

# INDUSTRIAL RELATIONS CONFERENCE

## Humphrey to Speak At Conference For Management

A major conference on equal employment opportunity will be held for management representatives from 12 western states on June 10 in San Francisco.

The program, which will include speakers from government and industry, is cosponsored by the Institute and the Plans for Progress section of the President's Committee on Equal Employment Opportunity.

Vice President Hubert H. Humphrey, who is chairman of the President's Committee, will address the conference.

Plans for Progress is a voluntary, cooperative program in which more than three hundred major companies have joined to provide leadership in the national equal opportunity program. The June 10 conference is the third in a nation-wide series.

In announcing the conference, Vice President Humphrey noted that the seminars "help to impress on people the good, sound economic sense of equal opportunity." For example, the President's Council of Economic Advisers reported that racial discrimination costs the economy some \$23 billion annually.

Rudolph A. Peterson, President of Bank of America, is honorary chairman of the conference; Norman E. Nicholson, Vice President of Kaiser Industries, is general chairman.

Those interested should phone John Hislop, Coordinator of Management Programs, TH 5-6000, Ext. 2571.

## Employment Conference To Be Held This Fall

The Institute has been asked by Governor Edmund G. Brown to arrange a conference on "Employment in California" to be held September 30 to October 3.

A group of labor and business representatives, academicians, and government officials will discuss employment, unemployment, and public policies as they relate to the goal of full utilization of the state's manpower and productive resources.

## New Coordinator



Oliver E. McMillan, Jr.

Oliver E. McMillan, Jr., has been appointed Associate Coordinator of Labor Programs. His primary task at the Center will be to develop resource materials for basic labor education courses, seminars, and conferences.

A former newspaper and television writer, McMillan was employed from 1961-1964 as an Information Officer for the California Department of Industrial Relations and most recently held the post of Assistant Executive Secretary of the San Francisco-Oakland Newspaper Guild, AFL-CIO.

## Labor Center Completes First 'Pathfinder' Report

The Center for Labor Research and Education is presently developing a "pathfinder" research service for labor leaders who need detailed information on specific problem areas.

The first background paper—undertaken at the request of the San Francisco Labor Council—has now been completed. Written by John Simons, an Institute staff member, it deals with, "Extending Mental Health Services to Blue-Collar Workers and Low-Income Groups in San Francisco."

The paper summarizes the nature of the problem, the resources available to the community, and the experimental projects in progress. Special attention is

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## Annual Meeting to Consider Problems of Job Training

The Institute's annual Industrial Relations Conference will be held on May 26 at the St. Francis Hotel in San Francisco.

Stanley Ruttenberg, U. S. Manpower Administrator, and Francis S. Quillan, Senior Vice President of Prudential Insurance, will be among those addressing the conference.

Speakers and two panel sessions will consider various aspects of **Job Training and Industrial Relations**.

The one-day meeting is open to all interested persons. Fee for the day, including lunch and dinner, is \$15.

Following registration in the Colonial Ballroom, the conference will begin at 9:15 a.m. with opening remarks by Lloyd Ulman, Institute Director. The first speaker, George Strauss, University Professor of Business Administration, will present an **Operational Analysis of Training Programs**.

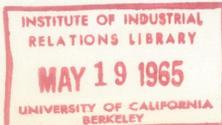
A panel symposium will follow on **Evaluating Training Programs**, chaired by Curtis Aller, Professor of Economics at San Francisco State College. The speakers, who will deal with such subjects as job placement of trainees, durability of skills, and programs in the U. S. and abroad, will include:

George Ebej, Director of Research and Planning, College of San Mateo; Margaret S. Gordon, Institute Associate Director; Donald H. Roney, Chief, Office of Manpower Training and Utilization, California Department of Employment; Percy H. Steele, Executive Director, Bay Area Urban League; Margaret Thal-Larsen, Executive Secretary, California Commission on Manpower, Automation, and Technology.

Quillan will speak at the luncheon on **Rescuing the High School Drop-Out**.

The afternoon session will be a panel discussion of **The Respective Roles of On-the-Job and Classroom Training**. Six speakers will participate, under the chairmanship of Harold Wilensky, University Professor of Sociology; C. R. Bartalini, Secretary, Bay Area Council of Carpenters; Leonard Beanland, Person-

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## CURRENT RESEARCH ACTIVITIES

The third annual conference to be held under the auspices of the Institute's research program on Unemployment and the American Economy has been arranged for June 14-16 at the Biltmore Hotel, New York. The subject to be discussed is "The Last Five Years: Economic Expansion and Persisting Unemployment." Conference participants will include about forty economists from academic, government, management, and labor organizations.

