



# union's role in helping productivity

Productivity  
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by Joseph A. Beirne, President

Washington  
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# union's role in helping productivity

I have been asked to talk about a "Union's Role in Helping Productivity." As you can see, the very title presupposes that a union has a definite and specific role to play in the productivity area. In some uninformed or misinformed quarters, which, unfortunately, seem to have undue access to the public, the claim has been made that unions have traditionally played a role of standing in the way of mechanical progress, and, as a result, hinder rather than help productivity. Further, unions have been accused of "featherbedding" and other malpractices which reduce rather than maximize pro-

ductivity increase potentials. Anyone taking long enough to examine the simple common sense of such claims can only conclude that they are not well founded. The individual worker, probably more so than any other single segment in our society, has the greatest stake in increasing productivity. He stands to gain as a worker, a consumer and ever increasingly, over the years, as a co-investor in business operations. The individual worker knows from practical experience that increased productivity makes it easier for him to achieve a constantly improving standard of living and, in some respects, makes his job easier, cleaner and more satisfying. However, he also knows, and this is most significant, that these things do not come about by some divine order or through the natural beneficence of management. The very real benefits which flow from increased productivity have, in part, been shared by workers primarily because of their insistence and active pressure to that end. Sometimes, a union must take action which appears to, or even may actually, impede increased productivity in the short run. This is almost always done because of larger considerations within which increased productivity is but a fragment.

With this general background in mind, I would like to talk to you today about three areas in which we think unions play a crucial role in helping productivity. *The first lies in humanizing considerations which affect productivity.* Sometimes we forget that it was but a short 25 years ago that the question of whether or not the individual worker has a right to participate in industrial decision-making was still at issue in this country. In the extremely recent past, as history is measured, labor was simply considered another factor in production to be utilized as efficiently as possible at the lowest possible cost. If it occurred to some employers, and I have no doubt that it did, that certain human considerations might increase production or contribute to minimal cost of operation, such considerations were probably given some weight. However, it was seldom, if ever, that production considerations deferred to human considerations. Our historical judgment, and I don't think too many will quarrel with it, is that when management had sole unchallenged power to control indus-

trial activity, it did not give adequate weight to human values. Had it been otherwise, there would have been no need for government intervention and, ultimately, the introduction of industrial democracy through the great American labor movement. Until the Wagner Act and similar so-called "New Deal" legislation, we lived in an industrial jungle.

I wish I could tell you that all managements have learned their historical lesson and, as a result, have developed the habit of humanizing their business considerations even where not required to do so by law or labor agreement. Such may be the case from time to time, in some industries, and, in fact, increasingly, the case in industry as a whole. However, from my vantage point, I am reminded daily of the glaring exceptions which firm up my conclusion that the very same factors in operation back in the 1930s, which created the tremendous need for the American labor movement, are still very much in evidence, although, admittedly, to a lesser overall degree. Let me give you an example.

We are all familiar with the fact that we have been living through a recession of serious magnitude, since the latter part of 1957 and early 1958. While it took some, particularly

***"Good morale, a good attitude and sense of participation and loyalty are always factors affecting productivity."***



government sources, many months to decide whether or not we were actually in a recession, I think the consensus, at this point at least, is that we were in a rather serious recession and are just now beginning to come out of it. In the telephone industry, we were less severely hit, on the whole, than such industries as steel and auto. However, to the 15,000 telephone people who had to be laid off and to the hundreds more put on a short workweek, the situation was of primary magnitude. As soon as layoff and part-timing possibilities started to develop in our industry, we contacted top management people to solicit their active cooperation in minimizing the adverse human effect of contemplated layoffs. They were giving more than adequate attention to financial considerations and not enough to the people involved in the reduced work force situation. For the most part, our concern for human values was met with platitudes and meaningless gestures. In one company, where we happened to obtain a copy of a management training outline designed to assist supervision with handling layoff problems, we found the following language:

*"Question: (Posed by an employee about to be terminated.)  
What are my chances of getting a job with Western*

*"The engineers, the scientists, the management person, are primarily thinking in terms of getting the job done better, cheaper, quicker; he seldom stops to think of the impact on the individual worker."*





Electric or other associated Bell Companies?

*“Answer:* (By Supervisor.) We know of no vacancies in the Western Electric Company or in any of the other associated Bell Companies, and you will have to use your own judgment as to whether you would like to make application with any of them.”

This company outline was dated March 20, 1958.

