way of progress." Still others say that the workers know it is contrary to union policy to submit suggestions which eliminate jobs. In the war and postwar full employment situation union policy has not been explicit on this point.

There was similar variation in policy on the amount of awards which labor-management committees granted for adopted suggestions. At some plants the suggester received only a certificate for his patriotic contribution. At others the three best suggestions for the month received a \$25 war bond, \$10, or \$5 in cash, or war stamps. More often there was a financial award in the above amounts, for *each* adopted suggestion. The well-established systems offered 10 per cent of the net savings for the year, or for the run of the job, if the improvement did not apply throughout a year. Occasionally management gave as much as 20 per cent of the savings, and, very rarely, half of the savings. Suggestions concerning safety or working conditions, the savings of which could not be easily measured, often received a nominal amount of two or three dollars.

There seems to have been little open discussion about the proportions of the savings which should be divided between the company and a suggestion winner. There were here and there some remarks by union officials that the award should be placed in a special fund or should be distributed among those whose productivity was increased by the technical improvement, on the assumption that most suggestions are the result of the ideas that workers express in a department as they go about their jobs. In one plant, provision was made for a group of workers to submit a suggestion jointly but it happens that at this firm the labor-management committee had decided that suggestions should be a patriotic service without financial award.

In many jointly operated suggestion systems labor participated in decisions not only for the adoption of a suggestion but also for the amount of award to the individual. In such cases management had previously decided on the maximum amount permitted for awards and had made other regulations classifying suggestions. In some cases the labor-management committee was advisory and could only recommend to management. Committee recommenda-

tions were seldom reversed because the management members of the committee had been chosen for their knowledge of manufacturing methods and company policy.

The issue of anonymity came to the fore in the organization of suggestion systems. A large number of labor-management committees used forms having serial numbers on the suggestion blank, and on the stub to be retained for identification by the suggester. Some of these provided space for signature on the suggestion blank, leaving it optional with the individual. Many workers had no objection to signing their names but the precaution against prejudice or favoritism seems to have been deemed important in some plants or departments.

The question of who should open the suggestion box caused considerable controversy at some plants. In one instance a labor-management committee never came to function as such because the union officers considered it essential that the union be the agent for opening the boxes. On this issue the committee foundered. The fears were due to the possibility of foremen and others reading the suggestions and putting in the improvements as their own ideas; also to the chance that grievances or complaints against individual company or union officials might find their way to the suggestion box. A local of the same international union in another community agreed to the joint opening of boxes by a union steward and an assistant superintendent who constituted a subcommittee on suggestions. Later an employee of the company working full time on processing suggestions opened the boxes routinely to the satisfaction of those concerned. This was the pattern in many plants although there were instances, in connection with both AF of L and CIO unions, in which a labor representative was designated as the person to open the boxes and route the suggestions to the committee.

Procedures of labor-management committees on suggestions also developed something of a pattern. Most committees appointed a subcommittee to handle suggestions and make monthly reports to the main labor-management committee but some top committees looked upon themselves primarily as a suggestion committee and began to discuss the suggestions as they came in. In small firms with only a few hundred employees it was possible to combine this work with the other functions of the main committee. In large establishments it meant that the labor-management committee did not take up the broad phases of a committee program which have

been described in this volume or became so bogged down with a backlog of suggestions that it soon decided to appoint a subcommittee. In some cases policy and methods were thrashed out by the main committee; in others the suggestion subcommittee was requested to study the matter and recommend a program. Once a system was established the subcommittee carried on, reporting to the main committee meetings on numbers of suggestions received, adopted, rejected, and still under consideration, together with the names of the recommended winners and the descriptions of their suggestions. The management members of the subcommittee usually included methods engineers, or superintendents, representatives from time study or inspection, or similar persons technically qualified for the work. The union also selected men who combined an interest in the technical side of the job with knowledge of union policy. More teamwork and disinterested concentration were probably displayed at suggestion subcommittee meetings than in any phase of the War Production Drive program.

But even the most conscientious suggestion committee could not handle the job that developed. There is no more sure road to failure for a suggestion system than delay in decisions on the proposals which workers have dropped into the box with feelings of pride and excitement. Many committees in plants with more than a thousand employees came to the conclusion therefore that there must be a full-time employee to process suggestions in addition to the coordinator who might be serving a labor-management committee. At California Shipbuilding Corporation over a thousand suggestions were submitted every month during the first months of the war and a suggestion department was set up to deal with the situation. At Packard Motor Company sixteen clerks were needed to type and process suggestions and do other follow-up work for the committee. In smaller establishments one person could deal with the flow of work. The procedures adopted were similar to those described by the National Association of Suggestion Systems.²⁷ Each suggestion must be acknowledged promptly, copied, and submitted without its signature to the foreman in the department where it applies,²⁸ and to certain other persons designated to pass

²⁷ *Suggestion Systems, A Brief Survey of Modern Theory and Practice*, National Association of Suggestion Systems, Chicago, 1944.

²⁸ As indicated above, some joint department committees acted on suggestions first. In other instances the union steward as well as the foreman was consulted.

on its adaptability, estimated costs, savings, etc.; replies must be secured, the material assembled for the committee meetings, committee bulletins prepared, rejections explained in writing, and publicity arranged for the winners. Suggestions which were submitted anonymously were acknowledged by serial number on the bulletin boards and reasons for rejections were also posted opposite the appropriate serial numbers. Follow-up was needed to see that accepted suggestions were put into practice, the pertinent line officials taking action when necessary. Some plants issued "technical bulletins" to foremen and superintendents so that they could adapt the approved innovation to their departments.

The main labor-management committee, or the suggestions subcommittee, or the publicity subcommittee kept before the workers the importance of contributing their ideas. Some companies solicited help when new jobs were set up and needed to be perfected. Others asked for suggestions on a specific problem which was bothering management. Some conducted campaigns for safety suggestions one month, good housekeeping the next, and so forth. Posters were made and changed according to program. Suggestion winners received their awards from the foreman in the department, or at monthly ceremonies of the labor-management committee. Winners of War Production Board honors²⁹ were featured on such occasions. In outstanding cases the photographs of a winner together with a picture of the new gadget or operation would appear in the company house organ, the labor-management bulletin, and the union paper. Suggestions were a tangible form of aiding production, easily featured. Although suggestion committees singled out individuals for attention, they also called for considerable teamwork in the conduct of a properly run program.

Personnel

Various labor-management subcommittees were organized in the field of personnel. As indicated earlier in this chapter they covered such subjects as training, upgrading, health and nutrition, absenteeism, labor turnover, and recruiting. Whether standing committees or temporary undertakings, they found their leadership in the staff of the personnel department, aided by the company doctor and nurse if the firm was equipped for health activities. The labor members of such committees were either members of the main committee or union members selected by them as ap-

* See Chapter III, p. 50.

propriate for the special activity. Sometimes their work was supplemented by aides appointed throughout the plant, for example, in absenteeism and safety work, and bond and fund drives, to assist in interviewing, instructing, and in securing coöperation. The personnel office supplied information on standards, on statistics of absenteeism, turnover, safety, etc., and the committee helped carry out the program which had been approved by the main committee and agreed to by the personnel department. Illustrations of committee work in Chapter III showed what the subcommittees did and, in some cases, also how they did it. Sometimes results were accomplished through coördination of the work of several subcommittees. Sometimes management did the bulk of the job with committee backing; again it was the union that handled the work. The following illustration indicates how the union members of the committee (business representatives) and the stewards solved a difficult personnel problem in their dual capacity in the collective bargaining machinery and committee organization:

Transfers Between Crafts. At the October 11, 1943 meeting, the general manager informed the top committee that arrangements had been made between the Boilermakers and Pipefitters, whereby emergency shortages of manpower in one craft could be filled by loan of men from another craft. This arrangement would not only prevent loss of production in departments with a manpower shortage, but it would also keep workers from being laid off in departments that were cutting down their force. He asked for the coöperation of all unions in making such an arrangement possible in all crafts. Since the secretary of the Metal Trades (a committee member) thought that this could be carried out to greater advantage through negotiations between individual unions, the labor members of the committee held a meeting after the regular Labor-Management Committee meeting to "thrash out the matter."

At the next committee meeting it was announced that the loan of men to the Pipefitters from other unions was in effect. The committee agreed that an intensive educational campaign should be carried to all unions regarding the loan of men of one craft to another. Labor members of the top committee (business agents) passed information to their stewards who, in turn, passed it along to the workers. The program was also discussed at any union meetings which were held during this period.

At the January 31, 1944 meeting, the committee was informed that owing to the shortage of workers in critical crafts an intensive training program would have to be inaugurated, and that many inter-union

transfers would be necessary; that such workers would transfer on a voluntary basis and hold the status of a journeyman while training for another craft. (Dues would be paid to their original craft.)

At the March 27, 1944 meeting, it was agreed that loans to other crafts should be on a short term basis, and no initiation fee would be charged by the "borrowing" union.⁸⁰

In the above case committee members and union officials responded to a request from management. There were other instances in which management arranged for services to the union as, for example, when the union executive board of the International Association of Machinists, Local 1228, at Addressograph-Multigraph Corporation requested and received the Job Relations Training which had previously been given to the foremen.

Safety

Just as the subcommittees on training, absenteeism, and recruiting worked with management through the personnel department, so the safety subcommittee was an adjunct to the safety director or, in smaller plants, of the management official who had studied the safety problem and had this work delegated to him. The safety committees often arranged to have departmental aides who wore buttons or arm bands to designate their function. It was especially important that the duties of the safety committees and their aides be distinctly defined and widely understood. As the work is both advisory and executive it must be clear as to who has the right and responsibility for inspection, reporting hazards, dealing with employees indifferent to safety devices, and similar activities. "No more of this safety committee tramping through the plant," said one personnel director, as the result probably of an ill-defined program. As union organizations have become safety-conscious in recent years and, in many cases, elect a union safety committee at the time of elections for union officers and for the grievance committee, it is important to determine how this committee gears in with a labor-management setup and with the regular management departments. During the war the men elected to union safety committees could be made the labor members of the joint subcommittee on safety.

There follows a description of safety work in a large organiza-

⁸⁰ *The Labor-Management Production Committee of the California Shipbuilding Corporation and The Metal Trades Council Affiliated with the Metal Trades Department, AF of L, op. cit.*

tion, requiring both safety subcommittees and department committees on safety. It shows also the relation to the top labor-management committee which, through higher management officials in its membership, can assist in getting action in a new and complicated situation.

The safety subcommittee consists of two management representatives (Safety Director and Assistant Safety Director) and two labor representatives (one of them a shipfitter who is a member of the top committee) . . .

The Safety Department has 18 inspectors and four supervisory inspectors. One supervisory inspector is a member of the top committee.

The safety subcommittee meets regularly with the Safety Director to discuss safety problems, and it brings to the top committee all safety matters requiring a new policy. In case the Safety Department needs top committee assistance to secure the enforcement of safety rules, or to get a new idea okayed by management (which it might not otherwise get okayed), an appeal is also made to the top committee.

In August 1943, every foreman was asked to submit to the safety subcommittee the names of two men in his department to serve with him as a three-man department safety committee. These department safety committees were to see that safety rules were enforced, report violations, and make sure that new workers knew of safety hazards, in the various departments. As a result, the workers were made more safety-conscious, and a reduction in the accident rate was realized. These department safety committees now bring to the attention of the top committee only those matters which they cannot take care of themselves.

A department safety committee spots a hazard. It calls the Assistant Safety Director. If he cannot get the hazard removed, he notifies the Safety Director. If the Safety Director in turn can't get action, he requests the help of the top committee. In practically all cases the top committee has been able to help the Safety Director to get hazards removed.³¹

Publicity

A subcommittee on publicity, once policy was established by the main labor-management committee, had as its basic task the interpretation of the new approach of welcoming the ideas and securing the coöperation of workers and minor supervisors in all phases

³¹ *The Labor-Management Production Committee of the New England Shipbuilding Corporation and the Industrial Union of Marine and Shipbuilding Workers of America, CIO, Local 50, op. cit.*

of the committee program. Under such an assignment it would also service the other subcommittees, but actually few publicity committees handled such a broad program. Often there were separate committees for posters and bulletin boards, for progress charts, for slogan contests; and in many instances the suggestion committee or the absentee committee conducted their own campaigns. Theoretically a publicity committee was to pass on items to be printed in the company house organ, the union paper, or a labor-management bulletin, but there were many cases in which management men rushed ahead or union representatives did not take advantage of this opportunity to have their story of coöperation told in terms satisfactory to all concerned. Here is an account of how a publicity committee of two from the main labor-management committee, a foundry superintendent, and a machinist assisted by various specialists, in the company and the union, covered considerable ground in the service of some 15,000 workers in the first two years of the war:

the committee has worked with all other subcommittees preparing publicity materials, letters, campaigns on delays and scrap, etc.

In the beginning the committee had reprints made from statements of Government officials. (These statements were furnished by War Production Drive Headquarters.) These reprints were passed along to the workers each pay day with their pay checks.

The committee then passed out 18,000 copies of the pamphlet, "Divide and Conquer," order from War Production Drive Headquarters; 4,000 copies of the suggestion pamphlet, "Heads You Win," were also passed along to the workers. Other pamphlet materials were passed out periodically, including: "Couldn't Have Done It Without You," "Poland Fights" (a substantial proportion of South Works employees are of Polish origin), and other available materials.

The committee staged a publicity campaign on suggestions when the suggestion plan was inaugurated. Letters were sent out to all workers, including 1,800 letters to the office workers, explaining the functions of the Suggestion Department. Letters were also sent to supervision throughout the Works in order to sell supervision as well as the workers.

"The Suggestion Box" (War Production Drive Headquarters motion picture) was secured through the Chicago War Production Board office. Other important letters and materials were reproduced and distributed through the leaflet boxes in the clock houses.

Sixty departmental bulletin boards were first erected. A few months

later 50 additional boards were ordered to be used in publicizing committee activities. A total of 227 poster boards were ordered to be placed on the buildings.

Leaflet stands were placed in the five clock houses for distribution of pamphlet materials. Five 10 x 20 foot outdoor boards were erected, at the five entrances to the plant. The first set of posters ordered through an outdoor advertising company dealt with Labor-Management Committee organization and the suggestion program. The poster on the boards during our visit contained suggestion "boosters." The one planned for January concerned the War Bond Drive. (These large outdoor boards replaced the 5 smaller ones erected at the beginning of the L-M program.)

The committee held a plant "Slogan" contest with 600 slogans being submitted. The one chosen was: "Count Us In — Our Steel Will Win."

In January 1943, Labor-Management Committee stationery was ordered for use in all correspondence and bulletin board notices. This stationery is also available to all committee members.

The top Labor-Management Committee members, department superintendents, and plant artists assist the publicity committee in the preparation of posters and other materials.

Two other outlets for publicity have been utilized freely. The "Good Fellow News," published by the Good Fellow Club, and the Local 65 bulletin published each month by the union.

A labor member of the committee who is a trustee of the local union, runs a column in the Local 65 bulletin each month regarding Labor-Management activities.

At present the publicity committee is running a series of reports in the union publication, each issue carrying the report of the activities of a different subcommittee. Pictures of award winners are also run in both the "Good Fellow News" and the union bulletin.³²

A COMMITTEE REORGANIZATION

While committee failures or reorganizations have been mentioned from time to time, the illustrations of committee work have been confined primarily to effective procedures in order to retain what was valuable in the wartime experience. Possibly the same purpose will be served by including a description of the reorganization of a failing committee. The following account indicates the

³² *The Labor-Management Production Committee of the Carnegie-Illinois Steel Company, South Works, and the United Steelworkers of America, CIO, Local 65, op. cit.*

difficulties which arise when neither management nor labor has a clear concept of the functions of a labor-management committee or the structure required for its success.

At the request of the Personnel Director of the company who was also the chairman of the Planning Committee for the War Production Drive activities, a visit was made to this firm on July 15 for the purpose of determining just what was wrong with the Production Drive program in this plant.

As a result of that visit, it was apparent that the Drive had been a virtual failure in this plant. It appeared that the reasons for such failures were:

1. No real understanding was had by either management or labor of the true purpose of the War Production Drive.
2. No integration or coordination of the various committees as they were established. Each committee acted as an independent organization with no idea in mind that its activities should be correlated with the activities of any other committee.
3. No Top or Central Committee had been established, nor was there any semblance of a "line" organization.
4. No Top Management representatives served on any of the committees except one, i.e. the Production Committee and he (the Plant Superintendent) had no real understanding of the Drive.
5. Inability of the labor representatives to divorce their functions as collective bargaining agents from their functions as joint labor-management committeemen. Consequently, very little was discussed in committee meetings except those issues which rightfully should have been discussed only in properly convened collective bargaining meetings.
6. Neither labor nor management per se had assumed the initiative in pushing the Production Drive program. The only person who had attempted to assume such initiative was the personnel director of the company and he was "handcuffed" by top management's failure to understand most of the various aspects of the Drive.

Once it was evident that both labor and management had been "sold" on the value of a War Production Drive program and also had obtained a new point of view on how the objectives of the program could best be attained . . . it was decided that a top joint Labor-Management Production Drive Committee be set up consisting of 14 members, 7 from labor and 7 from management. Each group selected their own representatives. Labor selected the members of its regular bargaining committee. Management representatives were chosen by the Plant

Manager . . . They were the Plant Manager, Plant Superintendent, Chief Engineer, Chief Inspector, Chief Accountant, Head of Shipping and Receiving Department and the Personnel Director.

The plant Manager and the union President were chosen as co-chairmen of the joint committee, and the Personnel Director was chosen as Executive Secretary . . . A program was agreed upon and 10 subcommittees were established to carry out this work.

