

IR NEWS

INSTITUTE OF INDUSTRIAL RELATIONS AT UCLA

IR NEWS is a publication of the Institute of Industrial Relations in cooperation with the Industrial Relations Alumni Association. Its purpose is to acquaint persons interested in industrial relations with current research and educational programs — with particular emphasis on those in Southern California.

APRIL, 1957

ARTHUR J. GOLDBERG TO MAKE TWO PUBLIC ADDRESSES IN LOS ANGELES ON FRIDAY, APRIL 12

The Institute of Industrial Relations is pleased to announce its sponsorship of two public lectures by Arthur J. Goldberg, prominent labor attorney. Mr. Goldberg is presently serving as Special Counsel for the AFL-CIO and General Counsel for both the United Steelworkers of America and the Industrial Union Department of the AFL-CIO.

Mr. Goldberg received nationwide recognition for his work as the principal draftsman of the plan for the AFL-CIO merger. His participation in all of the merger meetings qualified him, probably more than any other man, to write the authoritative account of these negotiations. His recently published book, **AFL-CIO: Labor United**, should be read by all students of labor relations. Mr. Goldberg was educated in the law at Northwestern University. He then entered the legal profession and served in a number of

law firms in Chicago. In 1948 he was appointed General Counsel to both the CIO and the Steelworkers. In addition to being a frequent contributor to scholarly journals, he serves as a Trustee of the Philip Murray Memorial Foundation and as a Director of the Amalgamated Trust and Savings Bank and the Amalgamated Life and Health Insurance Company.

Mr. Goldberg will give a public lecture on the UCLA campus, Room 191 of the Business Administration and Economics Building, at 3:30 p.m. on Friday, April 12. His subject will be "The AFL-CIO Merger." The same evening, he will speak at a dinner meeting at Scully's Restaurant, 4801 Crenshaw Boulevard, on "Future Developments in Industrial Relations." Reservations for dinner, the cost of which is \$2.75, may be made by calling BRadshaw 2-6161, Ext. 425, by Wednesday, April 10.

THIRTY-TWO TO RECEIVE CERTIFICATES IN INDUSTRIAL RELATIONS

The Institute of Industrial Relations and University Extension wish to congratulate those persons who have successfully completed the required eight evening courses and thereby qualified for their Certificates. Certificates will be granted at a Spring Award Dinner scheduled for Friday evening, April 12, at Scully's Restaurant. The details of the dinner, which will be addressed by Arthur J. Goldberg, are listed in the above article.

A tentative list of graduates is as follows: James H. Anderson, Dean Martin Bowles, Frances Henrietta Bowles, Charles William

Bradshaw, Jr., Donald A. Bronson, Siegfried G. Demke, Jack Dweck, Dominic Anthony Fiorane, Leland G. Fuller, Gerald Goodz, Alfred J. Groh, Jesse L. Holloway, Arthur E. Hunter, Woodrow W. Judkins, G. Harold Klein, Robert G. Lamb, Rowley H. Lascelles, Peter E. Martinez, Marion S. Mayne, Pasquale Monteleone, Roy Morton, James Murray, Harold Everett Nelson, Quentin K. Peterson, Leon Sinitzky Sigurd Van Leewen Walter Voss, Sheldon H. Walter, George M. Warren, Jr., Ben West, Lawrence P. Wedeen, Daniel A. Zaich.

CURRENT RESEARCH PROJECTS OF THE INSTITUTE OF INDUSTRIAL RELATIONS

One of the interesting features of the Institute's research staff is the number of specialties and academic disciplines represented among its members. This has permitted the Institute to carry on a research program in a variety of fields directly related to industrial relations. Some idea of the scope of current research activities may be gained from the following list. These projects will all ultimately result in publications through which the research findings will be made available to the public.

Human Relations

Studies evaluating human relations training in general and sensitivity training in particular, entitled "Yardsticks for Human Relations Training," "Some Perceptual Changes during Sensitivity Training," and "The Trainer Role in Human Relations Training" (Tannenbaum, Weschler, Zenger, Lohmann, and Reisel).

Theoretical paper entitled "Leadership: A Frame of Reference" (Tannenbaum and Massarik).