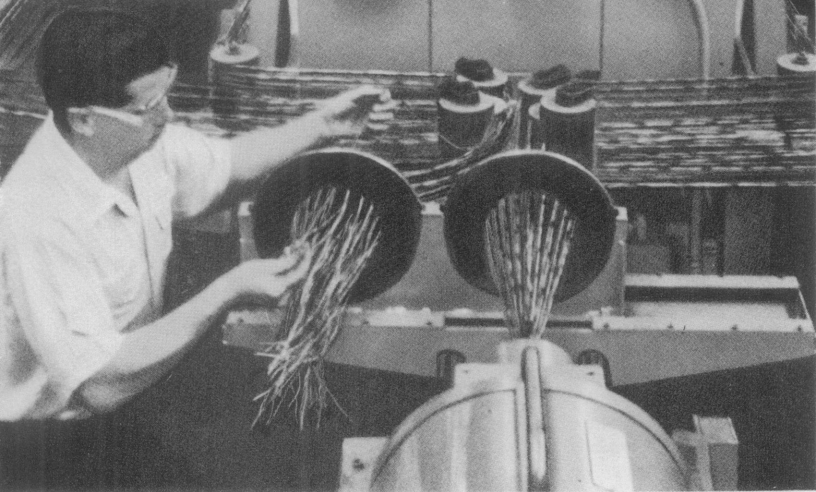
We knew from our own sources that there were limited hirings in some of the Bell System Companies at that time or shortly thereafter—nothing extensive but some opportunities did exist for employment elsewhere in the United States in this nationwide company. How much better it would have been for the telephone companies to establish some nationwide machinery whereby people laid off in one area, if they wanted to, could transfer to other areas where job opportunities were available. Good morale, a good attitude and sense of participation and loyalty are always factors affecting productivity. Management spokesmen are always soliciting these qualities from workers in the performance of their jobs. In return, management promises certain things. The deed often falls short of the promise—as it did in this case. The company in this case failed the worker in an hour of great human need. Those of you who are familiar with the so-called Western Electric-Hawthorne Personnel Studies and that wonderful little volume by Elton Mayo, “Social Problems of an Industrial Civilization,” have some insight into our need (and this means all of us, not just production workers) for a feeling of security and certainty and assured membership in a group. In the words of Mr. Mayo, “Where groups change ceaselessly as jobs and mechanical processes change, the individual inevitably experiences a sense of void, of emptiness . . .” There is no emptier feeling than to be told you are going to lose your job, not because of something you have done or failed to do—but because of “economic conditions.” Had the company tried to place these displaced workers in new jobs, it would not only have been good for these workers about to be laid off but the effect on the remaining workers would have been good and this would have had a direct bearing on productivity in that group of workers.

Since a union meets on a day-to-day basis with management people at all levels, we can bring these kinds of messages daily to where it will have the most effective and important direct results. If a company wants increased productivity and is willing to pay the price in terms of human considerations, any union can show management how this can be accomplished. It seems to us that a good management will quickly understand the value of industrial democracy and will seek the active assistance and cooperation from duly elected representatives of his workers.

*The second important area in which a union can help productivity is basically an extension of the first; namely, to act as an intermediary or liaison between the worker and management in interpreting change or interpreting the need for increased productivity.* Before this role can be maximized, however, there has to be some further improvement in the basic relationships between labor and management. While we have made tremendous progress, there is still, among the two groups, a fundamental feeling of distrust and, more important, a belief in conflicting interests. Too many management people still feel that management goals are, by definition, contrary to the goals of its employees. And, I freely admit that many workers still feel their interests as workers, or as members of a trade union, are in direct conflict with management interests. If this were once true, it is certainly growing less true with each passing generation.

Most American workers are intelligent enough to know that it is to their immediate and direct interest to work for a financially healthy and successful company. Most workers can readily understand that their assistance is necessary, if a company is to achieve that kind of status. Particularly in competitive industries, a worker understands that he must help create a product which can compete for buyers in the market. He is generally eager to do his part. However, he wants to have some say in how he is going to make his contribution. Frequently, new machines or new procedures are not explained sufficiently or far enough in advance by management. Work groups which are inadequately prepared can create real production problems. When the change is explained





*"The tremendous value of on-the-job experience, which many workers have, and which, frequently, gives them insight into operations, which no management person has."*

and the long-run as well as the short-run effects carefully described, the worker's cooperation can be obtained in more cases than not.

