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PERSONNEL IS PEOPLE

An Address By

HARRY A. BULLIS, Chairman of the Board of Directors of General Mills, Inc., at the Congress of American Industry, Hotel Waldorf-Astoria, New York, Thursday afternoon, December 2, 1948.

It sounds strange to us today, but if we look over the record of the past we find frequent examples that attempt to prove personnel is something besides people. Just what, the examples seldom bother to say. I am reminded of the story, which they say has basis in fact, of the hard-boiled head of a large department store.

This tough old-timer passed through the packing room one day when he saw a boy lounging against a wood box, whistling and having a good time. The big boss asked him how much he got a week.

"Five dollars," the boy replied. "Then here's a week's pay," the boss said. "Take it and get out!"

When the boy was gone, the boss turned to the department head and demanded to know when the boy was hired. "We didn't hire him," was the timid reply. "He was just here to pick up a package!"

Yes, this little example shows us a case of personnel not being people. It is the type of relationship between employer and employee that is on the way out. Today we accept the fact that those who work for us are actually a part of the business and a very vital part. If personnel is the most difficult factor in business to regulate and to control, it also returns the greatest dividends when the job of human relations is properly done. We have that great and rewarding compensation to spur us to new achievements.

Human relations problems are clearly the most important issues, and certainly the most vexing, before the world today. We all know that the last hundred years has seen more scientific and material progress than the past millenium -- but ethical and spiritual progress has been sadly lacking. The two most destructive wars in history have occurred in the twentieth century, not yet half gone, and we are not certain about preventing a third and possibly more horrible conflict. As General Omar Bradley said last month in Boston, "The world has achieved brilliance without wisdom, power without conscience. Ours is a world of nuclear giants and ethical infants. We know more about war than we know about peace; more about killing than we know about living."

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First of all, let me emphasize that we should think of a human individual, not as being composed of one part which carries on physical activity and another different one that does the thinking. We must think of the individual as a unit, which both THINKS AND ACTS. And we must plan our program of human relations accordingly.

Another way of expressing this principle is to say that employees should not be treated merely as pickets in a fence, or as cogs in a machine. They must be accepted as associates who have self-respect and self-confidence. Each should be given an opportunity to advance if he or she is willing to pay the price in intelligent hard work.

While people differ a great deal, there are some points of similarity and certain human characteristics that we can count on. You can be quite sure that every man on the payroll has certain personal aspirations:

1. He wants to get ahead.
2. He wants the assurance of security for himself and his family.
3. He wants recognition as an individual, and of the part he plays in the whole organization.

Desire to Get Ahead

Let us consider first the desire to get ahead. The most obvious form that this takes is the desire for good wages or for a reasonable salary. In some cases, too, there is the desire for advancement, but this is by no means universal. In breaking down the barricades between management and the workers, the fact must be admitted that we cannot all be leaders. In fact, we do not all want to be leaders. In the Army, though everyone knows there are distinct advantages in being an officer, many men prefer life as a private. It is the same in industry.

Years ago, Henry Ford found that of wage earners who want more money scarcely more than five per cent will accept the additional responsibility and the heavier load that go with advancement.

Whatever the figure is today, it is vital that we open the door of opportunity for those who would climb to higher levels. Furthermore, we must constantly keep this "open door policy" before our employees. I believe this is the greatest weapon that business has today for the "isms" attacking America. Give opportunity to the man who wants opportunity, and he will make the most of it. And he will be a great booster for the American way. But make the mistake of keeping that light of opportunity under a basket, and you have trouble makers who demand a change in the economic order.

Opportunity must also mean improvement for the group. We must impress those who do not want to be leaders, who are content to continue in the ranks, that they, too, have a future in business; that business through successful operation will improve their lot. In other words, their opportunity is in direct ratio to the success of the business that employs them. And what helps business will in turn help them.

Desire for Security

Another common desire is security for one's self and one's family. Here again employees must be shown that their security is related to the security of the company. But all the while management must remember that where business fails to provide reasonable security, employees will look to government for that security. Government-provided security invites bureaucracy, strangling taxation, and loss of liberties. There are limits beyond which business cannot go in providing security, but in general it can do more than it has been doing. This problem in human relations should challenge the best that is in us.

The late Justice Oliver Wendell Holmes had something to say about idea-men. He wrote that men are divided into three groups -- those having one-story intellects, those having two-story intellects, and those having three-story intellects with skylights.