Papers to be presented will be concerned with the expansion of aggregate demand, labor force participation and disguised unemployment, the changing level and pattern of employment, lessons from the pattern of unemployment of the last five years, and wage levels and differentials. The authors and discussants of papers will be Gertrude Bancroft, William Bowen, Harry Douty, Otto Eckstein, Solomon Fabricant, Harold Goldstein, Margaret S. Gordon, R. A. Gordon, George H. Hildebrand, Edward Kalachek, Charles Killingsworth, Stanley Lebergott, Jacob Mincer, Joseph Pechman, Melvin W. Reder, Albert Rees, Lester Thurow, and Lloyd Ulman.

The Institute's four-year study of Unemployment and the American Economy is supported by a grant from the Ford Foundation.

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Arrangements have been made with the Chandler Publishing Company of San Francisco to publish the papers presented at the national Conference on Poverty in America, which was held on the Berkeley campus, February 26-28. It is anticipated that the volume, which will be issued in both paperback and hardcover editions, will be available in September. Margaret S. Gordon, Associate Director of the Institute, is editing the papers, and Lloyd Ulman, Institute Director and conference chairman, is preparing a foreword for the book.

The conference program included such distinguished speakers as Marion B. Folsom, Director of Eastman Kodak Company; Michael Harrington, author of *The Other America*; Daniel P. Moynihan, Assistant Secretary of Labor; Gunnar Myrdal, the eminent Swedish economist; Gösta Rehn, Director of the Manpower and Social Affairs Division, Organization for Economic Cooperation and Development; and Neil V. Sullivan, Berkeley Superintendent of Schools.

## INSTITUTE PUBLICATIONS

### BOOKS

#### **The Negro and Organized Labor**

By Ray Marshall

(New York, London, and Sydney: John Wiley & Sons, 1965; \$6.95)

An objective analysis of the relations between the Negro and organized labor, with emphasis on the factors responsible for the evolution of union racial practices.

#### **Employment Policy and the Labor Market**

Edited by Arthur M. Ross

(Berkeley and Los Angeles: University of California Press, 1965; \$7.50)

A collection of papers presented at the second annual conference conducted under the auspices of the Institute's research program on Unemployment and the American Economy, held at Boulder, Colorado, June 1964.

#### **Nation-Building and Citizenship: Studies of Our Changing Social Order**

By Reinhard Bendix

(New York, London, and Sydney: John Wiley & Sons, 1964; \$7.75)

In this first volume to be issued under the Institute's research and training program in Comparative Developmental Studies (jointly sponsored with the Institute of International Studies), Professor Bendix analyzes the process of nation-building in Western Europe, with a view to developing guidelines for the comparative study of nation-building in the non-Western world.

### CONFERENCE PROCEEDINGS

**Long-Term Manpower Projections**, proceedings of a conference conducted by the Institute's research program on Unemployment and the American Economy in Washington, D.C., June 25-26, 1964 (copies available at \$1). Methods of making long-term projections of labor force, employment, occupational changes, etc., are discussed by government officials. The proceedings were edited by R. A. Gordon.

### SPECIAL REPORT

#### **Retraining in Western Europe**

By Margaret S. Gordon

(To be published by the Office of Manpower, Automation, and Training, U. S. Department of Labor, and also to be included in the Institute's reprint series)

A comparative analysis of retraining and related labor market adjustment policies in seven Western European countries—Belgium, France, Great Britain, Italy, The Netherlands, Sweden, and West Germany.

### RECENT REPRINTS

**Varieties of Work Experience**, by Harold L. Wilensky (No. 231)

**Mass Society and Mass Culture: Interdependence or Independence**, by Harold L. Wilensky (No. 232)

**Political Religion in the New Nations**, by David Apter (No. 233)

**Has Structural Unemployment Worsened?** by R. A. Gordon (No. 234)

**Collective Bargaining in the Federal Civil Service**, by B. V. H. Schneider (No. 235)

**Labor and the Academicians**, by George Strauss (No. 236)

**Professional or Employee-Oriented: Dilemma for Engineering Unions**, by George Strauss (No. 237)

**Work-Flow Frictions, Interfunctionary Rivalry, and Professionalism: A Case Study of Purchasing Agents**, by George Strauss (No. 238)

**How Do We Use Our Engineers and Scientists?** by Arthur M. Ross (No. 239)

**The Effects of 'Tall' Versus 'Flat' Organization Structures on Managerial Job Satisfaction**, by Lyman W. Porter and E. E. Lawler (No. 240)

