WHAT PRICE INDUSTRIAL PEACE?

Chapter I
Is it Worth While?

The cost of strikes. The cost of withheld or half efforts. The cost of labor turn-over. Good places to work. Every employs a booster.

Chapter II
Taking the Problem Apart

The master-servant complex. What men don't want: Pollyanna stuff, kidding the actors, lectures on duty, scientific analysis of efforts, medals that don't mean anything, patronizing welfare work, abuse from foremen. What men do want: Security, better pay, more leisure, sense of importance, chance to air grievances, pride in occupation.

Chapter III
The Art of Being Boss

Technique of meeting desires set forth in previous chapter. Some suggestions on "How" it can be done.

Chapter IV
Employee Activities

Chapter V
Works Councils and Committees

Chapter VI
Unions

Chapter VII
Collective Bargaining (By Plants)

Chapter VIII
Collective Bargaining (By Industries)

Chapter IX
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Personalities
WHAT PRICE INDUSTRIAL PEACE?

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were calling of a strike implies a tightened or tyrannical attitude on
the employer's part.

Chapter I

Is Peace Worth the Effort?

Many sales contracts, order acceptances and even letter heads of
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American business institutions, carry legends somewhat like the fol-
point. Men guiding the destinies of large commercial institutions in
lowing:
this era do well to recognize that distrust of their motives is an
"Deliveries contingent upon fires, strikes and acts of God
beyond our control."

It would seem that strikes are considered unavoidable, though few
employers would consider them acts of God.

A strike settled promptly is very expensive, but one which con-
tinues for some time carries cost which is almost beyond estimation.
The employer loses production on which a profit could have been
made. His factory overhead goes on; his executives and salaried
are

still drawing their salaries and orders are getting away from him.

His competitors make the most of his difficulties, crowding into
his customers with promises of prompt shipment which he cannot meet.

In many cases his working force is broken up andpany must be

replaced. The newcomers have to be fitted into the scheme of things
and the adjustment is a problem in itself, to hire and fire. The bare

proceed is sometimes argued that in battle alike, the airman's
leaves the combatants in a better frame of mind. No doubt there are
cases where this result obtains, but the reverse effect is much more
 probable. Friendly strikes are rare and the number of individuals
involved in any strike almost inevitably means that somebody is left
with bitter feeling.

Today shifting work force is an actual out of

pocket.

It is not so simple to appraise the cost of strikes to the em-
ployer in the matter of public opinion. The big companies are rapidly

awakening to the advantage of a friendly public. They realize...
that the body politic tends to sympathize with strikers and that the
mere calling of a strike implies a tightwad or tyrannical attitude on
the employer's part.

That such a belief is entirely false in many cases is beside the
point. Men guiding the destinies of large commercial institutions in
this era do well to recognize that distrust of their motives is an
obsession with many of their fellow citizens. They can better afford
earnest efforts to correct the attitude than to wail over its in-
justice. The elimination of strikes is one very important factor in
securing a "better public."

But there are other important benefits to be obtained from the
same management technique which aims to prevent strikes. Strikes
are spectacular; these other elements of cost are of a day-by-day
routine nature.

One of them is labor turn-over, a subject that has received con-
siderable attention and deserves much more. The same type of study
and effort by employers which tends to prevent strikes, quite natur-
ally cuts the percentage of shifting payrolls.

Nobody will deny that it costs money to hire and fire. The bare
process of advertising for men, interviewing them, checking their
records and determining their fitness for the job is expensive. The
instant a man is on the payroll he becomes an investment. When he
gets his shop education, gets "worked in" to his job, he is a great-
er investment, and presumably his value increases with time.

Hence a constantly shifting work force is an actual out of
pocket expense. From the standpoint of lowered production and lack
of individual efficiency it is a far greater expense.

There is a third problem which probably outranks either strikes
or turn-over in cost importance. It can be attacked profitably by much the same methods.

During the war, and for a time thereafter, efficiency men and production experts had a field day. Earnest study produced the conclusion that the average effort of workers was approximately 60 percent of their capabilities, and chasing the 40 percent became a great indoor sport.

The existence of fat war contracts in many lines, the draft of recruits into the Army and Navy, the hundred and sixty-five shipyards clamoring for craftsmen of every sort, produced competition for more men and greater production.

Wages were high, jobs were easy to get, and as a result the usual financial bonuses and incentives were of little avail. Many and varied were the devices for inducing men to deliver extra effort on the job. They ranged from enormous piece rates to eloquent appeals based on fear of German victory with the consequent conquest of the United States.

As might be expected, patriotic fervor easily surpassed other means of spurring production. The term "slacker" came to mean not only those who dodged military service, but those who declined to give their utmost to their jobs.

The shipyards were typical. Some genius mentioned "a bridge of ships to win the war and the face was on."

Elaborate standards of progress were set up and the shipyard showing the greatest production during any month flew the banner of first place for the succeeding month. There were competitions between districts, competitions between yards, competitions between two ways in the same yards, and competitions between crews on the
same ways.

Most spectacular of all was the race to see what individual could drive the most rivets in a day. An eastern yard boasted that a negro riveter and his buckers drove fifteen hundred rivets in eight hours. As other local champions challenged that record the number of rivets rose beyond belief and supremacy changed hands almost daily. It made little difference that there were no standards of quality, few rules of performance and not much official checking.

The record breaker of one day could well be incapacitated for four or five other days, but he was a hero nevertheless. He received the adulation of his mates, medals, watches, official commendations, and miscellaneous merchandise. There was little data available to indicate how many faulty rivets had to be replaced or how many remained in the ships to plague wartime skippers.

The experience is not related to prove that all of us were altruistic patriots. There were plants which cheated Uncle Sam blind on cost-plus contracts. There were union leaders who feathered their individual nests for years to follow. There were racketeers in every division of our citizenry, but it is a perfectly safe assertion that the overwhelming majority of Americans gave their best efforts to a common cause.

It cannot be claimed that the war period inaugurated the speed-up technique in industry. Several plants had learned to drive their people long before patriotism furnished a more potent spur - but the ultimate results were not always satisfactory.

In a general way, however, the wartime experience convinced many practical observers that psychologists are right - that man's capacity is affected tremendously by his feelings and emotions.
It is but a short step to the conclusion that if we can even partially reach the individual's inner feelings, we can go a long way toward eliminating strikes, cutting down labor turn-over, and utilizing a larger proportion of his capacity.

Many institutions, large and small, have done the job. Many more could profit by doing it.

In 1916, Miss Ida M. Tarbell, an extremely keen observer, published a book, "New Ideals in Business". That book is still mighty good reading. From a practical standpoint it is better than when it was published, because the reader of today can check those "New Ideals" in the light of twenty-one years experience.

In her book Miss Tarbell ventured the assertion that in plants where the employes were prone to say, "This is a fine place to work", there would be found a minimum of friction and a maximum of full effort and loyalty.

That is a simple test of employer-employe relations - as good today as it was twenty years ago.

The plants which can meet that test are not worrying over strikes, labor turn-over or withheld effort. Given reasonably skillful management in other ways, such plants held their own during the depression and snapped out of it promptly.

Twenty years ago industrialists who attempted to improve employe relations were frequently called cock-eyed sentimentalists. Today from the largest to the smallest they are admittedly smart, and with very few exceptions the producers of sound profits for their stockholders.

Let us forget sentiment, and as briefly as possible attack the
problem of employer-employee relations with the cold blooded, hard boiled intention of making more money.