Justice Holmes commented on this division as follows: "All fact collectors who have no aim beyond their facts are in the first story. Two-story men compare, reason, generalize, and use the labors of the fact collectors plus their own. Three-story men idealize, imagine, predict; their best illumination comes from above, through the skylight."

We need more three-story men, looking through the skylight for methods and ideas as to how security for the conscientious American worker and his family can be assured.

Desire for Recognition and Participation

Assuming your employee has sufficient income and a reasonable degree of security -- is he content? No, he wants more than these. He craves satisfaction in his work. He wants the respect of his fellows, and to feel that he belongs - that he is a member of the team.

These wants are much less definite than wages and hours of work, pensions and insurance. But they are equally important. To ignore them is to invite discontent and inefficiency. This underlying sense of frustration and restlessness is basic, and granting demands for shorter hours and higher wages will not eliminate it.

Consider the desire for recognition, for participation -- how important it is in the science of human engineering! Yet how often, instead of saying, "Men, we are all on the team, and we will win together," management seems to say, "Men, I AM THE TEAM!" Yes, it only seems to say it. It may think altogether otherwise. But good thoughts, unlike good deeds, do not speak for themselves, and the employee gets the wrong impression.

You perhaps remember the movie on the life of Knute Rockne, and the authentic story of the great game against the Army in which George Gipp's running carried Notre Dame to victory. In his account of the game, one sports writer said, "With George Gipp on his team, any coach would look like a genius." Gipp thought the columnist had given him too much credit and said so to Rockne. But what was Rockne's reply? He replied very generously, "He's right, Gipper!" Of course the sports writer was wrong, as Gipp himself had said. But Rockne, although he had discovered the star and built him up, wanted Gipp to get recognition and a share of the credit. It was stroke of genius in human relations.

Another Rockne story. After one of his triumphant seasons, the sports writers flocked around him, but the coach said, "Write about the boys; they won the games." It was generous, but it was also good strategy.

A good share of our personnel problems today result from the very nature of our mass production system. Under the old handicraft system, a man made an article from beginning to end. He could look at the finished product -- the graceful silver teapot, the well-turned boot, the sturdy wagon -- and know that his own strength and skill had made it what it was. He took pride in his work. He derived satisfaction from doing a good job.

Monotony Must be Overcome

Today much industrial work is monotonous, uninteresting. Piece workers often do not know the use of the part they make. Is it any wonder they become bored? The worker in a monotonous, repetitive operation must have some compensation for pride in workmanship. He wants recognition of some sort if he is to get any real satisfaction out of his job. It is up to management to devise ways of giving it to him.

You may have heard about the experiment carried on a few years ago by an electrical equipment company. A group of girls doing assembly work were placed in a separate room for two years. Working conditions were changed frequently. Production increased and absences decreased 80%. The girls were happier in their work. The reason? Not the change in working conditions. A change in attitude among the employees was responsible. Before any changes were made the girls were consulted, their opinions were asked, and they were invited to assist with supervision. They felt that they were taking part in an important experiment. The work was as monotonous as ever. But the girls got satisfaction from the fact they were given some consideration as individuals, and that they were really participating in the business.

Many ways can be found to increase the employees' feeling of participation, to lower the barrier between management and the rank and file. Some executives never talk to an employee across their desks, considering that the business office has an unhealthy atmosphere of authority. They get out with the men. In an industrial plant the most direct way to cultivate this sense of participation is through the foremen on the line. It is the foreman who has the day-to-day and hour-to-hour contact with the men. To the worker, the foreman is management. That is why the Ford Motor Company, for instance, has elevated the status of foremen to where they are actually closer to management, and thus helped bridge the gap between management and worker.

Supervisors are Important

Management must give more attention to the selection of foremen and supervisors. It is true that an employee gets his first and often his most lasting impressions of a company through his supervisor during his first few days on the job. These attitudes are a vital factor in the whole relationship of employee and company. Supervisors can make or break a program of human relations. Why, then, has industry so often overlooked or underrated the importance of training and developing good supervisors?

A good supervisor understands the motivating forces behind human behavior. He will know that Joe is worried over a sick child, or a wife who is spending too much on clothes. He can handle Joe accordingly on the job, sympathetically and skillfully.

