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Dissent at NUMMI?

by Alice Burton

More than any other plant, New United Motors Manufacturing Incorporated (NUMMI), has become the model of cooperative, team-based production in the United States. Combining record productivity and quality levels with union representation and unprecedented job security, NUMMI is widely considered a success by both labor and management. As many auto workers face layoffs and plant closures, an estimated 700 new workers have been hired by NUMMI this last year to run the first Toyota compact truck line in the U.S. It would seem that everyone gets what they want at NUMMI.

Given NUMMI's track record, the victory of the long-time dissident People's Caucus in the Fremont Local's election last June was cause for attention. A local newspaper's headline bluntly asked, "Is NUMMI Model Working?" and a *Labor Notes* article answered: "Honeymoon May Be Over At NUMMI". Loosely affiliated with the national UAW challenger, New Directions, the People's Caucus has been a voice in union politics at NUMMI from the beginning. However, in this election for the first time, the People's Caucus won the union presidency and a majority of seats on the bargaining committee. Long-time chairperson and Administration Caucus member, George Nano retained his position by only a narrow margin. On the surface it would appear that change is afoot at NUMMI.

The news coverage of the election results was largely speculative, and there has since been little follow up about changes in union strategy. Successful not just at manufacturing cars and trucks, NUMMI management and the local UAW leadership is savvy and restrained in its public relations, thus the lack of coverage is not surprising. This article asks what many interested in NUMMI have wondered: does the People's Caucus owe its success to worker's opposition to the NUMMI

system of teams and cooperative labor relations, and, if yes, what specifically are workers protesting? The official answer is "no"—leaders of the People's Caucus have never taken a stand against the teams, as they were introduced by Toyota originally in the plant. People's Caucus members do, however, criticize components of cooperation; for example, the emphasis on quick informal resolutions of grievances, that management sees as central to the team system. There is no one simple answer to the People's Caucus appeal; however, this article will discuss the background of opposition and clarify the People's Caucus' criticism of the NUMMI system.

The NUMMI System

Production organized in small groups and cooperative labor relations are distinct but complementary parts of the NUMMI system, as it is formally designed. Groups of 4 or 5 production workers, led by a team leader (also a union member), work together on tasks. A group leader, the lowest level manager, supervises anywhere from 2-6 teams. Unlike conventional assembly line workers, team members are encouraged by their leaders during problem-solving sessions to develop more efficient and safer ways of working. Workers also have the discretion to pull a cord to stop the line if they feel that quality is being sacrificed in assembly. Unlike the myriad of job classifications that existed at GM-Fremont, there are three basic categories of production workers. The "generalized skills" held by all workers facilitate a rotation policy that allows workers to carry out a variety of tasks in the plant.

Labor relations are envisioned as a cooperative matter which ideally should be carried out at the lowest, most informal level possible, preferably in the teams themselves. Employees must approach their team or group leader before taking a complaint to a union coordinator. Managers, in turn, are encouraged to listen and quickly respond to employees' problems. Unlike the union representatives in most auto plants, the NUMMI coordinators (comparable to shop stewards) are strongly discouraged from taking care of union business during working hours. The union presence on the shop floor at NUMMI is minimal and it has been indicated that formal grievances are similarly minimized. NUMMI's strictly enforced policies toward absenteeism, tardiness, breaks, and drug and alcohol abuse leave little room for labor-management negotiations. Enforcing explicit policies and encouraging conflict-resolution within small groups, supports NUMMI's emphasis on quality, productivity, and consensus.

Criticism of the Team Concept

"Consensus for whom and at what cost?" is the question analysts and critics of NUMMI, such as Parker and Slaughter have asked in their 1988 book *Choosing Sides: Unions and the Team Concept*. Charging that NUMMI operates not on consensus but "management by stress", Parker and Slaughter argue that workers comply with the demands of team production because they feel that they don't have any choice. Out of work for two years before they were rehired, many NUMMI employees they talked with fear layoffs and unemployment. The team concept at NUMMI in Parker's and Slaughter's view is merely a justification for a speed-up, harsh absentee policies, and a diminished union role. The replacement of job classifications with generalized skills hurts older workers who are forced to keep up with the athletic pace of the line, according to the authors.