There follows here a detailed description of the work plans of each committee. The report ends with this paragraph:

In conclusion, emphasis should be placed on the sense of joint participation by labor and management in the War Production Drive program. The consultants were addressed by a labor representative in this manner, "you have been harping all week long on the proposition that this is a joint committee. Just look at us—there are all the people representing management sitting over on the other side of the room together, and all us labor guys sitting over here. Now, if what you have been telling us is on the level, I make a motion we break this up and lose our identities as labor or management people by getting up and mixing around and then sit down again without any thought as to who we sit beside."

It was done, and the reorganized War Production Drive got off to a good start.³³

SUMMARY

The labor-management committees of the war period were organized in those plants in which management considered it feasible to respond to the government's request. Committee work assisted the management function and therefore depended for success on the initiative and the conviction of management. In most cases the committee was started through preliminary conversations between the plant manager, the industrial relations director, and the officers of the union, followed by a meeting among the representatives appointed by management and labor to form a committee and to determine its functions. After a tentative plan had been made some companies arranged for group meetings or a plant-wide gathering to secure the interest of foremen and workers and to tell them how the committee would proceed.

The most effective³⁴ committees decided at once that their

³³ Mimeographed memorandum, *Reorganization of War Production Drive Joint Labor-Management Production Committee at the "X" Company*, War Production Board, Washington, D. C., August 1942.

³⁴ See Chapter I, pp. 3 and 4.

principal function was to increase and improve production, as described in Chapter III, and that they would not take up grievances or duplicate the bargaining machinery. Management and union usually stipulated that the committee was to be advisory but when top management representatives were members of the committee, decisions were made by them in committee meetings and carried out by those whose function it was to attend to such matters or by persons so designated in the meeting. Reports were made to management through its line organization; the union, under the more effective setups, received information and requests for coöperation from their committee members, usually union officers, who spoke at union meetings under a regular order of business or under "Good and Welfare." Or the union secretary, having received the minutes of the labor-management committee, would read them under "Communications."

Committee meetings gave their principal attention to determining committee policy and program. Important rallies or meetings of special groups were planned and speakers chosen, labor-management committee bulletins or material for house organs and union papers were discussed, clean-up campaigns or recruitment drives were endorsed, and special problems such as the introduction of women workers or Negroes were dealt with. Reports of subcommittees were heard, action on their recommendations was secured, and reorganizations effected to avoid duplication. In spite of the wide range of activities an important function of a committee was the development of methods to guarantee steady performance. Thought and originality were needed in the new program, executives were busy and sometimes failed to attend meetings. As one company official wrote to the War Production Board, the committee "is not automatically self-operating."

The members of effective committees included both staff and line officials of the firms — the superintendent of production, the industrial relations manager, the works manager, a superintendent, and foremen. In this way top production officials received the impact of committee discussions. The labor members usually included the president and vice-presidents or stewards of the union. There was some confusion about this at first because of the instructions not to handle grievances, but it was found necessary to have the authoritative representatives of the workers as well as of management. If a new collective bargaining agent was chosen or a new faction of the union came into office, it was necessary to change the

labor members of the labor-management committee. The great majority of committees continuing after the war included in their membership some policy-making officials of the company and officers and stewards of the union.

Most committees had from three to six members from labor and from management. It was important to have an approximately equal number of labor and management representatives, not because of voting but because a climate of joint planning and problem-sharing was thereby established rather than an atmosphere in which a group, labor, petitioned an individual, representing management, for a change in operating methods or in working conditions. About half of the postwar committees have an equal number of management and labor representatives.

The chairman was usually the general manager or the superintendent of production. Sometimes there was a cochairman, the union president or leader of the labor group. Some committees had secretaries but more often the company supplied the services of a stenographer who aided the chairman in the preparation of minutes. An executive secretary, not a member of the committee but one who had the confidence of both groups, was occasionally appointed by the company to serve either full time or part time. Fifteen per cent of the 1343 active committees replying to the 1945 questionnaire had a full-time secretary or coördinator, three-quarters of these being in plants of over 200 employees.

At first committees met once a week but after the work was organized and subcommittees were functioning, meetings were set for once or twice a month or less often. About half of the committees, continuing at the present time, meet once a month. The agenda were prepared by the executive secretary or the chairman, or an order of business was followed. Suggestions for the agenda were offered by both labor and management members of the committee. Minutes were kept by 73 per cent of the committees answering the question on this subject in the 1945 questionnaire, and in the majority of cases they were distributed to the interested parties. The same is true of the committees continuing postwar. Meetings were held at the expense of the employer, the labor members being paid their average hourly earnings.

The organization of the committees seemed to follow a pattern — a main committee responsible for the functions described above, delegating much of the work to subcommittees and to department committees. Twenty-two per cent of the 1343 committees respond-

ing to the 1945 questionnaire had department committees in both large and small plants though more of them in establishments with over a thousand employees. These committees aimed to break bottlenecks, improve quality, and solve other production problems. They also aided plant-wide efforts such as salvage and bond campaigns. They consisted of the foreman and union steward and one or two others from the department, sometimes presided over by a superintendent and including more than one foreman. The group was advisory to the foreman and superintendent but also executive in some respects.

Forty-one per cent of the committees replying to the 1945 inquiry had plant-wide subcommittees on such subjects as general plant efficiency, improving quality, care of tools and equipment, suggestions, training, absenteeism, safety, publicity, etc. The chairmen of these committees were usually management representatives such as the superintendent of production, the chief time study engineer, the personnel director, the safety director, or the advertising manager. The labor representatives were chosen by the union because of their interest in the subject or other special ability. The subcommittees mapped out policy and procedure and submitted their program to the main committee. This was particularly true of the suggestions committee which had to carry out policy on eligibility, types of suggestion blanks (with or without provision for anonymity), authority to open boxes, acknowledgment and rejection of suggestions, the size of awards, award ceremonies, and so forth. During the war the unions raised relatively few issues over labor-saving suggestions or the proportion of the savings which should be paid in awards. In some instances the management-run suggestion systems were continued with the unions encouraging the submission of suggestions. But a large number of joint committees were established in which labor assisted in handling suggestions. A reconsideration of controversial issues in suggestion systems would be expected if these programs continue in the postwar period.

Joint safety committees existed before the formation of the War Production committees. In many cases these became subcommittees of the main committee. Unions also were beginning to elect safety committees. These representatives then became the labor members of the joint committees. Departmental aides were often appointed and designated with buttons, arm bands, or helmets (in shipyards), thus making such programs executive as well as advisory. The

publicity subcommittees not only conducted their programs on interpretation of the war situation but also assisted the other subcommittees in campaigns for suggestions, improving quality of work, conservation, safety, etc.³⁵

Thus the properly developed labor-management committees, through the organization of subcommittees and the coöperation of union officers and rank and file members with the appropriate management officials, aided throughout the factory operation in the solution of production problems and in the conduct of special activities which the war brought to every industrial establishment.

³⁵ For further discussion of principles and procedures, see E. J. Lever and Francis Goodell, *op. cit.*, Chapter III, "Organization and Conduct of JPC."

CHAPTER V

BASIC PROBLEMS OF UNION-MANAGEMENT COÖPERATION

CONFLICTING GOALS

"THAT WAS WAR. Now it's business," said one local union president as he weighed the value of continuing the labor-management committee at the plant where he worked. Employers expressed similar doubts. If identity of interest brings employers and unions together during a war what separate goals keep them apart in times of peace? Is there not a common goal which would lead them to use labor-management committees? G. S. Walpole, the English manufacturer referred to in the previous chapter, attempted to define "common interest" on a long-run basis in three simple propositions:

1. It is to the mutual interest of everybody concerned in this undertaking that it should prosper and provide continuity of employment; and that those who have contributed to that prosperity should participate equitably in the results of their labors.
2. In order to achieve this prosperity it is essential that people should be employed, some to work operatively and some to direct and control the way that work is done. "A," for example, is employed and paid as a Fitter . . . "B," on the other hand, is employed and paid as a Works Manager . . .
3. Neither "A" nor "B" (nor the group they represent) can do his job with full efficiency unless the other is doing his job efficiently as well, so there is no reason at all why "A" and "B" should get at cross-purposes, and every reason why they should coöperate to the fullest possible extent, for the ultimate benefit of all concerned.

"Elementary as this may sound expressed in this form, it is, I think unexceptional as a proposition, and incidentally applies with equal fullness in a world of private enterprise or under conditions of state ownership or public control."¹ This simple statement

¹ G. S. Walpole, *Management and Men*, pp. 32 and 33.

needs amplification. Management and the union, and the workers, may have the same or similar goals but what they think about these goals may lead them along different paths toward their achievement. Also their short-run interests may run counter to the ultimate common goal of maintaining a continuous successful business. Sometimes goals, mutual or conflicting, are forgotten in emotional turmoil over specific issues. The conflicts may be listed as centering around the following points: Division of the returns, quest for security, concepts of responsibility to owners and the public, and survival issues or rivalry for power.

Division of Returns

In the interests of mutual survival² both management and the union want an efficient, prosperous enterprise so that owners and employees may have an opportunity to receive adequate financial returns. It has been stated that they want "a bigger pie to divide."³ Some union men are doubtful whether they should help management increase the returns, lest they only build profits for the owners. Their attitude is reminiscent of Joe Hill who sang: "You'll get pie in the sky when you die."⁴ Others would say, "Let management run the business and we'll handle wages through collective bargaining." Management also says, "We'll attend to making profit: you'll get your share through bargaining." This situation is characteristic of the majority of industrial relationships today, often termed the "armed truce" stage. There are leanings, however, toward the stage of "union-management coöperation." In such circumstances management, in order to secure the coöperation of labor to obtain profits and avoid loss, is willing to share some information on earnings at the bargaining table. Union men say optimistically: "The more we help management the more there'll be for us." The more information the union receives the more likely is it to confine its demands to what the business can afford. These coöperative attitudes, however, do not solve the problem of how the returns of industry shall be divided.

² See E. Wight Bakke, *Mutual Survival, The Goal of Union and Management*, Labor and Management Center, Yale University (New Haven: 1946).

³ Irving Knickerbocker and Douglas McGregor, "Union-Management Coöperation: A Psychological Analysis," in *Personnel*, American Management Association (New York, November 1942). Also Stuart Chase, "Labor-Management Committees Speed Production," *The Reader's Digest*, May 1943.

⁴ Songs of the I.W.W., Appendix IX, *The I.W.W., A Study of American Syndicalism* by Paul Brissenden (New York: Columbia University Press, 1919).

It might be suggested that at least the increases in returns due to the joint committee's work might be divided equally between the parties. But the discussion later in this chapter will show the difficulty of measuring a committee's work in precise monetary terms. With certain measures as a guide the figures would be arrived at through collective bargaining. These might change with the business situation. Trends could be observed and short-run calculations made, with payments in the form of an incentive for special accomplishments. Permanent gains could be absorbed at longer intervals in new wage rates. In many cases unions would avoid these short-run incentives or bonuses because of the difficulties attendant on such arrangements. At times there might be sums available for distribution but at other times there might be none. When workers have begun to rely on a bonus to assist them in meeting current expenditures it is a difficult task to dismiss their worries with statistics and to convince them that the committee for a given period merely assisted management in maintaining employment and keeping out of the red. Success in such schemes would depend on the degree of confidence built up between the parties.

This problem of reward or incentive for general coöperative effort remains, however, a matter for study for those who make union and management policies. Those who develop joint production committees or other forms of coöperation know, or should know, that such activities will not avoid conflict over this issue. They may, as shown in Chapter III, soften the blows through increased understanding and recognition of the nature of the joint achievement of profitable returns. There is no finite economic or moral formula for wage determination.

The Quest for Security

Security, as well as financial returns, is part of labor's goal. If workers assist management in increasing production and productivity⁵ in the ways that have been described, they and their representatives may fear that they will decrease the number of employees needed and work themselves out of a job. It is possible therefore that guarantees of wages or of employment might be requested. This concept has already appeared, in a period of prosperity. One local union president in a plant where the committee was discontinued, said: "If we had an annual wage it would be different.

⁵ See pp. 141 and 142 for discussion of problems of measurement.

There might be more interest in production." At another plant where worker suggestions are being encouraged by both union and management, a union officer said: "We don't have to tell the members not to make the kind of suggestions that would do away with jobs."

This quest for security has long run counter to maximum productivity whether through withholding suggestions, through union make-work rules, or through a silent conspiracy of holding back on the job. Restrictions in output are recognized as a characteristic of both organized and unorganized workers.⁶ When a job is introduced, or a new operation is being timed, "the workers hold back of their own accord," according to one union business agent.⁷ The war itself, not only the labor-management committees, transformed this fear of unemployment, the taboo from fellow workers against working hard, and even union regulations,⁸ into an upsurge of production. This did not mean a "speed-up." It meant rather attention to detail, taking responsibility for remedying or reporting failures in factory routine, and so forth.⁹ It is often said: "If you have a good incentive system, you don't need to worry about efficiency and labor-management committees." It may be true that incentive workers do much for efficiency by insisting on well-maintained equipment, a proper flow of materials, and similar ways of preventing interruptions to their work, but such activities do not cover the total contribution of labor-management committees described in the preceding chapters. Nor will the activities of individual workers in the interests of their own earnings go much beyond the edges of the pattern for the group governed by their concern for continued employment.¹⁰ To secure release from restrictions in order to achieve an efficient and prosperous enterprise, it is possible that not only equitable earnings but intelligent control of the rate of

⁶ See Stanley B. Matthewson, *Restriction of Output of Unorganized Workers* (New York: Viking Press, 1931), chapters 1-6, and W. Duane Evans, "Productivity and Human Relations," *American Economic Review* (May 1947).

⁷ See also Van Dusen Kennedy, *Union Policy and Incentive Wage Methods* (Columbia University Press, 1945), chapter IV, "Restriction and Aspects of the War Period."

⁸ See Chapter IV for description of coöperation on transfers between crafts in a shipyard.

⁹ See quotation of labor official, Chapter II, p. 14.

¹⁰ Informal discussions among piece-rate workers reveal a possible healthy restriction for the security of individual well-being. Experienced piece-rate workers seem to establish a rhythm for certain times of the day and days of the week which depends on their own vitality. This, however, seems to be within the confines of the general pattern.

technological change, provision for displaced workers, or specific guarantees of wages¹¹ or employment will be the prerequisite to union-management coöperation. If management wants an effective joint production committee, labor may agree, provided some such guarantees are included in the plan.

Whether the release from restrictions in output plus the constructive ideas and actions of employees would be inducement enough for management to work through committees and also to provide guarantees, is not clear. In his study of restrictions of output Stanley Matthewson¹² concluded that it was "widespread" and that "managers have been so content with the over-all results of man-hour output that only superficial attention has been given to the workers' contribution or lack of contribution to the increased yield . . ." In interviewing employers, in whose plants he had found considerable restriction, he was assured that it was unimportant or did not exist. If to this is added the opinion of those employers who think that the committee's constructive contribution is small compared with that of the engineers and technicians, the case for the labor-management committee appears slight in the average industrial establishment.

Responsibility to Owners and the Public

While labor and management may have a common goal in the prosperity of the enterprise, there is room for difference of opinion as to the correct means to that prosperity. Owners and management may determine that maximum returns with a minimum of effort can be achieved through production of a limited volume at

¹¹ Concerning annual wages and other guarantees the question arises as to whether workers, assured of income or work, might relax on the job and decrease productivity. In the report to the President on this subject by the Advisory Board of the Office of War Mobilization and Reconversion Mr. Latimer states: "Among the plans analyzed in detail by the Bureau of Labor Statistics were 15 which had been discontinued. It is significant that in none of these there was an adverse effect on productivity specified as a factor in the decision to discontinue . . . Case histories of several important plans are given in appendix D. In all of them the plans were believed by the company heads to have contributed very substantially to increased productivity." *Guaranteed Wages*. Report to The President, by the Advisory Board, Office of War Mobilization and Reconversion, Office of Temporary Controls, Murray W. Latimer, Research Director, Washington, Jan. 31, 1947, p. 170.

While the problems of introducing guaranteed wages are admittedly great, it would appear that there would be no additional risk, on the score of decreasing productivity, in making such guarantees a condition or a reward for the work of a labor-management committee.

¹² Stanley B. Matthewson, *op. cit.*, chapters seven and eight.

a certain price. If the volume is adequate to maintain employment there might be no objection by labor to this form of restriction of output by management. On the other hand, with employees being union members and part of a national labor movement, there is evidence that workers and their representatives are occasionally concerned with the price and quantity of their product as they affect the general welfare, not just with the situation in the factory.

Although one management and one union can scarcely determine the optimum production for a factory unless other forces in the community and in the nation coöperate, it is obvious that a labor-management committee would not aim for unlimited production, nor could it always determine a goal without conflict between management and labor. This was evidenced during the war when the Textile Workers Union of America called attention to the scarcity of work clothes, management preferring the profits secured through limited sales of high-priced clothing; and, vice versa, in the late twenties when the American Federation of Hosiery Workers, foreseeing a need to maintain price and profits, recommended moderation in the output of women's stockings until distribution was perfected or the market more assured. By and large, however, labor counts on management to determine the nature and volume of production which in the long run will keep the enterprise in a favorable position and provide mutual survival.

