

*National planning association*

# NATIONAL PLANNING ASSOCIATION

A NONPROFIT, NONPOLITICAL ORGANIZATION, ESTABLISHED IN 1934  
DEVOTED TO PLANNING BY AMERICANS IN AGRICULTURE, BUSINESS, LABOR, AND THE PROFESSIONS  
800-21st St., N. W., Washington 6, D. C. Telephone: District 8766 M-1659a

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May 26, 1948

To: Members of the Technical Advisory Committee,  
"The Causes of Industrial Peace Under Collective  
Bargaining" Project

From: Charles Tyroler 2nd *Charles*

In accordance with the Committee's request, attached is a memorandum describing and summarizing a report analyzing completed questionnaires submitted by management and union officials in connection with our project.

Your comments and suggestions on this material are earnestly solicited.

Following the Committee's wishes, the report here digested will not be made available in full until all the individual case studies have been completed and issued, although brief excerpts may be used as "promotional" material in connection with our first release (Crown Zellerbach).

55c/pjp/5/26/48

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CONFIDENTIAL  
NOT FOR RELEASE  
May 26, 1948

## MEMORANDUM FOR THE INFORMATION OF:

### MEMBERS OF THE TECHNICAL ADVISORY COMMITTEE

#### SUBJECT:

Summary of Report Based on Analysis of Completed  
Questionnaires Submitted in NPA Project, "Causes  
of Industrial Peace Under Collective Bargaining."

In June 1947, NPA announced the undertaking of its project, "The Causes of Industrial Peace Under Collective Bargaining."

At the time of the announcement, nominations of firms to be included in this project were requested broadside, and in addition, more than ten thousand letters, over the signature of Mr. Golden, were sent to a selected group of individuals requesting them to submit nominations. A copy of this letter is attached as enclosure A. A list of those to whom the letter was sent is attached as enclosure B.

Over nine hundred labor-management situations throughout the country were nominated by the above process.

After eliminating those situations which were obviously inappropriate for study either through failure to meet our initial criteria as enumerated in Mr. Golden's letter, or some equally apparent inadequacy, four hundred situations were still in a state of nomination.

To each of these four hundred situations two questionnaires were dispatched, one for completion by the company, and one for completion by the union. A copy of this questionnaire is attached as enclosure C, and a copy of the letter which accompanied the questionnaire is attached as enclosure D.

Originally, the questionnaires were intended solely for the guidance of the Technical Advisory Committee in selecting the fifteen situations for intensive field study. However, in view of the extremely large, and certainly unanticipated response, it was decided to analyze the completed questionnaires.

After covering the above background material, the study analyzes 203 completed questionnaires from the 138 company-union situations with which the study deals. Of the 138 situations, 65 are represented by completed questionnaires from both the management and the union, 28 by the union only, and 45 by the management only. All geographic areas of the United States are covered although more than one-half of the companies are located in the Middle Atlantic, or East North Central section of the country. Information is largely on manufacturing concerns and is heavily weighted by textile mill products (12 companies), apparel and other finished fabric products (12 companies), iron and steel and their products (22), and electrical machinery (14), which together comprise 44 percent of the "sample."

Simple tabulations were made of all the material contained in the questionnaires. The data on number of strikes were recorded against that on industries, size of plant, number of wage earners, and the company's wage structure as compared with that of other plants in the same industry and with similar occupations in the community.

Appendix tables are available for the study but the discussion in the text of the report is confined to a brief consideration of the "high lights."

The study contrasts management's responses with those of labor. It considers whether or not correlations can be established between certain conditions and the

presumed presence of industrial peace in the companies questioned.

The conclusion of the study is that, despite "scattered tendencies" which are discussed in six or eight pages of text, the presumably favorable experience of the companies represented cannot be explained in terms of certain industries as against others, the size of plant, or relative level of wages within the community or the industry.

Nor, the study points out, does it appear from the replies on relative level of wages that industrial peace "has been bought" in these 138 situations through the paying of higher wages. There is no indication that wages paid by the companies covered in the study have been markedly higher than the general level of wages paid for similar occupations in the community or than those paid by the industry as a whole.

The study then presents its "tentative conclusion:"

"It is often said that labor relations can be carried on more successfully at small than at large industrial units because the element of personal contact between employer and employee is so vital. It is frequently believed that they can be successful only in industries where rising productivity renders payment of high wages compatible with profit-making; or at firms within an industry which are graced with favorable competitive positions as compared with other members of the industry. However, statistical analysis of the material assembled does not reveal that the size of plant, the industry represented or the relative level of wages can explain the peaceful labor relations at the 138 business organizations responding to this questionnaire study. Tentatively, therefore, the data suggest that favorable conditions are the result of positive policies undertaken on the part of management or union officials."