Study on "Varieties of Leader Behaviors" (Tannenbaum with Schmidt of University Extension).

Study of the interpersonal influence in nursing (MacAndrew and Meyer).

Industrial Management

A book analyzing executive behavior, **Of Managers As Men** (Dalton).

A book describing the development of bureaucracy in a small firm (Dalton).

Labor Economics

An essay entitled "The Economic Effects of Unionism" (Hildebrand).

Labor History

A two volume history of American labor from the twenties to World War II (Bernstein).

A biography entitled **Andrew Furuseth: Emancipator of the Seamen** (Weintraub).

Labor Law

A casebook entitled "**The Employment Relation and the Law**" (Aaron, editor in charge).

A book on the impact of the government loyalty-security program on the legal status, internal affairs, and collective bargaining policies of unions (Aaron).

Labor-Management Relations

Article on procedural problems in arbitration (Aaron).

MAJOR CHALLENGES OF INDUSTRIAL RELATIONS EXPLORED BY PROFESSOR PHELPS

The main job in the years ahead for the various groups involved in industrial relations is to make the labor market work. Modern society is built squarely on the labor market. If it functions well, firms will produce efficiently, employees will prosper, and there will be both security and opportunity for all.

The operation of the labor market has inevitably fallen into the hands of professional specialists in industrial relations. This has been due to the complicated "structuring" of that market during the past twenty-five years stemming from labor legislation, administrative decisions and regulations, labor agreements, and arbitration awards. It is not widely enough recognized that major arbitration awards and the opinions accompanying them have been spelling out the basic principles of personnel administration in American industry. Such opinions are required reading for anyone

in industrial relations today, since the principles of contract interpretation which arbitrators use constitute precedents.

INFLUENCE OF ARBITRATION AWARDS

The elaboration and perfection, through arbitration, of a quasi-judicial machinery for contract interpretation is the final and conclusive factor bringing about the transfer of key personnel functions from line officers to professional specialists in industrial relations. This gradual but steady and inexorable shift of responsibilities and decisions away from line personnel is the most significant current development in industrial relations. This shift has been inevitable, not because line officers cannot read and understand what they read. But to know what a contract contains and what it means, one must have time to read, not only the agreement, but also the

interpretive opinions, and this is rapidly becoming a full-time job. A supervisor without knowledge of the rules of contract interpretation can be both ineffective and expensive to the company, no matter how good he is on technical matters under his direction or on human relations.

An illustration of this point may be gained from a look at management's right to discipline and discharge an employee "for cause." This is certainly a key function and a responsibility of supervision. Nonetheless, in a considerable majority of all published arbitration awards, the penalty imposed by management has been either reversed or modified to some lighter form of punishment. This has not been due to insincerity, chicanery, or anti-union bias on the part of management in the great majority of the cases. It has rather come about because of the development of a distinct set of rules governing "discharge for cause" which supervisors, personnel managers, and labor relations officers must follow if they want to employ this penalty. Failure to observe any of these rules may void the action completely or mitigate it partially. If the foreman is to know them all, he will have to be a very well-informed man. If he overlooks one or more of them, he may have his decision reversed, with no addition to his own standing with his men or that of management in general in the plant.

The trend is, therefore, to have an industrial relations specialist check and review questions of agreement interpretation in consultation with supervisors and with union representatives in the plant. This leaves the supervisor free to perform his primary functions with greater efficiency.

RESTRAINTS ON MANAGEMENT'S AUTHORITY

The establishment of rules governing the employer-employee relationship has come about mainly in response to demands that the individual employee be protected against the arbitrary decisions of management. In effect, this means that the rights of the individual employee are given precedence over the rights or needs of the employing organization.

It is highly pertinent for management or anyone else to ask just how far such limitations may be imposed without seriously impairing the productive efficiency of industry, the extension and effectiveness of collective bargaining and the general spirit of initiative and enterprise which is the distinctive contribution of our society. In a society as intricately organized as ours, the freedom and efficiency of the organic parts may be the test of opportunity for the individuals who make it up.