I have in mind the story of a factory foreman who found one of his young employees was slow, bitter in his talk, and uninterested in his work. His first impulse was to fire the man. On second thought, the foreman asked some of the young man's friends what was wrong with him. He found out -- the father of the lad had been sentenced to a long term in prison. Then the foreman realized that the young man was wasting his time feeling sorry for himself. So this foreman called the employee aside and had a friendly chat with him. He convinced the young man that he should use the family incident as a challenge to the future, toward improving his own standing. And the young man returned to work with enthusiasm.

All this serves to underline the importance of the supervisor. We prevent breakdowns of machines and motors because we know the danger signals. A doctor can predict heart conditions and other ailments from symptoms. By the same token, an alert supervisor can see when an interruption or bad attitude is developing in his working force. If he senses the trouble, he can prevent a major upheaval, or the loss of good employees, or an increase in costs. Here an ounce of prevention is always worth its pound of cure.

Creating a Sense of Participation

Participation -- how can employees participate in a business? Management has to communicate this sense of participation. It may have to vault over the barricade of a hostile union. But with truth on its side, and good foremen interpreting the facts, the management story can be carried over.

This story can concern any number of factors. It can show the employee how his production is directly tied to company earnings, and how these earnings are in direct ratio to wages and employee security. It can, in short, make the employee feel he is on the team.

This need for consideration and encouragement is being recognized in the United States Army today. No longer is it the policy of officers dealing with enlisted men to "treat 'em rough and tell 'em nothing." The new attitude is expressed by Major General John M. Devine, who says, "Every man in the Army shares the basic human needs. He needs self-respect, the respect of others, a chance to get ahead."

Under the new regime, the "obstacle course," the hated ordeal of World War II training camps, has become the "confidence course." In a recent article in the Reader's Digest, Howard Whitman tells of watching its operation at Fort Dix.

Keeping Employees Informed

It is important that we give employees the complete company financial picture in terms they can understand. Earnings should be included -- but not only earnings. Let industry show the totals of its payrolls, the number it employs, and the amount of earnings in the business to create more jobs and services. Let company executives list employees for what they are, the most important asset of the company.

Let's correct erroneous notions of high earnings by showing their true relation to the sales dollar and to investor funds. But let us show how earnings are used. And let us repeat again and again how employees have profited along with the company.

Constant repetition of the facts will neutralize malicious propaganda.

Respect for the Individual

Sincerity on the part of management is essential. Not much can be accomplished unless management actually feels respect for the individual and has the true American concept of the dignity of man.

In an address given about a year ago, Charles J. Stilwell, President of Warner and Swasey Company of Cleveland, told about a friend who listed in two columns companies that he knew intimately. On the left, he put those concerns whose management believes the average employee is a pretty swell fellow, with the right to know what is going on. On the right, he put the companies who felt that their interest and responsibility ended with safety devices on the machinery, a place to work, and a pay check. Then he made another list, putting on the left the companies with a minimum of labor trouble, and on the right the companies that had had serious and bitter strikes. The two lists were almost identical. When management trusted and respected its employees, the respect was justified. When management regarded personnel simply as a part of the equipment for production, the result was trouble.

The mental attitude of the men who make up management is of paramount importance in establishing good human relations with the group who make up what we call personnel. Giving lip service to the principles of democracy is not enough. As Emerson said, "Don't say things. What you are stands over you the while and thunders so that I cannot hear what you say to the contrary."

Conclusion

Management must apply itself with all the vigor it can command to the task of satisfying the complete wants of its personnel. These wants are psychological as well as material. They range over the whole gamut of human emotions, and they are changing constantly. Management must be quick to adapt its methods and its thinking to the changing wants of employees in this high-powered, highly industrialized civilization of ours.

We of industry must remember that it was the hare's attitude that caused him to lose the race with the tortoise. On the other hand, it was the attitude of the tortoise that caused him to win. It is our job to create a favorable attitude toward business and the free enterprise system.

Let's have no thought of failure in the great task before us. We can, we shall -- we MUST so conduct ourselves toward our employees that we will earn and deserve their enthusiastic support. Ours is a mutual undertaking. What helps one, helps the other. And with our employees on our side, we will have won a toe-hold on the great task of public relations which faces all industry with the general public.

With every employee doing his public relations job, industry can so weave itself into the social fabric of America that the people will never let it down.