The study proceeds to a section entitled "What Are These Policies?" in which it analyzes material made available in covering letters or footnotes to the questionnaires which were spontaneously submitted by management and labor officials responding. The five essentials for constructive labor-management relations appearing most frequently in the responses are:

1. Acceptance of collective bargaining and a genuine desire to facilitate smooth performance.
2. Approach to the conference table with an understanding of the interdependence of labor and management and the real need for cooperative endeavor. Each group must appreciate the problems of the other, must tackle these problems from a practical viewpoint, and must be willing to make occasional concessions.
3. Appointment of capable, fair-minded persons to negotiate contracts. Representatives of union and management must trust and have mutual respect for one another. The entire industrial unit must be convinced of their leadership ability, of their sincerity and honesty.
4. Arriving at a definite and well-formulated wage scale, statement of conditions of employment and of grievance procedure. Wage earners should be thoroughly informed on these matters. Their questions should be answered carefully, their grievances handled promptly.
5. Appreciation of the rights of the individual and of the importance of his need for satisfaction at work. Suitable personnel, whether union organizer, labor relations manager or foreman, must be found to carry out such a policy once it is formulated. Proper placement of the worker and constructive training programs are also vital, as is employee participation in joint committees.

In addition, the study points out that a keynote of all of the above concepts lies in the word "communication" -- communication from management to labor, from one layer to another layer of management, from labor to management, and within the labor group itself.

The next section of the report, comprising nine pages, is devoted to quotations from the letters of management and labor regarding the above five concepts. Many of these quotations are pertinent and "salty" and, of course, all of them are spontaneous and unsolicited.

Time and again the study points out that it is not a "tight statistical analysis" and that it does not consider the 138 companies represented as a "sample" of anything.

The one assumption the study does make is that the labor-management relations of the 138 companies represented are "above average."



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# NATIONAL PLANNING ASSOCIATION

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The National Planning Association is conducting a study of "The Causes of Industrial Peace Under Collective Bargaining," which is designed to examine the labor-management relations of twelve to fifteen firms and their unions which have successful and peaceful industrial relations. Public announcement of this project is being made at a press conference in Washington on June 18, for release on Thursday morning, June 19. Enclosed is a background statement of the project.

To select the twelve to fifteen firms to be surveyed, we are asking you and other well-informed individuals throughout the country to nominate firms to be included in our project.

We are not trying to select the twelve or fifteen companies which have had the "best" industrial relations, nor is it our desire to pin a "blue ribbon" on the firms and unions which have best conducted their labor-management relations. We plan rather to select cases of fairly sizable companies (with a minimum of 1000 employees) that are in important industries in various parts of the country, where both the managements and the unions feel that they have dealt peacefully and successfully with characteristic labor-management problems. We recognize that peace by itself is not an adequate criterion of successful labor-management relations. The relative wage scale of the company, its working conditions, its productivity and profitability are also highly important criteria.

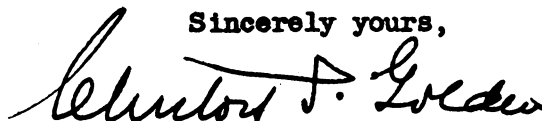
We hope that our findings regarding desirable practices and policies will be useful to firms and unions throughout the country which have not had the successful relations of those companies which we survey.

All nominations will be carefully considered by the Technical Advisory Committee charged with direction of this project. The enclosed statement lists the members of this Committee.

We hope that in addition to sending us your own nominations you will call as wide attention as possible to NPA's request for nominations of appropriate firms to be surveyed.

We will deeply appreciate your cooperation.

Sincerely yours,



Clinton S. Golden  
Chairman, Technical Advisory Committee  
NPA PROJECT, "THE CAUSES OF INDUSTRIAL PEACE  
UNDER COLLECTIVE BARGAINING"

RECAPITULATION

"The Causes of Industrial Peace Under Collective Bargaining"  
 First Mailing of Requests for Nominations  
 including letter and 8-page folder

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## QUESTIONS ON THE LABOR-MANAGEMENT RELATIONS OF

NOMINATED FOR POSSIBLE INCLUSION  
IN NPA'S PROJECT,  
"THE CAUSES OF INDUSTRIAL PEACE  
UNDER COLLECTIVE BARGAINING"

1. How long has the company been in business?

How many plants does it have?