If labor does increase its participation through making recommendations concerning methods of operation, the use of men and materials, or even concerning volume and type of product, there arises the issue of sharing risks and responsibility for the success or the survival of the firm. The employees, office workers and wage earners, usually have no financial investment in the firm; they do not own it. This may be true also of management, supervisors and executives. The principal investment of workers and of many management representatives lies in their capability and in their years of service to the company. Logically their concern for the enterprise should be greater than the owners' because, as Arthur Ross points out, "the stockholder's dividend from a single company is usually only a minor share of his total income, while the employee's wage is the predominant source of income."¹³ Whether the owners are one family or a large group of scattered stockholders, the worker shares risks with them; he suffers from

¹³ Arthur M. Ross, "The Trade Union as a Wage-Fixing Institution," *American Economic Review* (September 1947), p. 573.

poor management decisions through under-employment or loss of his job.

The union leader whose income is not derived from the company might be deemed less responsible but he, in taking the long view of the welfare of the employees as well as the survival of the union, would want most firms to prosper. The issue of responsibility, however, is not simple. Experience with union-management coöperation shows several types of attitudes and developments: (1) Management is expected to make its own decisions after labor has offered its suggestions. (2) Labor becomes interested and is permitted to assist in planning and facilitating improvements, giving heed to their effect on working conditions. (3) Labor representatives become "management-minded," fail to keep in touch with the rank and file and to explain the long-run value of measures decided upon. (4) Labor representatives become "management-minded" and ignore the results as they affect the rank and file, possibly also the public interest. In the latter two cases the representatives ultimately may be voted out of membership on the committee or from office in the union itself and management loses the value of the coöperation which has been developed. There are also those instances in which both company and union profit at the expense of the public.¹⁴

Survival Issues and Rivalry for Power

Conflicts arise also because of the desire of management and the union to survive as institutions and of certain personalities to maintain their status or assert their power. Much was said about management's prerogatives in England, Canada, and the United States in 1942 when the number of labor-management committees increased rapidly. Efforts were made to determine whether the joint committees were detracting from management's prestige and status. *Factory* magazine, on the basis of questionnaires returned by mail from 181 plants employing 405,000 workers (15 per cent of the committees in existence at the time the questionnaire was mailed), and checked by personal interviews, reported in the fall of 1942 that "93 per cent find no evidence that labor is attempting to usurp the prerogatives of management."¹⁵ In the spring and

¹⁴ For discussion of these issues see Robert S. Lynd, *Labor-Management Cooperation: How Far, to What End?* with comments by other contributors, *Labor and Nation* (January-February 1948).

¹⁵ "Factory" Asked Industry: Are Production Drives Worthwhile?" *Factory Management and Maintenance* (New York, October 1942).

summer of 1944 a survey of 28 committees in Canada showed similar results. In response to the question: "Has any attempt been made by labour to use the Committees as a means of encroaching on managements' functions?" the replies were "No; 92 per cent; Don't know; 8 per cent."¹⁶ These figures lose some of their significance because, as was estimated in Chapter II,¹⁷ possibly less than 20 per cent of the committees handled production problems.

In the fall of 1945 the Committee on Management's Right to Manage of the President's National Labor-Management Conference could not make a unanimous report. The management members listed some of the matters

which are clearly the functions and responsibility of management . . .

The determination of products to be manufactured or services to be rendered to customers by the enterprise; and the location of the business, including the establishment of new units and the relocation or closing of old units . . .

The determination of the lay-out and equipment to be used in the business; the processes, techniques, methods, and means of manufacture and distribution; the materials to be used (subject to proper health and safety measures where dangerous materials are utilized) and the size and character of inventories.

The determination of financial policies; . . .

The determination of management organization . . . ; and the selection of employees for promotion to supervisory and other managerial positions.

The determination of job content (duties, not wages); the determination of the size of work force; the allocation and assignment of work to workers; determination of policies affecting the selection of employees; establishment of quality standards and judgment of workmanship required; and the maintenance of discipline and control and use of the plant property; the scheduling of operations and the number of shifts.

The determination of safety, health, and property protection measures, where legal responsibility of the employer is involved.¹⁸

¹⁶ W. R. Dymond, "What Does Management Think of Joint Production Committees?" *Labour News*, Worker's Educational Association (Toronto, Oct. 23, 1944).

¹⁷ See p. 19.

¹⁸ *The President's National Labor-Management Conference, November 5-30, 1945*, United States Department of Labor, Division of Labor Standards, Washington, 1946. See listing also by Ralph A. Lind, Stevenson, Jordan and Harrison, Inc., in *Salient Characteristics of Postwar Union Agreements*, American Management Association, Personnel Series No. 97 (New York, 1946).

The description of labor-management committee work in Chapter III shows that labor and management, sitting together in committees which dealt with production problems, touched on nearly all of the functions listed above. The committees were admittedly advisory in major matters and there were instances in which labor felt that its advice was not being taken, nevertheless when the problem was tough the group worked together with mutual respect for the suggestions and assistance which were contributed. Kurt Braun, considering this same list of management's functions in his discussion of union-management coöperation in the clothing industry, says: "It is obvious that the report places under taboo quite a number of subjects on which management and labor have worked together."¹⁹

This "working together," when neither party is threatening the security of the other, tends to emphasize the concept that management is a function, separate from ownership, concerning the performance of which additional experience will offer more clarity. The wartime experiment did not take from management representatives their institutional rights although patience and tact were required on both sides in this new field of exploration. Although direction, decision, and final authority rest with management, there is diffusion of responsibility and authority and there is a tendency to solve problems where they arise, the function following the task. If decisions were made in committee, however, it can be said that it was the management members with the appropriate authority who decided either through tacit assent to committee conclusions or through expressed answers to committee problems and inquiries. Even those unions designated as left wing did not give evidence of preparing the workers "to take over industry." In their interest in the immediate goal of winning the war for the Allies they conducted effective committee programs but there seems to have been no trace of syndicalism in any union program.

The foreman as part of management has a special institutional concern in his relation to committee operations. Does top management by-pass him through meetings with union representatives and with rank and file workers? As has been related in the previous chapters, various devices were used to maintain the prestige of the foreman. He served on department committees and sometimes participated in the main committee, as a member or as an occasional

¹⁹ Kurt Braun, *Union-Management Cooperation, Experience in the Clothing Industry*, The Brookings Institution (Washington, D. C., 1947), p. 15.

visitor. There were meetings of foremen and shop stewards on special subjects. With some suggestion systems the foreman received rewards or recognition for the number of suggestions emanating from the workers in his department. The foremen and other borderline supervisory employees require especial attention in union-management coöperation as they do in other industrial relations matters.

The union as an institution concerned with the welfare of the employees of a firm and of an industry has strong survival interests. If its objectives are to be obtained the organization must be strong and its aims may occasionally run counter to the interests of an individual company.²⁰ If efforts are made to undermine the union's existence there is not coöperation. The effective labor-management committees were in plants where management cherished no plans ultimately to destroy the union. As was stated in Chapter II, there was concern in the union movement that the committees might be used as a new form of "company-unionism." This did not prove to be the case. In a sixteen-month period, July 1, 1944 through October 30, 1945, the National Labor Relations Board²¹ ordered (or a Board Trial Examiner recommended) only three of the registered labor-management committees to be disestablished because they were dealing with bargaining issues and were held to be company dominated; in a twelve-month period, July 1944 through June 30, 1945, seven of the companies ordered to disestablish company-dominated employee associations were firms having registered labor-management committees. Presumably the labor members of these committees would have been chosen by the employee associations because the latter were considered by the companies as the bargaining agencies of the employees.

Perhaps a more serious concern of the union centers on the possibility that the labor-management committee, in promoting understanding between employer and employees and in securing improvements in working conditions, might lead the workers to think that a union is not necessary. During the war 23 per cent of the committees were in non-union plants but, as shown in Chapter II, this represented only 11 to 12 per cent of the employees covered by committees. There is no information at hand to show whether

²⁰ For analysis of the union's interests as an institution see E. Wight Bakke and Arthur M. Ross whose articles have been cited in this chapter.

²¹ The bulk of the War Production Drive Committees had been registered by July 1944 and it can be assumed that Labor Board action on 1943 and 1944 cases would be evident in this period.

these workers resisted organization at that time but the size of the group and the size of many of these plants were not great enough to become a threat to unionism.

More difficult for the union is the problem of demonstrating what it obtains for the workers. The greatest union triumphs appear to come after long-contested issues when management yields a point and grants some desired improvement in rates or working conditions. Under the harmonious relations in a labor-management production committee, informal discussions may lead to an improvement in working conditions in the interest of production before the need is felt by all workers or pointed up as a demand on management. Even some rate changes might be made more readily because of the unplanned clarification of issues in committee meetings. So, in order to secure credit for its achievements, the union might introduce controversies. For example, a joint committee on training had mapped out a course for employees, part of which gave information on the company's business and its personnel policies. The program proceeded but when the company explained to a class its retirement, health, and other insurance provisions the union called a halt because it had not been made clear which phases of the plan the union had achieved through collective bargaining negotiations. An understanding was reached concerning the treatment of this subject, but not without discomfort to management as this firm believed in the advantages of an influential union and sometimes purposely waited for the union to make certain demands which the company was prepared to grant. The problem is not always as easy of solution as was this one. Efforts at union-management coöperation will have to be guided by consideration for the prerogatives of management and for credit for the achievements of the union as such.

There is conflict in goals also because of the personality or habits of certain individuals. Some persons feel insecure in their job or in their relations to certain people. They may be competent. Reference was made in Chapter II²² to a committee which was discontinued because the pride of the plant superintendent was hurt by committee recommendations. It has been stated frequently that labor members felt that their suggestions were not adopted. This was often the case, but in some instances they may have gained such an impression because they, in their unaccustomed capacity, were sensitive to each rejection or because the explanations they

²² P. 16.

received were inadequate to the situation. Another problem lies in the fact that there are some foremen and superintendents, as well as union representatives, who achieve their status through friendly relations with superior officers or through appeal to prejudices and predilections in their constituency. It is difficult for them to serve in the give and take of committee work where understanding of production and personnel problems is a more important qualification. This situation may play into factionalism within the union or management group. The goals then are narrowed to issues of personal survival and rivalry.

There are other more serious personality problems but, once they are apparent in committee discussions, they are usually solved by replacement with more appropriate representatives of management or union. The problems, however, of pride, sensitiveness, and selfishness in their normal manifestations require attention from those contemplating the operation of a labor-management committee. The desire for power often leads to acts not really beneficial to the individual or institution, union or management, which makes a display of "showing who is boss." In fact the psychological motives²³ are so closely fused and confused with the economic ones in the conflict between a common interest and separate goals that objective measures of committee accomplishments would greatly aid an evaluation of union-management coöperation.

MEASURING RESULTS OF LABOR-MANAGEMENT COÖPERATION

Two problems are involved in the measurement of the returns of coöperation. One is the determination of how much the returns have increased and the other is the determination of how those additional returns are to be divided between employer and workers. The second problem belongs in the realm of collective bargaining and wage determination. The first problem concerns the labor-management committee. Although, as stated in Chapter III, many a works manager was convinced that it paid in dollars and cents to have a joint committee dealing with production and personnel problems, he had no measures to present. He merely said the committee was a good thing; it paid off, and it also improved employer-labor relations.

But there are two reasons why an effort at measurement should be made. First, it is important to know whether the results are commensurate to the time and cost expended by management and

²³ For further analysis see Knickerbocker and McGregor, *op. cit.*

union in their joint machinery.²⁴ Second, if the company as a result of coöperation is making more money or is securing more orders and maintaining employment, these are facts needed at the bargaining table. There are a number of ways in which the results of committee work might be measured. None of them can be precise, in terms of credit to the committee, because other factors might have an even greater influence on specific measurements or on the increase or decrease of financial returns. The data can be studied, however, and the trends observed. Some of these measures are: savings through suggestions, labor unit costs, total unit costs, proportion of cost of defective items to cost of total produced, changes in "value added" in manufacture, and changes in worker productivity.

Savings Through Suggestions

A simple way of measurement is connected with worker suggestions recompensed by a percentage of the estimated first year's savings or of the run of the job in question. Here the calculations are confined to increases in earnings from one machine or set of machines based on conditions current at the time the suggestion is adopted. In some instances the actual savings are re-calculated at the end of the period and supplemental awards are paid. This concerns technical suggestions which affect the output per machine or per man, presumably not affected by other changes in the period under measurement. With increasing participation of union representatives in the operation of suggestion committees it is likely that union policy will develop concerning the proportion of savings given to the individual worker, to management, and to the other workers who expect to share in the benefits from coöperation in promoting worker suggestions. There appears to be no official union policy on this point.²⁵ Some technological suggestions are developed partially or fully in labor-management committee meetings. These could be measured by the methods of suggestion systems and credited to the results of labor-management committee work.

There are other and more numerous suggestions arising in committees, and sometimes from individuals, which cannot be meas-

²⁴ As mentioned in Chapter IV, p. 98, companies usually paid the cost of meeting time but, in the case of a full-time secretary or coördinator for the conduct of committee work, unions may wish to establish impartial machinery jointly supported during a period of experiment.

²⁵ See Chapter IV, pp. 108 and 109.

ured separately. What are the increases in production or in dollars due to the fact that, through committee and employee coöperation, tools are ready and in good condition for each worker as he needs them, that ladders are repaired and available, that flow of work has improved because of the changed position of a machine or of improved arrangements in delivery of materials to various work stations? The effect on production of improved lighting or better ventilation is difficult to judge. There can be precise measurement in the reduction of accidents and of absenteeism, which might serve some labor and some management representatives as a justification of the work of a labor-management committee, but it is difficult to show in physical production or monetary terms the savings from an accident that didn't happen or from an absence that did not occur.

Unit Labor Costs

Only one labor-management committee was found which attempted to measure completely the results of its work. It measured the changes in unit labor costs. This was the joint committee at the Toronto factory of Lever Brothers.²⁶ It was organized for a specific purpose and was not part of the movement toward labor-management coöperation development by the Industrial Production Co-operation Board of Canada (the counterpart of the War Production Drive Division of WPB in the United States). It was within the collective bargaining framework at Lever Brothers. The union had requested a 40-hour week with no drop in earnings paid under the current 48-hour week.

No such request could be granted during the war without the approval of the Canadian War Labour Board, to secure which there had to be evidence that unit costs would not be increased by the payment of a new wage rate. After some negotiation it was decided that a joint committee should be set up to study and propose measures for increased efficiency. The unit labor costs for the quarter ending December 31, 1943 were chosen for a base period. The committee began its work in March 1944.

While this experiment took place, the situation at Lever Brothers was static compared with the dynamic occurrences in many manufacturing establishments. Owing to the control of materials and

²⁶ For full description of this experience see W. R. Dymond, "Union-Management Cooperation at the Toronto Factory of Lever Brothers Limited," the *Canadian Journal of Economics and Political Science* (Toronto, February 1947).

prices and also to the product of Lever Brothers, there were stable levels of production and costs. No reorganization of managerial or production methods took place. Because of labor and equipment shortages, no new personnel or machinery was introduced in the six months' experimental period. The savings were effected through a variety of suggestions for "improvement in the efficiency of the productive process" and especially through the elimination of jobs by "increasing the work assignment of others." No layoffs were involved because of the high turnover of the war period. One other cause of efficiency was due to the "improved work morale among the workers" all of whom were acquainted with the specific goal of the 40-hour week for the same take-home-pay.

By August 1944 the committee had effected sufficient savings to apply to the War Labour Board with evidence to prove that there would be no increase in unit labor costs if the request were granted. The proposal, prescribed by the Board as a bonus and not as a rate increase, was approved in December 1944. "In the six months following the introduction of the forty-hour week the factory . . . exceeded it [the level of efficiency] by more than 6 per cent." Subsequently, the efficiency was maintained in excess of the amount initially required. The undertaking was more complex than this simple recital implies, but it is submitted here to indicate the factors involved if a committee wishes to achieve a concrete objective and measure its work in terms of that objective.

Total Unit Costs

The question arises as to the use of total unit costs in order to note the full impact of the varied activities of the committee. This would include for each unit the cost of materials, assignment of overhead, and possibly management's expectations of profit. The price of materials and the volume of production, which affect material and overhead costs of the unit as does the work of the labor-management committee, are primarily controlled by factors outside of the plant and also by management's skill in its own area. Savings in materials, however, are especially affected by the committee's work on improving quality and the elimination of waste. The use of either unit labor costs or of total unit costs as a form of measurement involves also the problem of finding a common denominator and weightings for the various products of a plant affected by committee work. Monthly calculations and

frequent changes in the base period would be important for the observation of the influence of the program.

Nevertheless changes in unit costs, whether direct labor costs only or composite net unit costs including profit, reflect so much more than the contribution of the labor-management committee that they can hardly be used as a measure of the committee's work alone. For example, scarcity or adequacy of raw materials and supplies, or the credit and price situation, might affect the volume of output and unit costs in the same, or in opposite directions when compared with the work of the labor-management committee. It should be added at this point that the labor-management committee at Lever Brothers disbanded after it had accomplished its specific purpose. Both management and labor were willing to continue but labor asked for additional rewards (in the form of paid holidays) if savings increased. Management was unwilling to make such commitments in view of prospective introduction of new equipment and of other changes which might have a significant effect on unit costs. Labor was unwilling to continue its contribution without some promise of commensurate returns. Each party recognized, however, the fruits of their joint endeavor in establishing the 40-hour week with the same worker earnings as under 48 hours, without increased cost to management and without a costly strike as was the case in other industries which effected this change immediately after the war. The elimination of the committee illustrates the dangers of trying to establish rewards in relation to precise measures of committee accomplishments.