**The United States—The First New Nation**, by S. M. Lipset (No. 241)

**The Professionalization of Everyone?** by Harold L. Wilensky (No. 242)

**Why Managers Cultivate Social Responsibility**, by Earl F. Cheit (No. 243)

**Political Cleavages in 'Developed' and 'Emerging' Politics**, by Seymour M. Lipset (No. 244)

**Labor Courses: The Need for Radical Reconstruction**, by Arthur M. Ross (No. 245)

*(Single reprints free; additional copies, 20 cents each.)*

# THE VALUE OF CONFLICT AMONG STAFFS

**George Strauss**

*(The following is abstracted from an article which appeared in Human Organization, Summer 1964. Dr. Strauss is a University Professor of Business Administration and a Research Economist at the Institute of Industrial Relations.)*

I have a hunch that every staff or functional group in industry feels its true worth to be underrecognized. Engineers, personnel men, accountants, quality control men, all claim to be underdogs (and in the same breath, to be in a unique, middle-of-the-road position, ground down by opposing forces).

Since status is a relative matter and obviously all groups cannot be top dog at once, interdepartmental conflict is inevitable. Even were status not an issue, one should expect friction from the very nature of the staff or functional specialist's job. Production men make things and their accomplishments are visible to the eye. Staff men make ideas and can feel success and demonstrate accomplishment only to the extent other departments accept these ideas (willingly or otherwise).

In addition, different departments bring very different views to the situation. More than a conflict of perception is involved, there are very real differences in the objectives of various functional groups, and one objective can be achieved only at the partial expense of another.

## **Staff Men and Management**

These problems may be accentuated by unrealistic managerial ideology. According to traditional theory, staff's primary function is to advise higher management. But staff groups perform such important functions today that the lines of communication would be hopelessly blocked were activities, in fact, cleared through the common boss. Staff men must work directly through other departments if they want to get things done. Similarly, as "experts" they are trained to deal with problems in rational, this-is-the-right-answer terms and expect that their proposals will be evaluated on their own merits, not in terms of power bargaining. Yet staff men must not only develop the right answers, but must be able to win their acceptance by others. To a considerable extent staff men are left to devise their own means of survival, making use of whatever bargaining weapons they can muster. Understandably, many feel

that higher management has abandoned them.

The trend towards professionalism can be explained, in part, in terms of the staff groups' acceptance of the fact that they must sink or swim on their own. The debate, which runs in many staff groups, "Are we professional or are we management?" involves questions of identification and loyalty as well as self-interest. Many staff men, convinced that their jobs are dead-end and that management gives them too little recognition, turn to professionalism both as a means of bolstering their self-concept and as an ideological weapon to use against other departments.

## **Model for the Future?**

But as one group dons the cloak of professionalism, other groups seek to do likewise in self-defense. Thus, to take an extreme case, in the hospital, where the status and power of top management is relatively weak, we see a vast proliferation of professional and semiprofessional occupational associations, covering groups ranging from housekeepers through medical librarians and lab technicians. Each organization fights for the economic and social welfare of its members, and many seek the full accouterments of professionalism. In this sense, the hospital may possibly provide a model for the firm of the future.

The picture of the company we get from the staff man's frame of reference is very different from that presented by many organizational theorists. It is not that of a highly coordinated organization, tightly controlled by top management. Rather it is one of a number of semi-autonomous departments which keep each other in line through a series of checks and balances.

On the surface, at least, this seems to be a highly inefficient way of doing things. Even routine decisions seem to involve a number of departments, each with its special point of view. Decisions seem to be made as much on the basis of pressure politics and implicit bargaining as of rational analysis, and there is no one department to bear the final responsibility. Certainly a case can be made for a unified systems approach which would take all variables into account.

Inefficient as it may seem, perhaps the system of checks and balances has its virtues in the industrial scene just as it does in the national state. The restricted

"professional" viewpoint tends to counterbalance the excessive conformity and rigidity of "organization man."

Interdepartmental conflicts encourage the free competition of new ideas (as well as giving top management a chance to evaluate subordinates' behavior). Since each department has only a partial picture of the entire organization, competition improves the quality of each department's thinking and forces it to take the other department's point of view into consideration. In large organizations such internal competition tends to substitute for the external competition of the market place.

A centralized, "programmed" decision-making procedure may give apparently optimum solutions, but suppose the original program is wrong? Mechanical decision-making programs may be useful when the relevant dimensions can be stated in measurable, numerical terms. But the optimum is less immediately apparent when intangibles, such as morale or consumer good will, are involved. Built-in checks and balances exist in many organizations, for example, the consumer's counsel in some government agencies and devil's advocate in the Catholic church. Theoretically, these divide responsibility, but they also insure that, as Landsberger says, "the organization may benefit from having all sides of a problem clearly argued by some group within it." In addition, it can be argued that, with proper safeguards, the checks-and-balances system permits problems to be safely resolved at lower levels, thus saving top management's time as well as giving subordinates a greater feeling of participation.