Let me give you an example of what I have in mind. In recent years, in a telephone company in the Midwest, new long distance dial equipment was installed. This required some women, who had been working on manual equipment for their entire telephone careers of some twenty or thirty years, to learn new practices and new procedures. It was a situation in which women in their 40s or early 50s were being asked to submit to retraining in which their old skills were, for the most part, to be discarded and they would be required to learn new skills. Of course, we could expect problems. In our opinion, management did its training in a very perfunctory fashion, making insufficient allowance for human problems, and, as a result, productivity was adversely affected. In fact, in some cases, the employees were absent from work because of the emotional stress involved in their

feeling of inadequacy and fear that they could not perform the new procedures correctly.

The union stepped into the void between the company and the worker and attempted, through an understanding and gentle Local Union President, to convince these mature women that they could do the job, if they would just give themselves a chance. In many cases, all that was needed was a little forbearance and understanding of the human values involved.

Another case comes to mind, again in a Midwest telephone company, but a different one in which the company attempted, without consulting the workers or their union, to introduce "patrol operators" to increase productivity. This involved an operator standing behind 10 or 12 seated operators. Her responsibility was to assist any overloaded position by plugging in and helping handle calls too numerous for the seated operator. Sounds good on the surface. However, from a practical standpoint, her actions decreased rather than increased production. The physical situation was awkward as the standing operator attempted to work in between seated operators or over their heads. We proved to the company the fallacy of their plan and they were big enough to accept it.

I would estimate that in any workday, these and similar problems exist in an industrial situation which directly affect productivity. Where good labor-management relations exist, the company and the union can work together in resolving the problems and doing those things which maximize productivity. Unfortunately, some companies resent union intervention and feel that any such union activity implies a management failing or an attempt by the union to usurp sacred management prerogatives. In our opinion, these are immature attitudes which benefit no one. Union loyalty is not inconsistent with loyalty to the company. Those of you who are familiar with Joel Seidman's new book, "The Worker Views His Union," know that the weight of evidence seems to indicate that workers tend to share their loyalty with their union and their company. It seems to us that anyone who attempts to win a worker's loyalty at the expense of any other group is fighting against basic trends in human behavior and cannot obtain the best results for any group.

*A third, and possibly the most important area, in which the union has an active role in helping productivity, is the responsibility to protect the worker from becoming the expendable element in the introduction of new machines, procedures or methods designed to increase productivity. It is in this role that we run into our greatest problems. New machines and methods are generally developed and introduced by engineers or people with management responsibility. Frequently, though not always, these are people who have never been workers in the real sense of the word. While they may be familiar with work operations and, in fact, have actually worked in the job operation, it was done as part of a management training program or as a step toward their ultimate engineering or management work. This, by no stretch of the imagination, gives them worker-status nor does it invest them with an understanding of the production worker's basic orientation. The engineers, the scientists, the management person, are primarily thinking in terms of getting the job done better, cheaper, quicker, more*

*"The American worker, and I think we are all grateful for this, has learned the habit of democracy."*





***"Unions play a crucial role in humanizing considerations which affect productivity."***

efficiently. He seldom, if ever, stops to think of the impact of his new procedure, method, or machine on the individual worker or, for that matter, on any particular group in society or the country as a whole. He is generally dedicated to the concept that improvement, per se, is good and that his new method or procedure is really an improvement. He is frequently correct. He is sometimes wrong. Most workers will readily go along with a change in method or procedure which will increase productivity, provided the following elements are also present:

A. First, an understanding of the new procedure or method and adequate training to do the operation.

B. Some indication of how he will share in the benefits which result from these changes.

C. That his job will not be eliminated as a result of the procedure or new method and/or that he will not be required to speed up his operations unduly or have them changed so as to detract from his job satisfaction.

I realize that this is a tall order for any management to meet. Some of you may be saying to yourself, "Why that's ridiculous.

No company, no management, no planning group can meet all those requirements. There'd be no progress if they had to." I don't agree with that. In fact, in my opinion, it is only to the extent that you can fulfill a major portion of these three elements that you can have real industrial progress. If the major portion of these elements is not met, you will find roadblocks in your way. They will not be created artificially by some union bureaucrat but created in a very real sense by the need and pressure of the workers involved. The machinery they have developed to express their feelings we now know as a union. However, call it what you will, the workers will find a way to get together and resist changes which do not meet the three elements I have described above.