How far, then, can we go? This is not just an academic question. Some horrible examples are right at hand in the public labor market. I call your attention to the **Task Force Report on Federal Personnel** of the first Hoover Commission, dated January, 1949. This is a remarkable document, which received not a fraction of the notice it deserved; nor is it out of date today. This report demonstrates, about as persuasively as it is possible to do so, that in the case of the Federal Civil Service: (1) recruitment policies could not be devised more effectively to repel able applicants; (2) the selection system consistently fails to single out the best of those who do apply; (3) transfer from classification to classification or from one division to another is impeded in every possible way, so as to make it almost impossible to develop qualified supervisory material; (4) evaluation and pay systems are archaic beyond belief; and (5) it is practically impossible to eliminate the incompetent, even where the evidence is available and conclusive.

Let us remember that the labor market for civil service personnel is tightly structured at every step of the employment process. The private labor market is becoming more heavily structured every day. It is neither necessary nor inevitable that the latter become like the former, but the danger of such a possibility should not be overlooked.

GROWING CONCEPT OF EMPLOYEE RIGHTS

It happens that I am strongly in sympathy with most of the "structuring" of the labor market in private industry that has taken place during the last quarter of a century. Opinions will differ, of course, but I consider that the great contribution of

industrial relations during that period has been to show that the certainty of contract and the consistency and objectivity of law can be applied to industrial employment without undue sacrifice of the authority and responsibility necessary to efficiency.

The evidence is not all in, but my private view is that this is a great achievement if successfully maintained. In the first place, it means a weakening of the conviction that arbitrary, authoritarian control is necessary to get things done. It substitutes for this the idea that local self-government is a possibility in industry — self-government based on an agreement which is derived from negotiation and compromise. It implies that employees are first-class citizens with permanent, enforceable rights, rather than segregated recipients of temporary privileges which may be withdrawn at any time.

The employee rights I speak of go to the heart of the matter. They are genuine "rights," not protected liberties. They can be and are enforced over and over again against specific obligors. The time-honored definition of a contract of employment as an agreement terminable at the option of either party is now out of date for millions of working men and women, who retain the right to terminate at will, but whose employers do not, except for cause.

I submit that the present system of employee rights amounts to a genuine revolution; that many employers are operating under such a system today who ten, fifteen, or twenty years ago fought uncompromisingly against the idea of "recognition" in all sincerity of belief that such a system would not work. I argue that this change of attitude shows signs of being assimilated into the social consciousness of the country and that this is a major shift of national ethics in the direction of ideals formulated long ago as grounds for our national independence.

THE NEED FOR BALANCE

The danger, I think, lies in an oversimplification of the problem, in our considering this trend as an endless progression with no point of diminishing returns. There is danger of the possibility of our forgetting that the idea of **organization**, as such, clearly implies the yielding up of some of our individual freedom of action. The organization, too, has rights and needs, some of which are imperative if it is to continue to function. The "recapture," if you will, of individual rights can be pushed to the point where the organization itself is endangered, with consequent bad effects for the individuals who make their living as employees thereof, or who depend upon it for the protection of their basic rights.

The problem is one of **balance**. There are great and important values on both sides, values which it is extremely difficult to weigh against one another since they may have no common measuring rod. This is where the wisdom, judgment, and good faith of those involved in industrial relations will be tested. It is worth the attention of the best minds and the stoutest characters to be found anywhere. The net result, ten, twenty, or thirty years from now, can be a major tragedy, or it can be one of the great landmarks of cooperative undertaking.

Of one thing I think we may be sure. No one working in industrial relations need have any feeling that the job he is doing is unimportant, whether he judges in terms of the standard of living and work satisfaction of a specific employee group, the efficiency of the enterprise, or the general prosperity and well-being of the economy. Neither is it likely to be dull, monotonous, or routine. There will be problems enough to go around, at whatever level of competence, for some time to come. It is a great work and it should be a lot of fun.

The above statement is a partial summary of the concluding address made to the 350 persons attending the Conference on Job Opportunities in Industrial Relations by **Orme W. Phelps**, Professor of Industrial Relations at Claremont Men's College. The conference, co-sponsored by the Institute of Industrial Relations, the Personnel and Industrial Relations Association, and the Industrial Relations Alumni Association, was also addressed by leaders from management, labor and government.

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