2. What is the principal industry or industries with which the firm is identified?

Number of employees today?

In 1939?

In 1944?

Of this total, what is the number of wage earners?

Of the wage earners, what proportion do you roughly classify as:

Skilled?

Semi-skilled?

Unskilled?

What proportion male?

Female?

3. When did the company first begin to deal with unions?

What is the principal union with which the company deals today?

When was it recognized?

Does your agreement include a union shop?

Closed shop?

Maintenance of union membership?

Sole recognition?

Other form of preferential shop?

For how long?

4. During the history of your union relations have there been strikes or lock-outs?

If so, when?

Approximate length?

Over what issues?





5. What is the scope of your collective bargaining relationship?

- a. Simple collective bargaining on wages, and working conditions?
- b. Joint committees dealing with production, training, safety, or other problems?
- c. Cooperation between union and management in eliminating waste, improving production methods, or other problems of mutual concern?

6. In your opinion, would a strike result if agreement was not reached in negotiations regarding a new or a revised contract?

7. During the period since recognition of the union, has the labor-management relationship improved?                      Remained about the same?                      Deteriorated?

8. How would you classify the relationship:

- a. Between top management and international union officials?

Good	Fair	Poor
------	------	------

- b. Between middle management and union representatives?

Good	Fair	Poor
------	------	------

- c. Between foremen and rank-and-file union members?

Good	Fair	Poor
------	------	------

- d. At all levels?                      Good                      Fair                      Poor

9. Does the company belong to an employers' association which deals with the union on an industry-wide or an area-wide basis?

10. How does the company's wage structure compare with other plants in the same industry?                      Higher                      Favorably                      Lower

With similar occupations in your community?

Higher	Favorably	Lower
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11. Has man-hour productivity increased since union-management relations have been established on a mutually satisfactory basis?

If answer is "yes," can you estimate the percentage of increase?

xxx  
xxx  
xxx

Dear Mr. \_\_\_\_\_:

As you may know, the National Planning Association is conducting a nation-wide inquiry into "The Causes of Industrial Peace Under Collective Bargaining."

It is NPA's belief that there are many companies and unions whose experience in maintaining good relations should be more widely known in the interests of industrial peace in the United States. I am enclosing a statement on the project as released to the press in June.

I am happy to inform you that \_\_\_\_\_ has been nominated as a company with an unusual record of successful, stable industrial relations over a considerable period of time.

The National Planning Association, a non-profit, non-partisan, public service organization, is composed of nationally known representatives of American agriculture, business, and labor. H. Christian Sonne, Chairman of the NPA Board of Trustees, explains the present inquiry as "designed to shift the accent from the negative aspects of industrial conflict to the positive and constructive results which flow from peaceful cooperation. Mutually satisfactory and profitable relations are seldom heard about; it is the comparatively few cases where management and labor reach a parting of the ways that make the headlines."

\_\_\_\_\_ is among several hundred nominations which have come to our office from leaders of business, labor and public affairs. I am accordingly writing you in the hope that you may be willing to assist the inquiry by telling us something more of the company, its structure and its labor-management relations. From such replies received, a Technical Advisory Committee charged with the direction of this project will finally select fifteen situations for intensive study. The members of the Technical Advisory Committee are listed in the enclosed statement.

If \_\_\_\_\_ is one of the firms selected for study, would you be willing to have a field observer visit the plant for a ten-day period to learn more of the methods used in securing good industrial relations?

The enclosed questions which we are submitting to you are merely suggestive. If you care to add further information, we shall be most grateful for it.

It is not our intention to "pin a blue ribbon" on the fifteen firms and unions which have "best" conducted their labor-management relations. We plan rather to study cases of fairly sizable companies that are in important industries in various parts of the country, where both the managements and the unions feel that they have dealt peacefully and constructively with characteristic labor-management problems. We hope that the publication of our findings regarding desirable practices and policies will be useful to firms and unions throughout the country which have not had the successful relations of those companies which we survey.

We will deeply appreciate your cooperation.

Sincerely yours,

(Signed)

Clinton S. Golden, Chairman, Technical  
Advisory Committee, NPA PROJECT, "THE  
CAUSES OF INDUSTRIAL PEACE UNDER COLLEC-  
TIVE BARGAINING"