The American worker, and I think we are all grateful for this, has learned the habit of democracy. It is unrealistic to think that he will abandon that habit at the door of his office or plant and confine it only to his home and his community. I am happy to say that we, in the industrial area, are stuck with this habit of democracy and we must, together, learn to channel it in the most constructive directions possible. Change for the sake of change only is, of course, unproductive. Most of us think of change and increased productivity in terms of a better life for all of us. However, this doesn't happen automatically or necessarily. And the planning levels in business must understand this. Frequently, the workers involved and their chosen representatives can demonstrate how something can be done better or at a better time or not at all. To assume that management has a monopoly on knowledge and understanding of industrial processes is to overlook the tremendous value of on-the-job experience, which many workers have and which frequently, gives them insight into operations which no management person has.

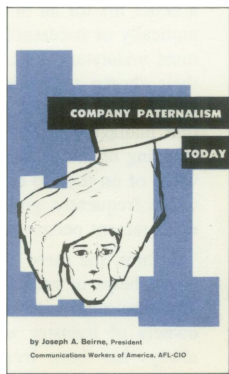
I think the three roles which I have described in which a union helps in productivity areas are all interrelated and all are consistent with management's interests, the interests of owners of industry and the public at large. There is and always has been tremendous mutuality in this problem of increasing productivity. At particular points in a collective bargaining relationship between a union and a company, it



may appear that they are at odds with respect to increased productivity. However, it seems to us that anyone must conclude that, on the over-all, unions and companies have cooperated and both have contributed to the tremendous upsurge in productivity over the years. Certainly, this factor has been well recognized by those unions and companies which have written into their contracts annual improvement factors for recognized contributions to increased productivity.

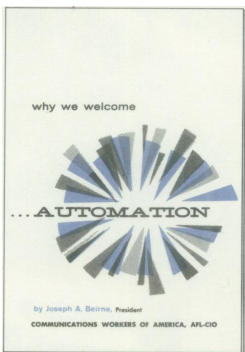
If we could characterize the basic attitude of unions, we might say that they hold human considerations first; where increased productivity is inconsistent with job security, in the broad sense of the term, with human dignity and an increasing standard of living, the worker and his union will find it difficult, if not impossible, to understand their stake in increased productivity. Where a management or a planning group can demonstrate that increased productivity is consistent with ultimate job security, human dignity and an ever-increasing standard of living, that management or planning group will find the worker and his union not only at management's side but, indeed, ten steps ahead in striving to increase productivity.

**other printed statements  
by Mr. Beirne**



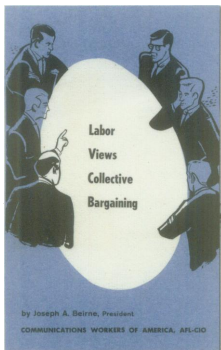
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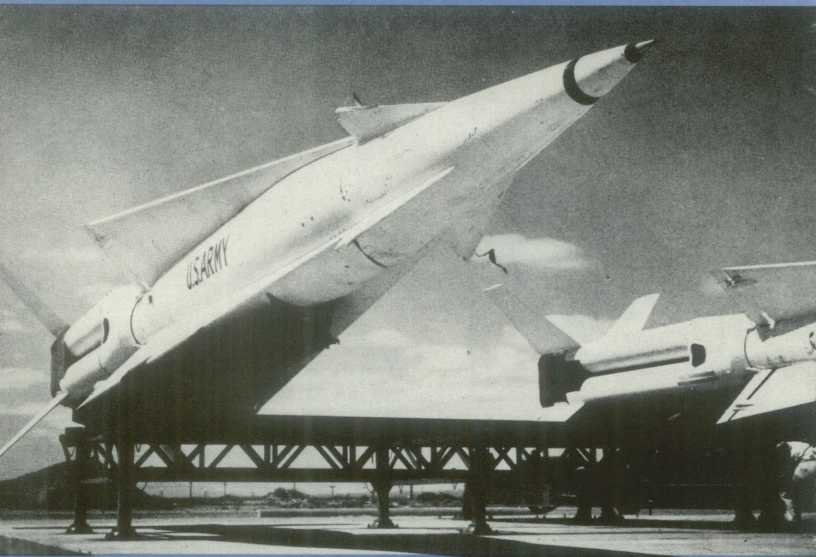


## **labor views collective bargaining**

union's role

in helping productivity

*"The individual worker . . . has the greatest stake in increasing productivity."*



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