Ratio of Defective Work to Productive Labor

Partial measurement of committee achievements was found in the campaign to reduce costs of defective work begun by the Westinghouse Electric Corporation at its Springfield, Massachusetts plant in 1937,²⁷ in coöperation with the United Electrical, Radio and Machine Workers of America. Each department committee received information on its progress; the record of the whole plant, month by month, and year by year was portrayed graphically. In 1937 the cost item of defective work amounted to 12 per cent of productive labor. In 1938 this was reduced to 9 per cent, in 1939 to 6 per cent, and in 1940 to the goal of 5 per cent. There was a reward, but not in direct ratio to the reduction in this cost item. Through a "wage adjustment plan" gains were shared with the

²⁷ See Chapter III, p. 45 and Chapter IV, pp. 105-107.

employees when the company's profits from all plants exceeded a certain amount per month. The calculations of the workers' share were not readily understood and the plan was not looked upon with favor by the union. It was abandoned during the war and absorbed in the determination of wage rates through collective bargaining. The committees continued their work on quality improvement as part of an extensive War Production Drive Program.

Changes in "Value Added"

Measuring "value added" might be another method of observing in a general way the work of a labor-management committee. In a recent agreement between the Continental Paper Company and the United Paperworkers of America, CIO, there was incorporated a "share of production plan" whereby labor is to share in direct proportion to any increases in production values. Such increases are obtained in any of the following ways:

1. Savings in raw materials, supplies, fuel power, and repairs per ton of output
2. Savings in labor cost
3. Reduction in spoilage, defectives, and returns
4. Increase in saleable tonnage produced per year
5. Increases in prices of tonnage sold.²⁸

Materials are listed as "waste paper, pulp, repair parts, coal, strapping," etc. Money left after paying for these constitutes production values. If the constituted wage rate does not result in a certain percentage of that value the difference is placed in a Share of Production Account, some of which is paid to the workers every four weeks and all of which reaches them ultimately through semiannual payments and through a Pension Fund. The Account is closed out twice a year. There is a "Share of Production Committee," with subcommittees, which analyzes results and develops ways and means of improving them. The committee is composed of the union executive board and of foremen and supervisors. The committee does not affect the increases in prices of tonnage sold, but it could increase the Production Account through savings on the items listed above.

Problems inherent in such a plan lie in a possible tendency to leave unchanged the constituted wage rate be it high or low in

²⁸ Pamphlet, *Share of Production Plan*, Continental Paper Company, 1947.

relation to the rest of the industry and to regard as unchangeable the percentage of the production value which is labor's share. While it is a plan between two parties its outcome depends on price decisions of one of the parties, alone, the employer. In times of rising prices and industrial activity the Production Account flourishes but if in bad years the Account continues to show a deficit and the employer cannot absorb it, as is guaranteed under the plan, the exact wage rate again must be recognized as all important to the workers, not only in the plant with such a plan but also to the workers in competing establishments. Such a plan can be useful only if both parties enter upon it with the intention of making adaptations as circumstances require.

Productivity Figures

Changes in productivity, namely in physical output per man-hour input, are measures which would interest a labor-management committee. Productivity figures for the plant as a whole, both in relation to past performance and to the figures for the industry concerned, should be studied by the committee. Here again are difficulties in measurement and in attributing causes of the change. For example, the shipyards in which committees were particularly active during the war are normally a custom production industry with frequent changes in design and vessel requirements. Foundries, in which there were many committees, have a problem in the varieties of castings they turn out. Tons of output of routine jobs might be followed by a series of time-consuming, made-to-order castings scarcely totaling one ton and requiring a greater length of time. There is little agreement as to the usefulness of productivity figures. If they are studied they should be looked upon merely as one of a variety of measures of performance. There remains also the problem of assigning credit or blame for increases or decreases in productivity. Productivity of the worker is dependent on the efficient performance of the management function. In view of the fundamental concept that a labor-management committee aids in the management of an industrial enterprise, it is not likely that productivity figures would show the accomplishments of the committee as separate from other management activities. A committee could scarcely request management to postpone the introduction of a new machine which would increase worker productivity until after a period of measurement for labor-management committee purposes. The same would be true concerning a reorganization

of personnel whereby certain personalities would have a marked effect on the quality or quantity of production. A further consideration lies in the fact that the committee is composed of management members as well as labor members and hence is a joint undertaking in and of itself.

This consideration of measurement leads to the conclusion that measures must be used merely as *indications* of the achievements of the labor-management committee in coöperation with management. General measures such as unit costs, value added, and productivity figures would be a matter of "information sharing" with the committee or with the plant as a whole, but not for the precise evaluation of committee work. Specific measures would depend in part on the problems which the committee was attempting to solve — accident reduction, a decrease in defective work, raising the productivity of a given department, of an unpopular job, the reduction of absenteeism, and a decline in labor turnover. The calculations should be on a short-run basis, monthly or quarterly, with comparisons with an original base period and also an "up-to-date" base period so that the committee could take account of the changing factors, other than the committee's work. Figures should be accompanied by a qualitative analysis of the plant situation, which would call attention to innovations in methods, equipment, and personnel and to changes in volume of orders, types of product required, and similar items. From such a report a committee could assay its contribution to the solution of specific problems.

In Chapter III it was reported that numerous firms spoke of the "intangible" values of the labor-management committee, meaning primarily the improvement in employer-labor relations. If measurements of increases in production had been related to committee work some increases might have been credited to the intangible value of the very existence of a committee, the spirit of coöperation which improved production. In this connection it is appropriate to refer to the oft-quoted "Hawthorne" experiment in which it was found that production continued to increase both when rest periods, shorter hours, or supplementary food were introduced and when they were withdrawn.

At every point in the program, the workers had been consulted with respect to proposed changes; they had arrived at the point of free expression of ideas and feelings to management . . . What actu-

ally happened was that six individuals became a team and the team gave itself wholeheartedly and spontaneously to coöperation in the experiment." ²⁹

During the war through a common purpose and through open discussion between management and workers some committees reported that they established a similar team spirit within departments and in the plant as a whole. It would be difficult therefore to credit increased production to specific suggestions from the labor-management committee as separate from its total effect.

A final consideration must emphasize the point that the measurement of the results of labor-management committee work implies the use of facts and figures which employers have not been in the habit of supplying to the bargaining table. It involves a conflict in method as troublesome as the divergency in goals previously considered. The companies and the unions which can face with equanimity these problems of measurement and the conflicting goals are those which profit by the coöperative achievements of a labor-management committee.

²⁹ Elton Mayo, *The Social Problems of an Industrial Civilization*, Harvard University, Graduate School of Business Administration (Boston, Mass., 1945), pp. 71 and 72.

CHAPTER VI

THE OUTLOOK FOR UNION-MANAGEMENT COÖPERATION THROUGH JOINT COMMITTEES

THE CONTRIBUTION OF THE WARTIME COMMITTEES

Extension of Coöperation in Industry

THE WARTIME PROGRAM of labor-management committees increased the number of firms and of unions which had experience with union-management coöperation. Before the war, coöperative experiments were made primarily in the railroads, the clothing, textile, and printing industries, in machine shops, in some steel plants, in the Rocky Mountain Coal Company, and in the Tennessee Valley Authority.¹ The joint effort took place in small industrial units, with a few exceptions,² and in shops with men from the skilled crafts. During the war this work was extended to both large and small manufacturing establishments in airplane, electrical equipment, motor vehicles, textile, rubber, and other industries as well as in basic steel, coal and copper mines, and shipyards. Workers who participated in the program were drawn not only from the skilled group but from employees engaged in routine, semiskilled operations.

The program did not develop in the construction industry as it did in England through the "site" committees. But some of the craft unions such as the Electrical Workers, Carpenters, and Machinists, being also engaged in manufacturing, demonstrated interest and capacity for efficient operation through committee planning and worker coöperation. This was true also of a larger number of the building crafts which were engaged in shipbuilding.

¹ For summaries of experience in union-management coöperation see Sumner H. Slichter, *Union Policies and Industrial Management*, Brookings Institution, Washington, D. C., 1941, chapters 14-18, and *Monthly Labor Review*, U. S. Department of Labor, "Union-Management Cooperation" (June 1941).

² For example, Westinghouse Electric Corporation, Springfield, Mass., and Doehler-Jarvis Corporation, also the Rock Island Arsenal during World War I.

That some of the leaders in the building trades were willing to go along with the program is evidenced by an item in the *Building Trades Union Press*:

Labor-management production councils in our war factories and shipyards have done much to step up our war effort . . . Yet, to our knowledge, there has been no attempt made to set up such joint councils on war construction projects . . . The union mechanics on these jobs undoubtedly have many ideas on how to eliminate wasteful operations. A council of union representatives, contractors, engineers and technicians could tackle the problem of waste and inefficiency in an organized planned way.³

But the program was concentrated on munitions and supplies and no appeal was made for joint committees locally in the building industry. At the national level there was excellent coöperation among the international unions, employers, and the government through wage stabilization, recruitment of workers, and similar activities.⁴

The experience in coal mining was so short-lived⁵ and there is so little material at hand that it is difficult to estimate the results of that effort. Survivals of the program are found in a postwar communication to customers in which an anthracite company describes its biweekly meetings with officers and members of the local union of the colliery:

We needed them [committees] no less than other producers of war materials . . . The men bring in suggestions about conditions they think can be improved. Management presents facts on safety and other urgent needs . . . They [the meetings] are so different in spirit from the reports of strife between management and labor, which we read so much about in the newspapers these days, that we thought something about them would be of interest to our customers . . .⁶

³ *Building Trades Union Press* (New York City, May 9, 1942), publication discontinued in 1945.

⁴ This is a separate story of extensive coöperation on the part of the AF of L Committee on National Defense with employers and the government in constructing army cantonments and later the atomic bomb installations and other projects. Some of this was described in a series of articles in the *Journal of Electrical Workers and Operators* (Washington, D. C., February, March and April, 1941).

⁵ See Chapter II, p. 20.

⁶ *Dodson Weekly Bulletin*, Weston Dodson & Co. (Bethlehem, Pa., January 28, 1946).

The two hundred or more committees in copper mining,⁷ while not uniformly effective, were in marked contrast to the employer-labor conflict during World War I when, in the extreme case of the "Bisbee deportations," union workers were transported into the desert in Arizona because of their attempt to organize the copper miners. Toward the end of World War II a union business representative wrote back to the labor-management committee of a copper company on which he had served :

When this committee started about two years ago, I don't think there were more than a few of us who felt that it had a chance. For many years we have been battling with the Company and it didn't look as if there could be any change. But with the war to win we sat around the table and bit by bit we got acquainted . . . And believe me, I am going out into the organizing field to preach and practice coöperation . . .

The greatest extension of the labor-management committee work was in manufacturing. There was some joint committee experience in almost every type of factory. The previous chapters have described the nature of the program ; as was stated in Chapter II, nearly 40 per cent of the workers in manufacturing and mining were affected by some form of labor-management coöperation. It must be remembered, however, that it was several hundred committees, not the several thousand registered, which made the principal contribution to union-management coöperation on production and personnel problems.⁸

Extension to Wide Variety of Firms

Previous to World War II most instances of union-management coöperation were to be found in high cost plants or in companies faced with a serious competitive situation, some of them in danger of bankruptcy. Joint efforts were to reduce costs, eliminate waste and other inefficiencies. Some were directed to the improvement of quality and others to the solution of problems of work assignment. Management wished to keep down costs ; labor wished to maintain the union wage and reduce unemployment, or to increase employment, in a union shop or in the unionized section of an industry.

⁷ See Table 2, non-ferrous metals, Chapter II, p. 21.

⁸ See Chapter II, p. 19, for estimates of numbers of committees handling different types of programs.

In the war period cost was not the major consideration and competition was not significant. With the government the principal or only customer, and the demand for products continuous, volume and speed of production were a common goal for labor and management. The discussion of contracts and production schedules and the need for meeting certain delivery dates made it possible for committees to urge sustained production even when it resulted in brief periods of layoff and interruptions to earnings. Occasionally costs were discussed due to the failure to secure a government contract. Quality goods and the elimination of defects were objectives in war-time not because of competition but in the interests of saving time and materials and in saving lives of the men who were to use the end product. Large corporations, with experienced planning, as well as small plants, with fewer staff services, needed the help of all employees in reaching these objectives. No matter whether "the machines do all the work," or how efficient the management, the committee made a contribution to smooth operation, or employee morale.

Another departure from prewar experience was found in the introduction of union-management coöperation into plants representing a variety of types of employer-labor relations. Hitherto union-management coöperation developed under circumstances in which joint relationships had matured over a long period, or where an outstanding industrial relations director or a progressive union leader had made the experiment possible. In the war period there were enough labor-management committees which did creditable work to indicate that, in the United States, run-of-the-mill plant managers and local union officers and members can work together to tone up plant efficiency and increase production.

Old Principles with a New Emphasis

While joint production committees in the past had been termed "advisory" they operated largely under conditions of the union contract or of a special agreement between employer and union. There was a *quid pro quo* in the situation. During World War II when the committees were introduced extensively it was considered essential to emphasize the "advisory" character of the committees so as not to encroach on the prerogatives of management. This gave force to the idea that the committee served as a new kind of consultant or staff specialist which gave management information and suggestions when planning and making decisions. In many

cases it helped management do a better job. While, in time of peace, labor may require certain guarantees, there is now considerable precedent to lead both parties to desire the conduct of an enterprise with the aid of this consultant service.

It cannot be emphasized too often that the successful committees were led by the top management official, the works manager or the production superintendent, and the principal union leader, either the president or business representative. If the committee was advisory the authoritative management representative needed to be there to receive the impact of the ideas and suggestions offered. If decisions were made by management they were best given by the responsible party in the presence of the union leader who then could explain them adequately to his members. Furthermore, if both union and management leaders were on the committee they could provide information on union and company policies and could sense quickly the necessity of referring certain committee proposals to the regular bargaining machinery.

Another emphasis of the war period lay in the insistence that the labor-management production committee avoid handling grievances and not duplicate the bargaining machinery. A few employers and unions had previously worked together on projects which included both bargaining and plant efficiency discussions (for example, job evaluation, safety, apprenticeship) so that they felt assured that they could proceed successfully without heeding this warning. However the majority of production committees did not discuss grievances or bargaining issues. This gave weight to the status of labor as producer and operator, as part of a team conducting an enterprise, and not merely a defender of rights or a guardian of working conditions. It also demonstrated that joint production committees were more likely to run smoothly if the grievance and bargaining functions were handled at separate meetings even though by the same participants. They were less likely to succeed if none of the same personalities handled both functions.

Extension of the Areas of Coöperation

The preceding chapters have noted the variety of problems which were handled by labor-management committees. These activities resembled the work of the joint committees which had functioned for years in certain railroad shops. A description of that program shows the points of similarity:

It is understood that coöperative conferences are not to consider regular grievances, but rather are to consider topics such as the following:

- (1) Job analysis and standardization;
- (2) Improving tools and equipment;
- (3) Proper storage, care and delivery of material;
- (4) Economical use of supplies and material;
- (5) Proper balancing of forces and work in shops;
- (6) Coördinating and scheduling of work in shops;
- (7) Training apprentices;
- (8) Recruiting new employees;
- (9) Improving quality of work;
- (10) Conditions of shops and shop grounds, especially in respect to heating, lighting, ventilation, and safety;
- (11) Securing new business for the railroad;
- (12) Securing new work for the shops;
- (13) Measuring output and
- (14) Stabilizing employment.⁹

This list of activities might be a description of the work of the wartime labor-management committees as recorded in Chapter III (with the exception of the last four items and also of item one). A majority of the committees surviving the war period are working similarly on production problems. In addition to these activities during the war many employers discussed in committee the business situation and the prospects for their plants. This custom continues. Others introduced the practice of describing to the joint committee a plan of operation before putting it into effect. For the first time foremen and higher supervisors, as well as workers, had the opportunity to discuss with the works manager and staff specialists the reasons for doing a job a certain way and to suggest simple, practical modifications in carrying out the work. As a result there was less resistance to change and often a better method of work was introduced than had been planned in the first place. While this was not a new phase of a coöperative program it was developed more extensively at this time and continues in some plants today.

The war also placed new burdens and responsibilities on joint committees. These were the activities occasioned by shortage of

⁹ Otto S. Beyer, Jr., "Union-Management Cooperation in the Railway Industry," *Bulletin of the Taylor Society* (New York, February 1926).

materials, the financial needs of the government and welfare agencies, dislocations of the population, the fatigue of workers who were on duty long hours and seven days a week, and the restlessness of those on inconvenient shifts, all of which led the joint committees to work on salvage campaigns, rationing, fund raising, housing, transportation, patriotic rallies, cafeteria services, recreation, and other activities which took care of plant war programs or helped men and women to feel more comfortable in the face of difficult living conditions. Many of these subjects had not been and would not normally be the concern of labor-management coöperation in peacetime. Some of them are personnel matters in which committees are still functioning in the interests of production and employer-labor relationships.

A final point of emphasis lay in the participation of labor in joint suggestion committees. Hitherto suggestion systems were usually management-run, sometimes ignored, sometimes boycotted by the union. Out of patriotism and due to the reduction of fear of unemployment resulting from technological suggestions, union officials agreed to sit on committees which considered the ideas submitted through suggestion boxes. Within certain limitations, they shared the work of deciding which suggestions should receive awards and relatively how much. Some employers featured the technical and ingenious suggestions of workers obtained through the suggestion box; others valued more the sum of many small useful ideas received from members in committee meetings. The majority of joint committees reporting their existence today¹⁰ state that they are handling worker suggestions. Although the development may be modified by further definition of union policy¹¹ in peacetime, it appears that this is an area of coöperation which has been extended as a result of the war experience.

The Plant Committee as a Vehicle of Coöperation

The use of committees was the principal characteristic of union-management coöperation during the war. Previously there had been three methods of coöperation on production, (1) joint committees, (2) the assistance to individual managements by union specialists, and (3) the employment of outside experts by the company and the union jointly.¹² The work and the problems for com-

¹⁰ See Chapter III, p. 52.