Although Parker and Slaughter are ideologically opposed to teams (viewing them as a useful way for management to exploit the special skills and inventiveness of workers without rewarding them fairly in profit-sharing or other economically just policies), they acknowledge that some team production systems are better for workers than others. NUMMI, in their opinion, is a bad place to work even out of all the companies implementing team-based production. Their findings about NUMMI have received criticism, and in least one case refutation. Clair Brown and Michael Reich, professors of economics at UC Berkeley, argue that NUMMI management has gained the cooperation of workers through its credible no-layoff policy rather than through intimidation.

Beyond these disagreements, however, many of Parker's and Slaughter's observations about work at NUMMI have been echoed in other accounts. The break neck pace of work and physical difficulty of keeping up with the line is repeated in virtually any interview with a NUMMI employee. Some report running to keep up or going home so exhausted that they fall into bed. A UAW representative interviewed for a 1988 Stanford University study, conducted by Paul Adler, acknowledged about the work that "the bottom line is that it's repetitive physical work that is as boring as hell." The absentee policy, in which one is limited to 3 absences—medical or otherwise—in a 90 day period, and surpassing this four times in a year leads to automatic firing, is cited by some workers and union representatives, as a problem.

The People's Caucus

Curiously, the oft-repeated complaints of NUMMI employees against the pace of team-based production or stringent rules have not been the key issue for the People's Caucus. In fact, the People's Caucus candidates came to office amidst workers' wide-spread dissatisfaction over a loss in starting wages—a traditional concern of employees in any kind of workplace. Whereas the starting wages had been 85% of the full wage for 15 months, they dropped to 75% for the employees' first two years of work. With 700 new employees scheduled to be put on the truck line this represents an enor-

mous benefit for the company—and loss for the workers. A two-tiered wage structure creates a real threat that more senior workers will be expendable in the company's view. Adding insult to injury, the negotiations over the starting wage occurred between management and union officials in a special session before the negotiation of the contract, which left some employees angry.

Given this mundane explanation of the People's Caucus win, how can we evaluate NUMMI workers' attitudes toward teams and cooperative labor relations? When I interviewed Charles Curry, then newly-elected president and People's Caucus candidate, he assured me that he thought teams were the only way to organize work now and in the future if manufacturing is to remain competitive. He merely wants to make them work better, to work the way they are supposed to. When asked how he planned to do this, Curry didn't reveal specifics other than to say that workers didn't feel as if they were being "listened to" by management. He suggested that union representation and advocacy could assist in the communication process between workers and group leaders. He explained that the Administration Caucus had lost touch with many of the workers by not making personal contacts. Bob Fernandez, Financial Secretary and People's Caucus founder, echoed this in his comments that newer employees didn't know what the Administration Caucus leaders looked like even after six months or more of work.

The gains of the People's Caucus indicates not so much a dissatisfaction with team-based production as with the union's hands-off approach to conflicts that arise on the shop floor. The union's concession on starting wages may be particularly unpalatable to employees if they are not able to see what it is that their union does for them. The People's Caucus' approach, rather than to criticize teams or even the principle of cooperative labor relations is to try to make managers more accountable to the philosophy of listening to employees and responding to their complaints. Employees in traditional plants which rely on more formalized grievance procedures don't have the expectation that managers will listen to them and take steps to address their complaint outside of the grievance process. The People's Caucus appears to be responding to a new expectation that is a by-product of cooperative labor relations. Using a similar set of expectations or logic, workers-team members staged a slow-down in the Springfield-Saturn Plant over management's increase in production quotas during a planned walk-through by executives the workers let it be known that "quality" was being sacrificed.

Contrary to much of what we read about NUMMI employee's dissatisfactions, it appears that dissent is being registered selectively by the People's Caucus. Rather than challenging the legitimacy of the team-based system, workers reinforce the aspects of team cooperation that they see as strengthening their position. NUMMI workers appear poised to collect all of the benefits of the NUMMI system even if they are not freely offered.

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