## **Management's Problem**

This approach is not without dangers.

(1) Interdepartmental friction may cut down on operating efficiency. (2) One functional group may become extremely powerful and induce the organization to pursue professional rather than economic objectives. (3) Compromises based on relative power position may not be best for the organization as a whole.

The task of higher management, then (and it is not an easy one), is to devise means which, on the one hand, facilitate the harmonious disposition of such differences as may be best resolved at lower levels, and, on the other hand, insure that top management makes those decisions which are appropriately its own.

# ITEMS OF INTEREST . . .

## Basic Labor Education

The Center for Labor Research and Education has been working with a number of labor organizations to establish courses in such subjects as Shop Stewards' Training, Local Union Administration, Communications, Arbitration, Labor Law, Leadership Skills, Contract Negotiation, Labor History and Philosophy, and Social Legislation.

The Northern California Council of the American Federation of Government Employees is sponsoring a two-day leadership training course at Santa Rosa on July 16-18, and the Superior Council, AFGE, will sponsor one in Sacramento, September 17-19. Lodge 1533 at the Oakland Naval Supply Center is planning a union leadership course for late in the spring.

A one-week residential leadership school of International Association of Machinists business representatives and chairmen will be held at the Marine Cooks and Stewards Training School at Santa Rosa May 9-14. The IAM's advanced leadership summer school will be conducted on the Berkeley Campus, July 11-16.

The second session of a continuing program of shop steward training for the Department Store Employees Local 1100 of the Retail Clerks International Association will be held on May 16 in San Francisco.

During the first week of August the Center will cosponsor a summer institute at Santa Barbara with the UCLA Center and the California Federation of Labor.

## Management Program

The Institute's Management Program continues to offer a variety of special services. For a company or group of companies wishing instruction for personnel in a specific area of industrial relations, the Institute will organize and staff a conference or workshop on a contractual basis. The Institute also organizes, on

its own initiative, seminars and conferences on problems of general interest to the management community.

A series of two-day conferences for middle and upper management personnel of the Pacific Gas and Electric Company is presently under way. Sessions concentrate on the fiscal implications of engineering design and construction, decision-making, techniques and problems in the field of personnel motivation, and modern management.

A one-week training course for middle management personnel at Travis Air Force Base and selected personnel from nearby military and other governmental installations was held in April.

A special eight-session course for supervisory employees of the University of California Library has also just ended. Training focussed on the techniques of supervision.

The Personnel Administration and Philosophy of Management Seminars continue to meet monthly.

## Labor History Bibliography

The UCLA Institute has published *A Selective Bibliography of California Labor History* by Mitchell Slobodek (\$4). This annotated and indexed volume of 265 pages lists materials which are almost all in accessible library collections. It should prove of great value to persons who research in California labor and industrial relations.

## Moderate Income Housing

The Institute's Labor Center has been asked to assist the Alameda County Central Labor Council in its investigations into housing needs and costs and the possibility of labor sponsorship of housing projects under Section 221(d)3 of the 1961 federal housing act. So far, the Center has prepared background information and assisted in the presentation of an educational seminar.

## Annual Conference

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nel Manager, Pacific Gas and Electric Company, San Francisco; Jack Brookins, Dean, Technical Vocational Education, Southwestern Oregon College; R. J. Cuyler, District Education Manager, IBM Corporation; Charles F. Hanna, Chief, California Division of Apprenticeship Standards; Morris Skinner, Regional Director, U. S. Bureau of Apprenticeship and Training.

After a reception, Ruttenberg will speak at dinner on **New Horizons in Manpower Programs**.

Further information on the conference may be obtained by phoning TH 5-6000, Ext. 2571.

## 'Pathfinder' Report

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given to the problem of providing service and to alternative approaches which the Labor Council, in cooperation with professional suppliers of care, might pursue.

A community committee will shortly be formed to consider and act on the issues clarified by the "pathfinder" paper.

## War Against Poverty

A two-day state-wide conference on "Labor and the War Against Poverty" was presented in April by the State Office of Economic Opportunity, the California Labor Federation, AFL-CIO, and the Berkeley and UCLA Labor Centers. Concentration was on labor's role in community action and youth training programs and how it can participate in anti-poverty programs as project sponsors.

## Labor Press

An International Labor Press Association chapter was formed for California in February. The chapter proposes to develop, in cooperation with the California Labor Federation, AFL-CIO, a continuing relationship with the Institute's Labor Center which will include professional training on a variety of levels for labor editors and utilization in the labor press of academic research and other materials.

## INSTITUTE OF INDUSTRIAL RELATIONS

# BULLETIN

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