¹¹ See Chapter V, p. 136.

¹² Sumner Slichter, *op. cit.*, chapter 19, p. 569.

mittees in the war years were designated at the plant level, not industry wide. Although union business representatives were often committee members, much of the work was done by members in the mill or factory. The atmosphere was informal. In the committees which were seriously operated, no one was "stuffy." Coats were off, not for a fight, but so that the committee members could work hard together. Journalists, labor economists, and others who visited committee meetings frequently reported: "You couldn't tell who was management and who was labor."¹⁸ It was in this atmosphere that spontaneous suggestions were tossed back and forth until they became technical improvements and showed their effect on plant efficiency. This was not done easily. There was injured pride on both sides, slow concessions, and hard-won battles. The conflict was not always between management and labor. Management representatives themselves learned that committees taught them about each other's work.

For some it was a new and useful form of coördination. Both employer and worker committee members were learning a new technique. Never before had so many worker members been drawn from groups without special skills. For example, in the extensive experience of the railroad committees the labor members were presumably from the craft unions and had more technical skill than the men and women committee members, often machine operators, in the manufacturing industries of the war period. But the similarity of the committee programs, described above, indicates that in most plants there are workers who can make a contribution locally when asked to improve the job operations with which they are familiar.

Coördination of Coöperative Activities and the Development of Committee Procedures

One of the chief committee contributions was the coördination of the activities on which union and management worked jointly except for grievance and bargaining functions. The labor-management production committee became a top committee to which other committees reported. The joint safety committee which may have existed previously, became in many instances a subcommittee of the main committee; likewise the fund-raising committee, the recreation committee, the committee on improving quality, the one

¹⁸ See Stuart Chase, *Men at Work, Some Democratic Methods for the Power Age* (New York: Harcourt, Brace and Company, 1945), p. 29.

on absenteeism, and so forth. The top committee thus became a policy committee, which decided on the recommendations of subcommittees, thus making it unnecessary for the works manager and the union president to sit in so many different meetings.

As for the development of procedures, Chapter IV has outlined a number of useful practices¹⁴ such as the necessity of having top management and union men in about equal numbers on the main committee, the value of having department committees for work on production problems and forming other types of subcommittees for special activities; the uses of agenda, minutes, and other measures for adequate follow-up, and the devices for drawing in a considerable number of persons to secure participation from the whole work force. A pattern was developed which might be adopted, with certain modifications, by employers and unions wishing to promote coöperation in the postwar period. No one committee included all the features described in the previous chapters, but a combination of the best practices of a number of committees provides a useful plan of operation.

Integration of Committee Work with Management Functions

Never before have so many different management representatives met with workers and union officers. Men responsible for statistics in quality control, those handling and conserving materials, production engineers, assistant personnel officers who provided information on absenteeism, safety engineers, superintendents, and foremen were found on subcommittees and main committees in addition to the industrial relations directors and general managers who customarily met with union representatives. The fact that most meetings were held at company expense and that certain management representatives served on committees because of their functions in the company's organization indicated that the committees, rather than usurping the prerogatives of employers, assisted in performing the functions of management on which the efficiency of an organization depends. They became a sort of staff service, occasionally an operating aid, for certain management departments.

Partial Integration with Union Functions

Committee work was not as well integrated with the functions of the unions as it was with those of management. This was be-

¹⁴ See summary, pp. 119-123.

cause employers and labor were requested to separate the program from collective bargaining and grievance procedure. As was stated in Chapter IV, however, the more successful committees coördinated their work with union policies and activities; the principal union officers were members of the main committee and they reported on committee work at union meetings. Some union papers reported committee-activities. Shop stewards occasionally discussed committee problems at their meetings. Because of the effort to eliminate conflict and because of less fear of unemployment, management proposals which under normal conditions might have introduced controversy were often adopted without contest. There were some situations in which union men reported that they thought "committee members were supposed to go along with management" but by and large the union representatives guarded against infringements from their point of view. If bargaining issues arose in labor-management committee meetings the facts were discussed but the carefully conducted committees then referred the matter to the bargaining machinery.

One of the shortcomings of the committee program was its lack of integration with national union affairs. No employers associations and national unions jointly drew up standard production committee agreements for use at the plant level as had been done in other countries. There is little evidence that national union officers or regional directors visited committee meetings or read committee minutes. They were more likely to hear complaints of the program than reports from the more successful routine operations. Many of them had not had joint production committee experience when they worked in mill or factory. The wartime experiment did not provide adequate information for the national unions which now might be used as a basis for policy formulation or for development of committee techniques.

Effect on Plant Efficiency and Employer-Labor Relations

Tremendous increases in production were reported during the war by enthusiastic plant managers, industrial relations directors, and public relations men. Tribute was paid to the labor-management committees in this connection but it is difficult to assign credit precisely for the improvements in quality and quantity of production.¹⁵ The committees provided considerable experience in portraying to workers the progress they were making and there

¹⁵ See Chapter III, pp. 75-79, and Chapter V, pp. 135-142.

were a few methods of measurement which might be developed in the coming years.

Improvement in employer-labor relations was considered by many employers the greatest contribution of the wartime committees. Workers became acquainted with the problems of operating a business and employers learned to feel the workers' concern over situations at home and at work. The "intangible" values¹⁸ of the committees created an atmosphere of friendship and partnership which in some cases facilitated the negotiations over union contracts, new and renewals, and eased the strain of long hours and the delays in War Labor Board wage cases.

In summary, then, the effective wartime labor-management committees, although relatively few in number, contributed to the field of union-management coöperation as follows:

1. They extended experience in union-management coöperation to a variety of industries.

2. They increased production and improved quality of output in both large and small business organizations which were reasonably efficient and not functioning in distress situations of high costs or severe competition.

3. They demonstrated that run-of-the-mill factory managers and union officers can coöperate on plant problems, the work not being dependent solely on progressive leaders in employer-labor relations.

4. The committees emphasized the advisory and consultant aspects of union-management coöperation.

5. They demonstrated over and over again the necessity of having top management and authoritative union representatives on the committees so that policy could be explained, decisions made promptly, and bargaining issues recognized and referred to the appropriate machinery.

6. As a result of separating production and bargaining functions they featured labor as a producer and operator, not only as a guardian of working conditions.

7. Because production is affected by attitudes as well as activities the committees, in addition to the work on production methods, discussed general business conditions, as well as specific plans of operation before they were put into effect, and engaged in a variety of activities in plant and community which mitigate difficult working and living conditions.

8. To encourage suggestions from workers union representa-

¹⁸ See Chapter III, pp. 77-79.

tives served on joint suggestion committees, an activity which in the postwar period will require further development of union and management policy on this subject.

9. With emphasis on committee form of organization, union-management coöperation drew in a large number of participants showing that rank and file workers, machine operators and others, not just skilled mechanics have ideas to contribute.

10. A special contribution of the committees is found in the procedures which developed spontaneously and with considerable similarity in many different plants, with the main committees coördinating the work of department committees and of subcommittees on special subjects, thereby using a variety of management and labor representatives and conserving the time of top plant officials and union leaders for policy making.

11. Other useful lessons in procedures are seen in the regularity of meetings, the planning of agenda, the use of minutes as directives as well as informational documents, and other devices for maintaining union-management coöperation on a practical basis.

12. While not a cure for poor management, the committees became an asset through suggested improvements made in many departments of a company and through assistance to management representatives for the performance of their regular responsibilities whether in the area of production, maintenance, safety, or personnel.

13. Some local unions included committee operations as an important part of their union activities but in many instances national union officers were not made sufficiently aware of this development in local affairs.

14. While there were no precise measures of the effect of labor-management committees on production, there was a substantial number of company officials and union officers who considered that the work had added to the quantity and quality of production and that it had increased the understanding of employers' problems and labor's concerns. These are the positive values of several hundred of the more effective committees of the war period.

LESSONS FROM COMMITTEE FAILURES

The failures of War Production Drive committees must also be studied in considering the outlook for union-management coöperation. These chapters have been devoted to the contribution of a few hundred labor-management committees. What about the three

or four thousand other committees which registered with the War Production Board? Some of them did not function.¹⁷ Others lasted only through one rally or slogan contest. A large proportion of them worked on war activities alone; they did not tackle production problems. Many of these committees worked sincerely on limited programs; others merely went through the motions of committee procedure. Often the work was in the wrong hands. One company vice-president, commenting on the plant's committee, said: "It just gave a chance to some people around here to make a showing for themselves." An official of another company, defending its stand in not organizing a committee, said: "We know that . . . consideration was given the plan by many companies throughout the land. A great number of them decided, and expressed their opinions on the subject, to pay lip service to the principle of the committees but to avoid any real participation . . ." It is clear that there were not five thousand industrial establishments in the United States, let alone the thousands that did not register committees, which were ready to work coöperatively with labor on production problems. This was because these employers had not yet accepted the organization of labor as an institution in industrial society or because they were not willing to discuss any more of "management's" affairs than had been included in the negotiations over union contracts on wages and working conditions. Or employers began committee operation willing to give it a trial but lost interest when the labor representatives, equally inexperienced, showed insufficient initiative or developed controversy over numerous issues. The words, *labor-management committee*, therefore to many employers mean something they do not approve or an activity which they or their colleagues conducted with a minimum of enthusiasm.

For similar reasons union officialdom has an unfavorable reaction to the phrase, *labor-management committee*, or at least to the wartime committees. The thousands of committees which worked only on war activities made more of an impression than the hundreds which functioned on production problems. In Chapter II it was pointed out that the committees, effective and ineffective, in steel, in electrical manufacturing, in foundries, automobile and airplane plants, etc., affecting a few hundred local unions in each industry did not make a significant imprint on union policies and politics in the face of other problems of a thousand or more local

¹⁷ See Chapter II, p. 19.

unions within each national organization. The leaders, preparing Labor Board cases, sitting on OPA and War Manpower advisory committees, conducting union affairs, were too busy to know what was transpiring in isolated cases. Hence top rank officials, though calling for increased productivity and endorsing union-management coöperation, were still of the opinion that management was not sincerely interested. In the case of several thousand committees, they held that employees did not look upon them as union-management coöperation, such as the union movement had known in prewar experiments. Even with the few hundred reasonably effective committees, union officers questioned their efficacy because of their separation from the collective bargaining machinery.

In contrast to national union leaders, some local union officers and members, closer to the experience, do not discount the wartime experiment but they share the feeling that the work was not sufficiently coördinated with the union-management machinery which functions through the elected representatives of the workers. Committee failures, however, can be turned to constructive use if the causes are studied. Many of the sources of disintegration were the reverse of the features which have been outlined as good procedure. In Chapter IV a committee reorganization was described. Numerous committees drifted without the benefit of reorganization. The committee members did not possess sufficient authority in the company or in the union, the most competent members were drafted to the armed services and not adequately replaced, certain personalities clashed and rendered meetings futile, basic issues on wages and working conditions had not been settled between the company and the union, grievances were not kept out of committee discussions, the company was not yet ready to accept dealings with the union as a permanent feature, production problems were deemed outside the scope of the committee, the committee bogged down with a backlog of suggestions and other work due to lack of subcommittee organization, committee members felt that their ideas were seldom accepted or that the company would not spend money for repairs, ventilating systems, and so forth, the company felt that workers did not make a substantial contribution — all these, and many more, were the causes of failure of committees which discontinued or functioned half-heartedly. But some hundreds of committees emerged unbowed by these difficulties and spread a pattern for the future.

PROSPECTS FOR JOINT COMMITTEE PROGRAMS

The development of union-management coöperation through joint committees depends primarily on management. As the problems dealt with by committees are the responsibility of the management function, management normally takes the initiative in forming a committee. If the proposal comes from labor, management must be convinced of the value of the venture. On the other hand, if management does take the initiative, labor, in the plant and organized labor officially, needs to understand the advantages for workers and for the union. Labor must take a positive stand if the two-way effects of coöperation are to be achieved. Despite the difficulties of measuring results and of conflicting short-run goals, new committees are forming in the United States and abroad. Special circumstances bring them into being.

In the first place, a serious emergency induces coöperation. During World War II, when national survival was at stake, employers and unions in England, Canada, and the United States coöperated in many ways, including joint committees within the plants. In England there has been growth of these committees in the period of economic crisis since the war. Of the site committees in the building industry it is reported that "such committees have increased in number since the war, probably because housing is universally regarded as a most urgent matter."¹⁸ And concerning the critical coal mining industry, despite the previous poor employer-labor relations, the "National Consultative Council for the industry . . . has issued instructions setting up divisional, area, and pit consultative committees."¹⁹ A production emergency exists throughout the world at the present time. This extends to the United States in its efforts to afford relief to European countries. Higher productivity is the common cry. It is possible that the response will take its form in more labor-management committees.

A second development based on the war experience indicates the value of committee work in times of high industrial activity and prosperity when firms and industries are in competition for men and materials; the economical use of supplies and of manpower was demonstrated in the work on conservation and on

¹⁸ *Labor and Industry in Britain*, British Information Services, Washington, D. C. (July-August 1947), p. 146.

¹⁹ *Ibid.*, p. 147.

absenteeism, labor turnover, in departmental transfers, and actions affecting employee welfare. The committee work on absenteeism, however, would be of a different nature from that of the war period when union officials and committee members were more severe on continuous offenders than was management. In the matter of labor turnover many a personnel officer might welcome committee assistance after demonstrating to foremen and superintendents the cost of induction and training of new employees.

A third consideration emphasizes the point that quality of work depends on the active coöperation of workers both as individuals and as part of a group. On the present situation a union representative in a large textile firm, with no committee, said: "No one cares about quality — just so they can get by the inspector. They can put a weak spot under a fold but the shirt made from that piece will wear through after a few washings." Quality will become important in such industries as textiles, electrical parts, etc., as the supply of goods meets demand and where labor organizes all or large sections of an industry. With the level of competition among manufacturers raised through relatively uniform labor costs or rates, the contest for the buyer's good will may be in terms of quality.

Fourth, employers with high costs will tend to look into the experience and advantages of coöperation. In his analysis of the outlook for union-management coöperation in 1941, Professor Slichter says: "Sixteen of the 22 enterprises which agreed to start union-management coöperation during the last two years were high-cost concerns and were faced with serious competitive difficulties."²⁰ There were employers whose workers had recently organized but who until then had stayed in business by paying low wages. The union helped them reduce other costs in order to meet the union wage. There were also the employers in the unionized section of an industry, such as hosiery, who needed the help of the union in competition with non-union employers. And in considering competition, as Professor Slichter points out, it is necessary to consider the competition from other industries with substitute products and the elasticity of demand for the product, and for the labor in the industry.

A fifth development affecting the outlook for labor-management committees is the growth in unionism and a growing recognition that it is here to stay. The principle of representation and joint

²⁰ Sumner H. Slichter, *op. cit.*, p. 565.

dealings is understood at the plant level. The tendency toward industry-wide bargaining is also having its influence. It has been recognized that union-management coöperation develops in the interests of maintaining standards in the unionized section of an industry in competition with non-union areas. It can also be a force when the union has won recognition in the whole industry and secures a uniform wage scale or uniform increases. Labor-management committees and union coöperation can aid the high cost and marginal firms to pay the contractual wage. As Clinton Golden of the United Steelworkers remarked in July 1946: "We got the 18 cents but not all of the companies can afford it indefinitely unless we turn our attention to increased efficiency and coöperate with management to get it."²¹ Coöperation may also help those employers who by chance are organized by a union of a given industry and are catapulted into the wage costs and problems of the group when their competitors have no connection with that industry and are not faced with the same conditions.

A final consideration should emphasize not only the growth of research by national unions as mentioned earlier but also by corporations, employer groups, the government, consulting engineers, and those in the field of scientific management. While research is considered by some as a tool of conflict there is increasing acceptance of the point of view that the light of facts decreases the heat of controversy. Production planning within the complex of the national economy is difficult. The determination of optimum production for an individual plant is a challenge to the intellect and conscience of those concerned with the welfare of a company.²² The place of an establishment in an expanding or a contracting industry, the characteristics of a marginal firm in a given time or setting, the human factor in relation to production, are problems which affect the proposals of union and employer. Because of the increase in information which is placed at their disposal, management and labor will be more confident in deciding to handle these problems through a joint committee.

In summary, then, assuming that a few measures of results are watched and that some guarantees of security are granted, it is possible that union-management coöperation through joint committees will expand in times of emergency, in periods of great industrial activity calling for wise use of men and materials, in firms

²¹ In conversation with the writer.

²² See Chapter V, pp. 128-130.

competing on a quality level, in high-cost plants, in unionized sections of a competitive industry, in plants affected adversely by industry-wide bargaining, and in such firms as wish to take intelligent action in the light of research in an expanding or contracting industry or in periods of rapid inflation or deflation.

But in most cases union-management coöperation will not be introduced or renewed on the basis of the considerations just outlined or with a complete organizational structure as described in Chapter IV. Rather it will develop when a specific problem is to be solved — an increase in accidents, poor quality in a given department, a new operation or a new product to be introduced, a need to reduce costs and price in order to secure a specific contract, problems of a new shift, or the proposal to save expense to meet a specific union demand. Such issues lead to the formation of a joint committee which may disband when it considers its task accomplished or may broaden into a more extensive organization for plant-wide coöperation. Where a comprehensive plan develops, or has been introduced at the start, the status of employer-labor relations is such that both management and union desire some form of communication and are searching ways and means of coöperation.

INTEGRATING THE LABOR-MANAGEMENT COMMITTEE WITH THE COLLECTIVE BARGAINING MACHINERY

If there is more extensive use of labor-management committees for improving production, such committees will need to be better correlated with the collective bargaining machinery. The wartime committees developed useful experience in the functions and structure of committee operation at the plant level; but because of their separation from collective bargaining procedures there were situations in which either confusion or antipathy resulted. The problem is well described by one employer²³ at a plant where it was thought that this separation was expected:

At the time the labor-management committee idea was started, the local union representing the employees in our ——— plant was officered by people who were quite antagonistic to the company. To their credit when the suggestion of establishing a labor-management com-

²³ F. W. Climer, Vice-President, The Goodyear Tire & Rubber Company, in a letter to the writer in August 1948.

mittee came along they entered into it with some misgivings because of the separation of both function and representatives, but also to their credit they appointed a group to represent the union on this committee which was fairly coöperative.

As the committee worked more and more with the committees set up by the management, the spirit of coöperation improved to the extent that jealousy arose between the union members of the labor-management committee and the officers of the union, and the other representatives who handle grievances and collective bargaining. It finally came to an open breach, with the result that the hands of the labor-management committee were completely tied, and their usefulness eliminated . . .

Our experience here might have been different had we dealt in the labor-management committee with the same union people who were responsible for representing our employees in collective bargaining. I agree that meetings called for the production drive problem should not have conflicted with collective bargaining meetings, but it would have been most helpful if the same union representatives who were inclined to be antagonistic over collective bargaining matters could have gotten the other education. If I have learned anything from the production drive labor-management committee experience, it is that management has two problems — one is to acquaint union representatives as thoroughly as possible with the problems confronting them and thereby get a better appreciation and understanding of why certain things have to be done as they are done, with resultant helpful suggestions from the union representatives.

Second, find some better means than has been used to date of passing on to the rank and file of employees the same understanding of these problems. The management, and the union for that matter, who can successfully meet these two problems will have come a long way toward eliminating a lot of the industrial conflict we have had in the past few years.

Many committees were disbanded because of the recognized necessity of dealing on all matters with the elected representatives of the workers, who had undivided authority. In explaining discontinuance of committees employers wrote: "It was useful during the war, but we are getting such good coöperation from the union that we are dealing directly with them now."

Because of the twofold need of developing coöperative relationships with the elected representatives of the workers and of finding means of "passing on to the rank and file employees" understanding and a sense of participation, it is practical to consider what type of organization would combine the useful features of the

customary union-management machinery and of the labor-management committees described in the previous chapters.

In most organized plants there is a "union committee," composed of officers and others elected by the membership for a grievance committee. These might constitute the labor members of the new setup. On the management side the works manager, the director of industrial relations, and any others who customarily meet with labor would serve on this joint committee. The question arises as to the significance of an equal number of management representatives with those representing labor. This depends on the value attached to an atmosphere of teamwork and problem-sharing rather than the "hateful spirit of a 'deputation,' " ²⁴ when a large number of labor representatives meet with only two or three management officials. Equal numbers also make possible the inclusion of the production engineer, methods men, a superintendent, and a foreman for advice, and better organization of a prospective change. The time of these men used at an initial stage might save greater time lost due to weaknesses in planning and execution. If some of these management representatives were unaccustomed to the atmosphere of negotiations and preferred the method of giving orders it would be worth the risk of some controversial meetings at first rather than the disintegration of the undertaking due to its one-sidedness.

The union or grievance committee, when matched by an equal number of management representatives, might be too large to function as an operating body. In such cases the union committee members might choose four or five of their group to meet with management once a month on production problems and report regularly to the rest of the grievance committee as well as to the union members.

This top committee or board, composed of an equal number of management and labor representatives, would coördinate all the relationships between labor and management. It could decide issues because the highest plant authority on both sides would be present. In some cases both the union and management might wish to have the district or regional union business representative in attendance to provide information on union policy. If all the members of the grievance committee were members of the union-management board, the latter might set one meeting a month for handling grievances and a second meeting for the discussion of

²⁴ See Chapter IV, p. 94.

other matters. It is important that the two types of meetings be kept separate. It is not likely that a grievance meeting would be held as often as once a month. Most grievances of individuals are settled at the foreman-steward level in the type of plant that would be considering union-management coöperation, and the evidence from labor-management committees and other setups with regular meetings indicates that unsatisfactory situations are corrected "before they become grievances." The pressure of non-grievance matters might call for more frequent meetings but this problem could be met partly through the delegation of work to subcommittees.

At times each side might wish to conduct a caucus, to consult their own sources, and also to present matters for the agenda to the neutral or "agreed upon" secretary. Reports from subcommittees would throw light on the course to be followed. Joint committees already exist in many industrial establishments — on job evaluation, apprentice training, safety, suggestions. These and others could be subcommittees of the governing body. Their members have usually been union officers and management men who would also be in the main group. Under a new setup burdens could be spread by using persons outside the central body for some of the subcommittee membership because policy and final action would be in the hands of the top committee. Through this coördination, committee reports could be viewed in the light of each other with concessions and advantages in one situation balanced against their counterparts in another and all activities attuned to "what is best for production."

A joint production committee itself, composed of management and union men with special ability in methods and efficient operation, might be a subcommittee of the "over-all" group which may combine collective bargaining and production functions. This would be the case in small plants. In large establishments with more than four or five hundred employees the production function would be further integrated with the collective bargaining machinery within departments. As described in Chapter IV, the labor-management committees during the war set up department committees to improve the quality as well as the quantity of production. The department committee was composed of the foreman and the union steward, or of the superintendent, foremen and stewards, and other employees. To round out a committee of foreman and steward one or two additional members could be chosen by the

workers in the department and a similar number would be appointed by management.

The steward would continue to take up grievances and give out union information but he or she would gather recommendations for improvements in production and on hindrances to efficient operation. Reports on production problems and other department situations would be made to the top labor-management committee. Foremen and stewards would also report to management and union through their regular channels. Union membership meetings and shop steward meetings would include in their regular order of business reports and discussions of the work of the union-management operating board and of the subcommittees on specific problems.

The foreman²⁵ is usually chairman of the department committee. Such committees do not undermine his authority but rather assist him in his difficult position between management and worker. As one works manager said: "I look upon the union steward as an assistant to the foreman in matters of production." As a result of committee discussion, the foreman would learn to translate management's orders in terms of worker understanding. Membership on a department committee might be considered an apprenticeship for the jobs of foreman and steward. Such activities reveal ability to handle men, not only the technical skill of the individual. The union business representative or chief steward, and the appropriate company superintendent sitting in on department meetings from time to time to insure correct understanding of policies and procedures, would also note these wider considerations.

The coöperation of the local union officers and members with management in dealing with production problems would tie them more closely to their national union organization. Information given in a joint committee meeting on the difficulties of an individual firm might be received with uncertainty or distrust by local union members if they were without knowledge received from their own sources. Costs, quality, experience in other plants, the market situation, productivity trends, can be placed in perspective for local union officers by their national officials supported by their research departments. Wise policies and willingness to experiment are based on knowledge which the individual or the group has gained through extensive information. In analyzing the outlook concerning union policies in relation to management Sumner

²⁵ Or the superintendent, depending on the plant unit served by the committee.

Slichter said in 1941: "Whether collective bargaining turns out to be a help or a hindrance in dealing with the outstanding economic problem of stimulating production and employment will depend in large measure upon whether unions are guided by the short-run or the long-run interests of their members."²⁶

It appears then that in a well-integrated organization there is no such thing as one labor-management committee but a series of committees properly related, a mechanism for all union-management dealings dependent for its effectiveness on the attitudes and personalities on both sides of the bargain. The mechanism sounds elaborate but when measured against the time spent in a variety of unrelated meetings and informal discussions and against lags in production due to misunderstandings and to the concentration of responsibilities in the hands of a few overworked negotiators, this formal recognition of the scope of joint dealings might save expense, time, and friction. The size of the operation could be limited by agreement and enlarged only as each extension appeared practicable.

Some will hold that integration of the production committee with the bargaining machinery would be disastrous because the coöperative work on production would break down in time of disputes and strikes. A separately constructed labor-management committee is no guarantee against strikes, nor does it function well during negotiations over how the returns of industry are to be divided. At such times the meetings may lapse. But some subcommittees continue their work and later the joint meetings of the top policy committee are resumed. This would be the case whether there is a separate labor-management production committee or an integrated mechanism such as has been described. Coöperative work increases understanding of the problems involved and decreases the severity of disputes but it is dependent on confidence in the authority of those chosen to represent the parties. It is therefore important that its work be integrated with that of the collective bargaining representatives.

A joint mechanism for improving production is just as likely to fall apart from inattention as it is from conflict. Since the war some plants where both labor and management are committed to the continuance of a labor-management production committee and speak enthusiastically of its work have nevertheless permitted meetings to lapse for six, eight, or more, months. Grievances get

²⁶ Sumner H. Slichter, *op. cit.*, p. 579.

attended to through the usual machinery. To avoid stoppages, problems over new job specifications and new work assignments are solved by union officers and stewards with the appropriate company representatives, but meetings on general suggestions for toning up production are neglected. "It is one of the things which can be postponed," said one industrial relations director. This may be because of lack of integration or it may be due to a tendency to neglect situations which are not critical. Any organization for joint effort on production and industrial relations needs to be reminded that eternal vigilance is the price of efficiency as well as of liberty.

CHAPTER VII

THE JOINT PRODUCTION COMMITTEE IN A CHANGING INDUSTRIAL SCENE

EMPLOYERS AND WORKERS IN A DEMOCRATIC SOCIETY

LIBERTY AND DEMOCRACY are abstract terms, difficult of definition for workman and for employer. They may have more meaning as workers participate directly in the problems and operations of the factory. The president¹ of one large manufacturing establishment said:

One of the most important aspects of the labor-management production idea is that it gives full expression to the American theory of representation: economic representation in the job (industrial democracy) comparable to political representation with the vote (political democracy). As soon as any labor-management group absorbs this idea through the committee, they become even more keen to accelerate production with constructive ideas.

The principle of representation through the labor-management committee increases the number of occasions for joint dealings and also the number of participants. At the same time that unionism has grown, modern industry has become large, jobs have been mechanized, relationships have become impersonal. There is need for increasing contact between management and men without reverting to paternalism or by-passing the collective bargaining agency. Employers were not entirely naive when they talked of one happy family. They think of their employees as "our men";² they would like to meet more often with them as members of one factory organization. A works manager, who meets regularly with his union committee, was referred to by the local president as "the best member of our union." He meant that the manager was

¹ W. Stuart Symington, then president of the Emerson Electric Company, in St. Louis, Mo., in a letter to the War Production Board, October, 1943.

² See E. Wight Bakke, *op. cit.*, pp. 3-4, 32-36.

mindful of the needs of the men and the point of view of the union but it is doubtful whether the union man had ever said it to him in so many words.

The employer wants to feel that the workers are as interested in the factory as he is. When the only discussions which occur are centered around resistance to a new rate or to a change in schedule and work assignment, the atmosphere is not conducive to expressions of concern over the welfare of the firm. But the worker spends one-half of his waking time in the plant. Next to his home it is his most familiar environment. If strikes were analyzed from every viewpoint it might be said that workers were striking because they liked the factory, they did not want to quit the job so they struck to secure conditions more appropriate to their needs. But, owing to lack of contact and lack of articulation, these sentiments are not communicated to the boss.

The worker too has some wishes which are not met by the union contract. He wants to count as an individual. Years ago when labor began to organize, the leaders said: "We want a voice, we want to be citizens in industry." But the individual worker, following the principle of representation which democracy has evolved, experiences some of the same difficulty in expressing his personality and acquiring a sense of participation in industrial life as he has in the political field. The problems in industry are more concrete because the factory and the union are close to him but, although he votes on important questions, he must rely on the union leaders for recommendations on these issues because of our complex economy. He can become active in the union; this has proved an important outlet where jobs have become machine-controlled and require little of the old craft skill.

But not every man or woman has a flair for union activity, nor can they readily transfer a capacity for technical skill to the social skill which union responsibilities require. The worker wants the job itself to have content, to have meaning for him. Just when jobs have become simple and repetitive, society decrees more education for the individual. Twenty states in the union require full-time attendance in school until the age of sixteen and, while the education received there may not be adapted to all those who attend, they are exposed to many ideas and some manipulative skills for which they later find little use in the factory. There are those who claim that workers prefer the repetitive task so that they do not have to think about it, that their principal concern is their rush for the

door at the end of the day and the size of the pay envelope at the end of the week. If this is the case it may be because of the dulling effect of the transfer from the varied activities of school life to the repetitive motions on the job month after month, year after year.

Joint production committees tap unexpected sources of both technical skill and social skill. Elton Mayo emphasizes the increasing importance of social skills in modern industry: "Social skill shows itself as a capacity to receive communications from others, and to respond to attitudes and ideas of others in such fashion as to promote congenial participation in a common task."³ Men and women can develop social skills more readily when these are related to the work they are doing. The activities of labor-management committees cover such a wide range of interests, from safety and health work to improving the tool crib or devising a new jig or fixture, that more workers find opportunity for self expression under committee operation than is otherwise the case.

Committees within departments and on special subjects draw forth interest and assistance. For example, if the joint committee on training or on quality organizes tours for workers through the plant, the routine machine operations take on new meaning, as the workers discover how the item they make is designed to fit the other parts on the assembly line. Problem of quality or delivery date of a special job are discussed in union meetings along with controversial matters which have arisen. One union business representative states that union meetings are better attended since he has achieved regular committee meetings with management on production problems. The individual worker begins to feel that he counts, that his voice is important. As Clinton Golden says: "The success of group activities, of course, varies in direct proportion to which leaders can secure the active participation of all the members of the group."⁴

The joint committee is a form of procedure new to industry. American business has reached its heights on the basis of authority at the top with directions down the line. It is also based on willingness to take risk and on a spirit of adventure. In adopting joint committees, management throws emphasis on its risk and venture faculties, for the experiment changes the nature of authority ever

³ Elton Mayo, *The Social Problems of an Industrial Civilization*, Harvard University Graduate School of Business Administration (Boston, 1945), p. 13.

⁴ Clinton S. Golden and Harold J. Ruttenberg, *The Dynamics of Industrial Democracy* (New York: Harper and Brothers, 1942), p. 278.

so slightly.⁵ The inherent authority of ideas often determines managerial decisions. In speaking of the Free State D. W. Brogan addresses the German people: "It is naturally difficult for people brought up in a formal, directed culture to recognize not merely the value but the existence of the spontaneous authority of the free society."⁶ American manufacturers are flexible enough to make use of the spontaneous authority of workers' ideas, taking a step at a time as such procedure proves its practicality. Productive efficiency is its test. The improvement of personal relationships and the development of individual personalities should be its results.

THE COMMITTEE AS IT AFFECTS UNION,
EMPLOYER, AND THE PUBLIC

The joint production committee, however, may extend its influence beyond the factory gate. The kinds of employers and union leaders who adopt this form of union-management coöperation are responsible persons who are concerned with a wide area of problems. But they are a small minority. It cannot be denied that the present situation in employer-labor relations is ominous. Attacks on labor unions in recent years and attempts at retaliation indicate the type of conflict which may occur with the onset of a depression. The current, seeming strength of unions will be curtailed by loss of union dues when unemployment has its way. Yet they are stronger than in previous depressions and will be articulate in the face of suffering and of renewed attacks. Furthermore the history of the United States over the past century and a half shows that when labor unions experience frustration on the economic front their members turn to political panaceas for the solution of their ills. Therefore any program is worth considering which is sound, avoids conflict, and leads in some slight way to the solution of economic problems and industrial relationships.

Just as in the face of the discouraging situation in international relations a determined few continue to work to bring the nations together, so a few employers and unions are experimenting in new ways of conducting their enterprise. Responsible employers and responsible union leaders are frankly puzzled over their rights and

⁵ See Chapter III, pp. 38-40, for discussion of advisory nature of committees. Unions do not question the authority or responsibility of management to conduct the business.

⁶ D. W. Brogan, *The Free State, Some Considerations of its Practical Value* (London: Harnish Hamilton, 1945), p. 29.

duties. In the problem of prerogatives they do not draw a line over the boundaries of which neither of the parties may pass. They are ready to adapt such lines to the most efficient method of running the business. The determination of wages and of rights is not guided by a line of demarcation but by a frame of mind. This has been described as "respect for the worth and dignity of men and their need and duty to work together in a society, contributing to the common enterprise and restraining impulses to aggression and exploitation — one's own as well as those of others."⁷

The labor-management production committee, while no panacea for the complex problems of the total economy, indicates an attitude of reasonableness and exploration. No employer and no union, still in the stage of armed truce, will set up a joint committee of real value. Because of current pressures a growing number of employers and unions in this country, in greater numbers in England and on the Continent, are exploring the areas in which they can coöperate. As the findings of committees work their way up in union councils and employer groups in an industry and in the nation it is possible that these attitudes supported by an increasing volume of facts will help to determine for the United States the direction its economy will take. In a time when other countries are undergoing rapid changes in forms of government, when unions and employers in the United States ask for self regulation with a minimum of government assistance, and when the limits of national resources begin to appear, will it not be necessary for American industry to demonstrate its ability to function without crippling economic crises and without scars of inequities left upon our citizens? Can that be done without the reasonableness of the labor-management committee which trains people to practice new relationships based on study and self direction?

Much has been said in these pages about the usefulness to management of the labor-management production committee. This is because it functions in the plant on matters which are the responsibility of management, whether typified in the person of the owner or of a manager. The committee, composed of representatives of both management and labor, serves as a staff specialist or adviser, sometimes performing duties assigned to its members who then function as line or staff personnel in a limited area. The

⁷ John Maurice Clark, *Alternative to Serfdom* (New York: Alfred A. Knopf, 1948), p. 124. See chapter five, "Responsible Individuals in Responsible Groups."

union-management coöperation effected by the committee is in the interests of a successful common enterprise. While this should be adequate reason for its existence there are specific advantages of the work to the union as such, to the employer, and to the public.

First of all the union improves its status, by having officers and members discuss production problems with management executives and staff members. It "gets listened to," as one union representative said. The union no longer is only a resister to change and a guardian of rights but is looked upon as adviser and producer.⁸ Its joint committee members accept responsibility as part of a functioning organization.

There are also specific gains such as improved working conditions — better lighting, ventilation, washrooms, safety provisions, improved cafeteria services. Testimony of union officers shows that such improvements are achieved more rapidly through committees under union-management coöperation because they result from spontaneous and reasonable discussion before they become grievance issues. There may also be bigger profits, through less waste and reduced costs, hence an opportunity to secure better wage rates. More regular employment is another gain experienced in prewar union-management coöperation.

The union, both local and national, improves its knowledge of problems of individual firms and of the industry. Information jealously guarded by the employer during bargaining negotiations may be freely given to meet a situation in the reasonable atmosphere of the plant labor-management committee. Union-management coöperation is possible only if adequate information is supplied by the parties. The results of information-sharing are a twofold advantage for the union. The facts gathered through committees in many companies can be used by the national union not necessarily as weapons but as safety lamps to guide the way in the problems of industry. Whether bargaining is industry-wide or with individual firms the national union forms a policy for its terms with all employers. This policy is likely to be more suited to the problems faced by the majority of firms if union officials have received information and gained understanding through this broader experience of their constituents.

The other advantage to the union resulting from information sharing under union-management coöperation is the improved relationship between national union representatives and the local

⁸ See Chapter III, pp. 38-41 and Chapter VI, p. 147.

union membership. If the local union members have become familiar with the problems of their company through regular meetings with management, they will constitute an understanding body of people whether national officers have decided to recommend a demand for more or an acceptance of less. If wise policy is well understood, union members can resist the encroachments of rival unions or the criticism of union groups in other industries governed by different circumstances.

The plant labor-management committee, with its subcommittees, also provides leadership training for the union. In times of emergency, which becomes continuous in periods of rapid change, the union movement experiences an increasing demand for leaders who can serve in such agencies as the War Production Board, the Manpower Commission, the Economic Coöperation Administration, and similar bodies. With a wider variety of outlets through joint committees within the plant there would develop human material available for local union positions to replace those who move on to regional work, succeeding others who have been called to national and international activities.

A final word on union gains under union-management coöperation leads back to the "pie" to be divided. Unions recognize that they cannot ask indefinitely for more. The wage-price spiral of the postwar years demonstrated the problem of securing *real* wages. The unions, as representatives of worker-producers, can under union-management coöperation be an important factor in improving productivity which in the United States has been the principal source of real wealth and real wages. While the conflicts in industry are innumerable and not easily brushed aside,⁹ the opportunity to coöperate on this basic problem would provide new meaning and a significant goal for the union movement.

The employer too has much to gain by the introduction of labor-management production committees. As one management representative said: "Industry is totalitarian because orders must come down from the top. We must modify that in the interests of efficiency." Committee procedure contributes to such aims of management. Improvements in quantity and quality of production, savings of materials, reductions in costs, and in the smooth operation of the plant through better labor relations are the testimony of the more effective committees. The individual employer, hemmed in by fixed costs of money, material, and parts, and in many cases by

⁹ See discussion in Chapter V, pp. 124-135.

price determination beyond his control, finds new areas of competition in competent operation through coöperation. His spirit of enterprise is stimulated afresh. The employer profits by the increased understanding of his employees. It is often said that an employer prefers to deal with national union representatives because they appreciate the problems of the industry. Under committee operation and national union assistance the employees of the plant develop similar comprehension.

Through regular contact with union members, with their interest in plant operation, and their spontaneous reactions to plans affecting the work and lives of their fellow workers, the employer himself gains in understanding. Whether production and labor policies are determined at the plant level by an individual owner, at national company offices influenced by recommendations of plant managers, or by larger employer associations, the employer arrives at more effective decisions because of the knowledge which has been gained at the grass roots of human activity. He may also incline toward coöperation with the union movement in the interests of increasing productivity and of avoiding regulation or extreme changes in government which ultimately come when the public is sufficiently aroused over conflict, constantly changing price levels, poor quality of goods, and recurring booms and depressions. The individual labor-management committee does not solve these problems but it leads the way to more general coöperation which is worth trying.

The public therefore may also profit by the broadened use of labor-management committees. Consumers do not want undue regulations or totalitarian measures but they do want goods of fair quality and reasonable price, made under satisfactory working conditions. They do not want conflict. If their objectives are not forthcoming they turn to government for their attainment. Some laws arrived at by a convinced majority are essential to a country of great size, but quality of product is achieved primarily by those who become interested in production in the plant. Good working conditions, beyond minimum requirements, are also accomplished through coöperation in the work place. Price, a more complex factor, is affected by many contending forces but not the least by increased productivity which in turn can be achieved by planning and coöperation. Coöperation at the plant level, with respect between the parties, may be the route toward the achievement of order and equity without loss of liberty. It provides a training

ground for reasoned thinking and just dealing. Consideration of each problem as it affects employer, worker, the union, and the public, the "orchestration of human interests" within the factory, may become for this country the next development in democratic procedure.

INDEX

- Absenteeism, 2, 19, 43; number of committees handling absenteeism, 53; committee programs, 54-58; percentage of wartime and postwar committees working on, 64, 80, 81; special subcommittees on, 112, 152
- Addressograph-Multigraph Corporation, committee work on absenteeism, 55; committee coöperation on Job Relations training, 114
- "Advisory" nature of committees, 86, 106, 132; with new emphasis, 147, 154
- Agenda, for committees, 95, 97, 152, 155
- Aircraft industry, committees in, 21, 26, 36
- Amalgamated Clothing Workers, CIO, number of committees in plants with Amalgamated contracts, 24
- American committees, program of, 2
- American Federation of Labor, trial committees in plants with its member unions, 10; endorsement of War Production Drive, 12, 35; Executive Council report 1942, guide for committees, 13; member unions active in production committee program, 13, 25; serving jointly with CIO, 23, 24; disappointment in program, 14, 26, 27, 153, 156; representation in Labor Division, War Production Board, 17; percentage of committees in AF of L plants, 23, 36; numbers of committees in comparison with total number of local unions, 26
- American Management Association, reports on postwar committees, 8
- Appraisals of committee work, management, 3, 7, 15, 34, 35, 44, 135; labor, 7, 8, 14, 27, 34, 35, 44; management and labor, 70-75; through specific experiments, 137-140; through a variety of measures, 142
- Apprenticeship. *See* training
- Architects, Engineers, Chemists, and Technicians, Federation of, CIO, guide for committees giving principles of scientific management, "Producing for Victory," 13
- Austria, committees in, 5
- Automobile, Aircraft and Agricultural Implement Workers, United, CIO, publications for wartime committees, 13; Local 32, coöperative attitudes in labor-management committee with White Motor Co., 14; number of committees in plants with UAW contracts, 24; number of committees in comparison with total number of locals, 26; Local 32, committee work on health, 60; formation of committee at White Motor Co. 83; integration of subcommittees with main committee, 89
- Automobile industry, committees in, 21, 26
- Automobile Workers, United, AF of L, number of committees in plants having UAW contracts, 25
- Awards for suggestions, from War Production Board, 18, 112
- Baltimore and Ohio Railroad, experience in union-management coöperation, 13
- Belgium, committees in, 5
- Beyer, Otto S., Jr., his list of railroad joint committee functions, 149
- Blood donor, campaigns, 2, 19
- Boilermakers and Iron Ship Builders, International Brotherhood of, AF of L, number of committees in plants having contracts with, 25
- Bolds, Clarence, author of mimeographed reports on committees, 41
- Bond drives, 2, 19; committee programs, 69, 70
- Bridge and Structural Iron Workers, International Association of, AF of L, experience with committees, 13,

- number of committees in plants having contracts with the Structural Iron Workers, 25; decline of grievances, 87
- Bridgeport Brass Company, problems handled by department committees, 46; formation of committee with Mine, Mill & Smelter Workers, 83
- Brogan, D. W., on the authority of a free society, 171
- Bulletin boards, 19, 66, 98, 116, 117
- Bureau of Labor Statistics, U. S. Department of Labor, questionnaire survey of postwar committees, 8, 31, 32, 34, 52, 64, 91, 92, 94, 96, 98
- By-laws. *See* constitutions and by-laws for committees
- Cafeterias. *See* plant feeding
- California Shipbuilding Corporation, committee work on upgrading, 58, 59; rallies, 67, 68; information-sharing on business outlook, 73, 74; department for processing suggestions, 111; committee work on transfers between crafts, 113, 114
- Canada, Joint Production Committees in, 2, Industrial Cooperation Board, 4, 11
- Capital Foundries Corporation, information-sharing on business outlook, 74
- Carnegie-Illinois Steel Company, committee work on health, 60; subcommittee program on publicity, 116, 117
- The Carborundum Company, committee work on recruiting, 60; method of choosing union committee members, 92
- Carpenters and Joiners, International Brotherhood of, AF of L, number of committees in plants having contracts with Carpenters union, 25
- Car pooling, 2, 19
- Chamberlain, Neil W., describes management functions, 38-40
- Chamber of Commerce, United States, endorsement of War Production Drive, 12, 35
- Chemical Workers Union 20032, AF of L, coöperative attitudes in labor-management committee with Monsanto Chemical Co., 15; problems handled by department committees at Monsanto, 46; production increased by many minor improvements, 71; management's use of committee minutes, 98, 100; union's representation on department committees, 100
- Chemical Workers, United, CIO, Local, 12058, committee work on recruiting, 60; methods of choosing committee members, 92
- Cheney Brothers, committee work on improving quality, 50; rotation of committee chairmanship, 95
- Climmer, F. W., on the relation of the committee to the collective bargaining machinery, 161, 162
- Coal mines, committees in, 20, 21, 23, 24, 145; in England, postwar, 158
- Collective bargaining, production committees in relation to, 8, 11, 78, 79, 87, 91, 92, 120, 125, 126, 148, 153, 157; relation to measuring results, 135, 136; plan for integrating joint committees with bargaining machinery, 161-167
- Community fund campaigns, 19, 43, 150, 151
- "Company-unionism," fears of, 17, 35, 133
- Competition, as a cause for committee work, 159
- Congress of Industrial Organizations, trial committees in plants with its member unions, 10; endorsement of War Production Drive, 12, 35; publication of guide, "Producing for Victory," 13; member unions active in production committee program, 13, 24; serving jointly with AF of L, 23, 24; disappointment in program, 14, 26, 27, 153, 156; representation in Labor Division, War Production Board, 17; percentage of committees in CIO plants, 23, 36; number of committees in comparison with total number of local unions, 26
- Conservation, material, 19, 41, 45, 46, 80; number of committees working on, 52
- Constitutions and by-laws for committees, 84-86
- Continental Paper Company, its Share of Production Plan, 140, 141
- Conversion, 45

- Cooper Alloy Foundry Company, committee work on safety, 61, 62; committee work on in-plant publicity, 66, 67
- Coördinator, of committee work, 95, 96, 121
- Copper industry, committees in, 21, 146; wage-price situation, 29; improvement in industrial relations, 146
- Cutbacks, 43, 73, 74, 81
- Czechoslovakia, committees in, 5
- Defective work, cost of, in relation to productive labor, 139, 140
- Denmark, committees in, 4
- Department committees, 46, 48, 94, 96; functions of, 99, 100; percentage of, 101, 122; descriptions of, 101-104; on production problems, 104, 152; on safety, 114, 115
- Design, improvements in, 2, 41, 80; through worker suggestions 45, 46; through department committees, 46
- Disappointment in program, labor, 7, 14, 26, 27, 34, 132; management 34; reasons for, 153
- Discontinuance of committees, reasons for, 33, 34, 37
- Disputes, industrial, affecting development of committees, 30, 37; affecting postwar survival, 33, 37; committee work alleviating disputes, 78, 79, 154
- Denman, Hal, author of mimeographed reports on committees, 41
- Displaced workers, guarantees to, 128
- Dymond, W. R., author of *Union-Management Coöperation at the Toronto Factory of Lever Brothers Limited*, 137
- "Effective" committees, 3, 4, 35, 133, 148
- Efficiency. *See* plant efficiency
- Electrical, Radio and Machine Workers, United, CIO, guide for committees, "Basic Rules for Production Councils," 13; conferences on committees, 13; experience with committees, 13; number of committees in plants with UE contracts, 24; number of committees in comparison with total number of locals, 26; Local, 202, committee work on production methods, 47; committee work on care of tools, 48; Local, 84, committee work on safety, 62, 63; Local, 1227, committee work on music, 69; Local 1225, information-sharing on business outlook, 74; Local 202, size of main committee, 94; management's use of department committee minutes, 100; union representation at department committee meetings, Emerson Electric Company, St. Louis, 100; Local, 202, description of department committee meeting at Westinghouse Electric, Springfield, Mass., 103, 104; description of quality program, department and special subcommittees, 106, 107; results of prewar quality program, 139, 140
- Electrical Workers, International Brotherhood of, AF of L, experience with committees, 13; number of committees in plants with I.B.-E.W. contracts, 25; number of committees in comparison with total number of locals, 26; Local No. B-1001, committee work on improving quality, 49, 88; "Proposal for a Plan to Increase Efficiency" at Leece-Neville Co., 85, 86; committee work in relation to union functions, 88
- Emerson Electric Company, St. Louis, union representation at department committee meetings, 100
- Employer-labor relations, improvement of, 7, 37, 77-79, 81, 135, 142, 150, 154
- Employers, advantages of joint committees to, 174, 175
- Engineering, minor, not basic, changes suggested by committees, 70; results through sum of many small suggestions, 71
- England, Joint Production Committees in, 2, 4, 11; Works Councils in, 2; Ministry of Labour National Joint Advisory Council, 4
- Equipment, change, 42, 46; care of, 80; number of committees working on, 52; subcommittees on, 104
- Executive secretary, of committee, 95, 96, 121
- Expense of committees, 98, 136, 152

- Failures, reasons for, 155-157
- Farm Equipment and Metal Workers, United, CIO, numbers of committees in plants with UFE contracts, 24
- Federal Labor Unions, directly affiliated with the American Federation of Labor, number of committees in plants having contracts with, 25; Local 20032, cooperative attitudes in labor-management committee with Monsanto Chemical Co., 15, problems handled by department committees at Monsanto, 46; production increased by many minor improvements, 71; Local 20611, committee work on bond drives at Harshaw Chemical Co., 69
- Ferris, Muriel, author of mimeographed reports on committees, 41
- Finance. *See* Sales and Finance
- Finland, committees in, 5
- Follett, Mary Parker, her discussion of management functions, 39-40
- Ford Motor Company, number of committees in, 27
- Foremen, introducing the committee program to, 83, 89, 90; as committee members, 90, 92; on department committees, 100, 165; their prerogatives in relation to committee work, 132, 133, 149
- France, committees in, 5; committee advice on finance and price, 72
- Functions. *See* management functions
- Functions of committees, 19, 41-44, 86-90, 120, 152; ways of formulating them, 84-86; separation from handling grievances and bargaining, 11, 85, 86, 91, 92, 120; department committees, 99-104, 152; subcommittees on special subjects, 104-117, 152
- Furniture Workers, United, CIO, numbers of committees in plants with UFW contracts, 24
- General manager as committee member, 90, 91, 92, 94, 120, 152, 154; as committee chairman, 94, 95, 121, 148
- General Motors Corporation, number of committees in, 27
- Germany, committees in, 5, 6
- Goals, mutual, 37, 124, 125, 128, 135; conflicting, 124-135, 142
- Golden, Clinton S., on industry-wide bargaining and union-management cooperation, 160; on group participation, 170
- Goodell, Francis, his list of committee activities, 41-44; co-author with E. J. Lever, Labor-Management Cooperation And How to Achieve It, 42; author of mimeographed reports on committees, 41; his list of production problems handled by department committees and suggestion committees in certain plants, 46
- Government, committee relation to, 171, 172, 175
- Green, William, letter to Donald Nelson endorsing War Production Drive, 12
- Grievances, decline of, 78, 79, 87; in relation to committees, 8, 11, 78, 79, 87, 91, 92, 120, 148, 153
- Guarantees, of wages, of employment, 126, 128; to displaced workers, 128
- Gussack Machined Products, committee work on music, 69
- Harshaw Chemical Company, committee work on bond drives, 69
- Health, 1, 2, 44; number of committees working on, 53; committee work on, 60, 61; percentage of wartime and postwar committees working on, 64, 80, 81
- High-cost firms, need for joint committees, 158, 159
- Hillman, Sidney, as director of Labor Division, War Production Board, 16
- R. Hoe and Company, committee work on health, 61; information-sharing on business outlook, 74; committee functions, 87
- Hosiery Workers, American Federation of, interest in output and price, 129
- Housekeeping. *See* plant housekeeping
- Housing, number of committees working on, 53; committee work on, 150; as a postwar cause of committees in building industry, England, 158
- Hungary, committees in, 5
- Idea-sharing, 1, 9
- Incentives, 126, 127
- Independent unions, percentage of

- committees in plants having contracts with independent unions, 23
- Industrial Coöperation Board, Canada, 4, 73
- Industrial relations director, as committee member, 90, 152; as serving committee, 96
- Industry-wide bargaining, in relation to committee work, 160, 173
- Information-sharing, 1, 9, 71, 72, 73, 74, 81, 142, 173
- Instruction. *See* training
- Italy, committees in, 5
- Introduction of committees, 82; to foremen, stewards, and workers, 83, 84, 119
- Jessup, Clifford, author of mimeographed reports on committees, 41
- Job evaluation, 52
- Labor Division, War Production Board, interest in War Production Drive, 10, 17, 18, 35; representation of AF of L, CIO, and Railroad Brotherhoods in, 17
- Labor-management bulletins, 66, 89
- Labor-Management Exposition, War Production Board, 18
- Labor-Management News, War Production Drive Division, 11, 18, 27
- Labor turnover, 2; work of subcommittees on, 112
- Ladies' Garment Workers Union, International, AF of L, number of committees in plants having I.L.G.-W. U. contracts, 25
- Layout, 46, 80
- Leaflets, 2
- Leece-Neville Company, "Proposal for a Plan to Increase Efficiency," 85, 86
- Leen, William, author of mimeographed reports on committees, 41
- Leggett, Sir Frederick, on British committees, 3; on committee officers, 94-95
- Leland Electric Company, committee work on safety, 62, 63
- Lever Brothers, on example of measured savings through coöperation, 137, 138
- Lever, E. J., co-author with Francis Goodell of Labor-Management Co-operation And How to Achieve it, 42
- Lighting, 42, 46
- Line officials, as committee members, 90-92, 120, 121, 149, 152, 154; on department committees, 100; on special subcommittees, 105, 107, 120
- Luchek, Anthony, author of mimeographed reports on committees, 41
- Lumber industry, committees in, 21; wage-price situation, 29
- Machinists, International Association of, experience with committees, 13, 45; number of committees in plants with I.A.M. contracts, 25; number of committees in comparison with total number of local lodges, 26; Local Lodge 1228, committee work on absenteeism, 55; on training, 114; Local Lodge 434, committee work on health, 61; information-sharing on business outlook, 74; committee functions, 87; "production" meetings with management, 87; methods of choosing committee members, 92
- Maintenance, 2, 42, 46
- Management functions, committee relationship to, 38-41, 79, 87, 90, 92, 94, 98, 120, 141, 142, 152, 155; department committee relationship to, 100; subcommittee relationship to, 105-117; as separate from ownership, 38, 132; in relation to productivity, 141; plan for integrating joint committees with, 161-167
- Management prerogatives, fears of encroachment on, 15, 16, 35; committee relationship to, 79, 130-133, 152, 172; as listed by President's National Labor-Management Conference, 131
- Manager. *See* General Manager
- Manpower problems, 2, 53, 64
- Manufacturers, National Association of, endorsement of War Production Drive, 12, 35
- Marine and Shipbuilding Workers, Industrial Union of, CIO, conference for labor committee members, 13; guide for committees, "Building Ships for Victory," 13; numbers of committees in yards with I.U.M.-S.W.A. contracts, 24; Local 50,

- committee work on care of tools, 48, 49, on absenteeism, 56, 57, on bond drives, 70, methods of choosing committee members, 93; department committees on suggestions, 100; description of subcommittee on care of tools, 107; description of safety program, 114, 115
- Matthewson, Stanley, on restriction of output, 128
- Measuring results, 7, 135-143, 155; committee estimates, 70-75, 81; importance of, 98, 135, 136; difficulty of, 126, 135, 136, 139, 141; dangers of, 139
- Members, main committee, 90-94; department committees, 100; special subcommittees, 105, 107, 111, 113, 114
- Minutes of committees, sent to War Production Board, 18; percentage, wartime and postwar, keeping minutes, 97, 98, 121; sent to management and union officers, 88, 98; department committees, 100; preparation and use of, 95, 152, 155
- Metal Trades Department, American Federation of Labor, work of local councils in forming shipyard committees, 13; numbers of committees in plants with Metal Trade Councils' contracts, 25; Metal Trades Council, Wilmington, California, committee work on upgrading, 58, 59; on rallies, 67, 68; information-sharing on business outlook, 73, 74; committee work on transfers between crafts, 113, 114
- Millinery Workers, United Hatters, Cap and, Local 63, AF of L, committee program on training and upgrading, 58; committee interest in annual report John B. Stetson Co., 72; statement of committee functions, 85; rotation of committee chairmanship, 95
- Mine, Mill and Smelter Workers, International Union, CIO, number of committees in plants with M.M.S.W. contracts, 24; number of committees in comparison with total number of locals, 26; formation of committee at Bridgeport Brass Co., 83
- Mine Workers, United, percentage of committees in mines with UMW contracts, 23, 24
- Molders and Foundry Workers, International Union of, AF of L, experience with committees, 13; number of committees in plants having contracts with M and F workers, 25; committee work on safety at Cooper Alloy Foundry Co., 61, 62; on in-plant publicity, 66, 67
- Monsanto Chemical Co., cooperative attitudes in labor-management committee with Chemical Workers Union 20032, AF of L, 15; problems handled by department committees, 46; production increased by numerous minor improvements, 71; management's use of committee minutes, 98, 100; union's representation on department committees, 100; number of department committees, 101
- Motion pictures, 2
- Murray, Philip, broadcast endorsing War Production Drive, 12; reference to Murray plan for industry councils, 13, 15
- Music, Committee programs, 69
- National Industrial Conference Board, The, Conference Management Record, comments on War Production Drive, 15, 17
- Negroes, as new employees, 89; as committee members, 91, 120
- Nelson, Donald, Chairman, War Production Board, in broadcast requesting labor-management committees, 10; accused of "sovietizing American industry," 16; establishing War Production Drive Division, 17, 18; describes production requirements, 28; calls for suggestions from workers, 108
- New England Shipbuilding Corporation, committee work on care of tools, 48, 49, 107; committee work on absenteeism, 56, 57; committee work on bond drives, 70; method of choosing union committee members, 93; department committees on suggestions, 100; description of joint safety program, 114, 115
- Non-union plants, percentage of committees and of employees in unor-

- ganized plants, 23, 24, 36; postwar, 31, 32; committees as threat to unionism, 133, 134
- Norway, committees in, 4, 5
- Numbers of committees, 18, 19, 35, 37; performing different functions, 19, 20, 35; in specific industries, 21; in establishments of different sizes, 22, 32, 36; percentages by union affiliation 23, 32; in plants with CIO contracts, 24; in plants with AF of L contracts, 25; postwar 31, 32
- Numbers of employees covered by committees, 19, 20; in specific industries, 21; percentage by union affiliation, 23
- Nutrition, *see also* Health, number of committees working on, 53
- Officers of committees, 94-96
- Oil Workers International Union, CIO, number of committees in plants with Oil Workers contracts, 24
- The Okonite Company, Hazard Insulated Wire Works Division, committee work on improving quality, 49; committee work in relation to union functions, 88
- Owners, responsibility to, 125, 128-130
- Packard Motor Company, clerical assistance for suggestion committee, 111
- Papermakers, International Brotherhood of, A F of L, experience with committees, 13; decline of grievances, 87
- Paperworkers, United, CIO, their Share of Production Plan at Continental Paper Co., 140, 141
- Personality, problems in committee work, 134, 135; affecting productivity, 142
- Plant efficiency, 2, 10, 47, 48, 52, 80, 99, 147, 151, 153; subcommittees on, 104, 105; subcommittee chairman, 105
- Plant feeding, 2, 150
- Plant housekeeping, 2, 41, 104
- Plant rallies, 2, 19, 150; committee programs, 67, 68
- Poland, committees in, 5
- Posters, 2, 19
- Postwar committees, survival, 8, 30, 31, 32; reasons for discontinuance of committees, 33, 34, 37; postwar committee work on production problems, 52; work on manpower problems, 64
- Prerogatives. *See* management prerogatives
- Price, worker interest in, 71, 129
- Problem-sharing, 1, 9; in department committees, 100
- Procedures of committees, 6, 82-123, 152, 155
- Process change, 42, 45, 46
- Productivity, increasing, 126, 150, 175; in relation to security, 126-128; as a measure of committee work, 141; in relation to the management function, 141; in relation to price, 175
- Production, *problems*, 1, 41-43, 80; number of committees handling, 52; handled in department committees, 45, 46, 99-104, 152; *methods*, 19, 41-43, 47, 51, 52; handled in department committees, 99-104; *improvement of*, 7, 35, 37, 75-77, 126; *changing requirements*, 28; *aided by* wartime and postwar committees, 52, 149; *quantity of*, 129, 147, 153, 155; *emergency*, as cause for committees, 158; *partners in*, 7, 27, 35, 154
- Production schedules, 2, 19, 44, 80; number of committees which discussed schedules, 52
- Production scoreboards, 67
- Profits, division of, 125, 126, 139, 140, 141
- Progress charts, 42, 104
- Public interest, 125, 128-130, 175
- Publicity, 2, 43; number of committees working on, 65; committee programs, 66, 67; subcommittees, 104, 122; description of subcommittee program at Carnegie-Illinois Steel Co., 116, 117
- Pulp, Sulphite and Paper Workers, International Brotherhood of, AF of L, number of committees in plants having contracts with, 25
- Quality, 1, 14, 19, 37, 42, 46, 49, 50, 80, 138, 147, 153, 155; number of committees working on, 52; comparison of work of wartime and postwar committees, 52; handled in department committees, 99-104, 106, 107;

- special subcommittee on, 105-107, 151; reduction in costs of defective work, as a measure of committee work, 139, 140; as a cause for joint committees, 159
- Railroad Brotherhoods, representation in Labor Division, War Production Board, 17; experience with union-management coöperation, 13, 149
- Rallies, *See* plant rallies
- Rank and file workers, introducing the committee program to, 83; as committee members, 92, 151, 155; on department committees, 100, 102; responsibility to, 130; need for committee participation, 169, 170
- Rationing, committee programs. 64, 65, 150
- Reconversion, 43, 45
- Recreation, numbers of committees working on, 65; committee programs, 68, 69, 150, 151
- Recruiting, 42; number of committees working on, 53, 80; special subcommittees on, 112
- Registration of committees, 19, 20
- Reorganization of a committee, description of, 118, 119
- Reports from committees, 18, 31, 34-35, 37, 75-80, 91-92, 94-98, 104
- Representation in industry, 168, 169
- Representatives on committees, union, 8, 29, 35, 91-94; methods of choosing, 11, 92, 93, 114; management, 8, 35, 90-94, 152; methods of choosing, 92, 93; equal numbers, advantages of, 94, 152
- Republic Steel Company, number of committees in, 27
- Research and planning, in relation to joint committees, 160
- Restriction of output, by workers, 127, 128, 129; by management, 129
- Returns, division of, 125, 126; at Lever Brothers Toronto plant, 137-139; at Westinghouse Electric, Springfield, Mass., 139, 140; at Continental Paper Co., 140, 141
- Risk sharing, 129
- Rubber Workers, United, CIO, number of committees in plants with URW contracts, 24
- Rumors, 74
- Safety, 1, 2, 19, 43; number of committees working on, 53; committee programs on, 61-64; percentage of wartime and postwar committees working on, 64, 80, 81; special subcommittees on, 114, 115, 122, 152
- Sales and Finance, Union or committee interest in, 71-74, 81; coöperation between Rocky Mountain Coal Co. and United Mine Workers in 1930's, 73; between Emerson Electric Co. and UE-CIO in 1940, 73
- Salvage, 2, 41, 46, 150; number of committees working on, 52; handled in department committees, 99
- Score boards, *see* production score boards
- Security, in relation to productivity, 126-128
- Sheet Metal Workers, International Association of, AF of L, number of committees in plants having contracts with, 25
- Shipyards, committees in, 21; production increases, 27, 28, 36
- Slichter, Sumner H., on prewar union-management coöperation, 144; high-cost concerns' use for joint committees, 159
- "Speed-up," fear of, 11, 15
- Slogan contests, 68
- Staff consultants, labor-management committees as, 147, 148, 152, 154
- Staff officials, as committee members, 90-92, 120, 121, 149; on special subcommittees, 105, 111, 113, 120
- Steel industry, committees in, 21, 26, 36
- Steelworkers, The United, CIO, committee guide on "Production Problems," 13; folder on "How to Organize a Labor-Management Production Committee," 13; conferences on joint production committees, 13; number of committees in plants with USA contracts, 24, 36; number of committees in comparison with total number of locals, 26; Local 1630, committee work on absenteeism 56; Local 65, committee work on health, 60. *See also* Wheeling Steel Corporation, 85; "production" meetings with management, 87; department committees on suggestions at Symington Gould Corp., 100; Local 65,

- subcommittee program on publicity, 116, 117
- John B. Stetson Company, committee program on training and upgrading, 58; committee interest in annual report, 72; statement of committee functions, 85; rotation of committee chairmanship, 95
- Stewards, union, introducing the committee program to, 83, 89, 90; as committee members, 91, 92; on department committees, 100, 106; relating committee work with union functions, 153, 165
- Stores control, 2, 43, 46, 80
- Subcommittees, special purpose, 88, 96, 152; integration with main committee, 89; percentage of, 104; functions, 104-117, 122; members, 105, 122
- Suggestions, systems, 2, 19, 50, 52; by workers, 7, 50, 80, 97; awards for, 18, 50, 109; estimates of number of suggestions received through joint committees, 50, 51; coöperation from unions, 50, 108, 150, 154; number of committees working on, 52; comparison of work of wartime and postwar committees 52; savings through suggestions, 77; suggestion subcommittees, 46, 108, 110, 111; department committees on suggestions, 100; policies, 108-110, 122, 136, 150, 155; procedures, 110-112; committee members, 111, 122; withholding, 127
- Survival, mutual, 125, 129; management, 129, 130; union, 130, 133, 134
- Sweden, committees in, 4; committees' right to financial information, 73
- Symington, W. Stuart, on political and industrial democracy, 168
- Symington-Gould Corporation, committee work on absenteeism, 56; on suggestions, 100; number of department committees, 101
- Team work, 9, 142, 143, 148
- Teamwork in Industry*, publication of Canadian Industrial Corporation Board, 4; article on Swedish committees, 73
- Technological change, controlling the rate of, 127
- Textile Workers Union, CIO, numbers of committees in plants with TWUA contracts, 24; Local 63, committee work on improving quality, 50; interest in price, 71; Local 63, rotation of committee chairmanship at Cheney Brothers, 95; interest in nature of product, 129
- Time and place of meetings, wartime and postwar, 96, 121
- Time study, 51
- Tools, care of, 2, 14, 19, 46, 80; number of committees working on, 52; control, 43, 46, 48, 49; comparison of work of wartime and postwar committees, 52; subcommittees on, 104, 107
- Training, employee training a committee function, 2, 42, 80; for labor-management committee members Norway, France, 5; number of committees working on, 53; committee programs, 58-59; joint apprenticeship committees, 59; percentage of wartime and postwar committees working on, 64; special subcommittees on, 112; controversy over content, 134
- Transportation, employee, 19, 43, 150; number of committees working on, 53, 80; committee programs, 64, 65
- Union business representatives, as committee members, 91, 94, 148, 151, 154
- Union functions, production committees in relation to, 88, 98, 152, 153, 155; special subcommittees in relation to, 106, 113, 114; plan for integrating joint committees with, 161-167
- Unionism, growth, affecting formation of committees, 29, 159; affecting continuance of committees, 32, 33; advantages of joint committees to, 173, 174
- Union-management, coöperation, 3, 125, 130; committees, 3; effect on other union goals, 134; prewar, 144; extension of, 146, 147, 149, 154
- Union president, as committee member, 91, 120, 148, 154; as cochairman, 95, 121
- Unit costs, 1, 44, 137-139

- United States Steel Corporation, number of committees in, 27
- Unit labor costs, as a measure of union-management cooperation, 137, 138
- Upgrading and training. *See* training
- "Value added," as a measure of union-management cooperation, 140-141
- Wage incentives, 51, 52, 126, 127
- Wages, affecting formation and continuance of committees, 29, 30, 33, 37; as workers' chief income, 129; effect of committee work on, 173, 174
- Walpole, G. S., author of *Management and Men*, on the advantages equal representation on committees, 94; on the "common interest" of management and workers, 124
- War activities, 2, 19; committee programs, 65-70
- War Production Board, Labor Division, 10, 16, 17, 18, 35
- War Production Drive Division, War Production Board, formation of, 17, 18, 35; reports from committees, 18; registration of committees, 19, 20; guide, *Ways of Operating a Labor-Management Production Committee*, 54, 63
- War Production Drive Headquarters, 18
- Waste, in materials, 1, 14, 19, 138
- Welfare, 44
- Westinghouse Electric Corporation, Springfield, Mass., problems handled by department committees, 45, 46, 47, 48; management's use of department committee minutes, 100; size of main committee, 93, 94; number of department committees, 101; description of department committee meeting, 103, 104; description of Quality program, department and special subcommittees, 106, 107; results of prewar quality program, 139, 140
- Weyerhaeuser Timber Company, committee work on training, 59; on slogan contests, 68; committee functions in relation to bargaining machinery, 87; description of department committees, 102, 103
- Wheeling Steel Corporation, committee functions and organization, 85
- White Motor Co., cooperative attitudes in labor-management committee with United Automobile Workers, CIO, Local 32, 14; committee work on health, 60; formation of committee, 83; integration of subcommittees with main committee, 89
- Women, as new employees, 89; as committee members, 91, 120
- Woodworkers of America, International, CIO, number of committees in plants with IWA contracts, 24; Local 5-36, committee work on training, 59; on slogan contests, 68; committee work in relation to bargaining machinery, 87; description of department committees at Weyerhaeuser Timber Co., 102, 103
- Work assignment, 43, 46, 146
- Works committees, in European countries, 4-6
- Works Councils, in England, 2
- Works Manager. *See* General Manager

