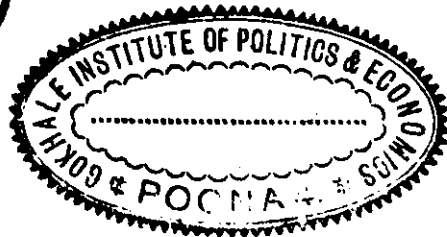


THE DETERMINA AND ADMINISTRATIO INDUSTRIAL RELATIO POLICIES

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FOREWORD

A MAJOR test in the survival of democratic capitalism is whether effective coöperation can be developed and maintained between American employers, wage earners and government. A free society requires not only the highest order of intelligent and far-sighted leadership but the willingness to work out solutions of common problems with a minimum of friction and misunderstanding. But leadership and coöperation are but attractive symbols if not implemented in day-to-day activities. Whether in a business corporation, a national trade union, or a government, these vital concepts must be reduced to terms of organization, policy formation, and application.

American corporations have attained outstanding success in the development of methods of organization and policy determination in the fields of production, sales and finance. Unfortunately, general progress in the field of industrial relations has been slower, perhaps for the very reason that success in other aspects of business activity did for a time raise the standard of life of our people at a rapid pace. With approaching maturity as an industrial nation and with the contagious diseases of war and totalitarianism now epidemic in the world, it seems crucial that American industry bring its methods in industrial relations up to the level of effectiveness attained in other phases of business activity.

In developing improved methods of organization and policy determination in industrial relations, American employers have a vast store of experience close at hand. While the study of foreign methods may be suggestive, the experience of a growing number of progressive managements in this country is far more significant. Methods and policies in human relations are not like alarm clocks that operate effectively in any environment. Rather they are a part of living organisms which must shape themselves to a host of local conditions.

The following report seeks to bring together the experience of a selected group of companies in organizing and directing the industrial relations aspects of their business. The diversity of methods is itself a significant indication that evolution is under way at a rapid pace. A second stage in all evolutionary processes is integration toward accepted norms. The Industrial Relations Section recognizes that the stage of integration lies a long distance ahead in this complex and ever-changing field. Meanwhile it expects to continue its study of the problem in the hope that it may be of assistance to all persons interested in improved methods.

The Industrial Relations Section wishes to express its appreciation to the companies and their officers who assisted in making this report possible and to the many executives who have read and discussed the report at various stages in its preparation.

J. DOUGLAS BROWN,
Director.

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SELECTED BIBLIOGRAPHY

THE following references are suggested as useful supplementary reading to the preceding report. A few of them contain short descriptions of practice, but for the most part they treat in a broader and more theoretical way the problems considered herein from a practical and factual point of view. As the study has been limited to a consideration of the relationships and responsibilities involved in the determination of industrial relations policies and their administration, so the references were chosen because of their contribution to a solution of the problems of organization and administration. The Industrial Relations Section will be glad to prepare in answer to specific requests more inclusive bibliographies on any aspect of industrial relations administration.

GENERAL TEXTS AND DESCRIPTIONS OF THE PERSONNEL FUNCTION

Baridon, Felix E. and Earl H. Loomis. *Personnel problems; methods of analysis and control*. New York. McGraw-Hill Book Co., Inc. (330 W. 42nd St.). 1931. 452 pp.

Written by two personnel executives, this book aims to present the problems of personnel management in a non-theoretical manner. Chapter IX describes specific aids to centralized personnel control.

Tead, Ordway and Henry C. Metcalf. *Personnel administration; its principles and practice*. New York. McGraw-Hill Book Co., Inc. 1933 (third edition, revised). 519 pp.

The book as a whole emphasizes the principles upon which personnel management is based. Chapters I, III and IV summarize the scope of the personnel function and its relation to general management.

Walters, J. E. *Applied personnel administration*. New York. John Wiley & Sons, Inc. (440 Fourth Ave.). 1931. 338 pp.

Chapter V outlines the functions of the personnel department and describes in detail the personnel organization in two large companies.

Watkins, Gordon S. and Paul A. Dodd. *The management of labor relations*. New York. McGraw-Hill Book Co., Inc. (330 W. 42nd St.). 1938. 780 pp.

Chapters IV and V discuss the problems involved in the establishment of a personnel department and in the development of centralized control of human relations.

Metropolitan Life Insurance Company, Policyholders Service Bureau (1 Madison Ave.). *Functions of the personnel director*. New York. 1937. 38 pp.

A compact description of typical personnel policies with an analysis of the allocation of responsibility for specific personnel functions.

Tiedemann, T. H. A. "Executive responsibility for industrial relations." *Proceedings Nineteenth Annual Convention*. American Gas Association (420 Lexington Ave., New York). 1938. pp. 102-107.

Discusses the various philosophies upon which labor relations are based, and describes six elements essential to sound industrial relations. These include a labor policy, organization for industrial relations, and supervisory responsibility.

DISCUSSIONS RELATING TO POLICY DETERMINATION

Balderston, C. Canby. *Executive guidance of industrial relations; an analysis of the experience of twenty-five companies*. Philadelphia. University of Pennsylvania Press. 1935. 435 pp.

Part II, Chapter I, "Factors underlying personnel decisions" has particular bearing upon the subject of the determination of labor policies.

STUDIES IN THE THEORY OF ORGANIZATION AND ADMINISTRATION

Davis, Ralph C. *The principles of factory organization and management*. New York. Harper & Bros. (49 E. 33rd St.). 1928. 449 pp.

A thorough study of the various aspects of industrial organization Chapter V, "Organization", Chapter VI, "The industrial organization" and Chapter XX, "The personnel organization" are especially relevant to this report.

Dennison, Henry. *Organization engineering*. New York. McGraw-Hill Book Co., Inc. (330 W. 42nd St.). 1931. 204 pp.

A compact study of all the elements involved in sound organization. Chapter V, "Organization structure" is of value to anyone studying the integration of the personnel function with the whole organization.

Diets, J. W. "Organizing the personnel function of management." *Personnel-General Management Papers*. pp. 3-6. Seventh International Management Congress. Washington, D. C. 1938.

Traces briefly the evolution of personnel work and suggests necessary adaptations to the changing concept of the personnel function.

Donald, W. J. "Effective executive personnel organization." *Personnel* (330 W. 42nd St., New York), November, 1933. pp. 46-63.

A concise statement of the need for and methods of attaining well-defined executive organization.

Gulick, Luther and L. Urwick, editors. *Papers on the science of administration*. New York. Institute of Public Administration, Columbia University. 1937. 195 pp.

A collection of essays by authorities in the field of administration. A basic reference work on industrial organization.

McKinsey, James O. *Organization problems under present conditions*. American Management Association (330 W. 42nd St., New York), General Management Series: 127. 1936. 16 pp.

Defines the problem of organization and discusses important factors in its solution.

Mooney, James D. and Alan C. Reiley. *Onward industry!* New York. Harper & Bros. (49 E. 33rd St.). 1931. 564 pp.

A comprehensive study of the principles of organization, their historical bases, and their significance to modern industry.

Smith, Elliott D. *The operating executive; his relations to the specialized departments*. American Management Association (330 W. 42nd St., New York), Production Executives' Series: No. 80. 1929. 16 pp.

A compact discussion of the need for dovetailing the responsibilities of the staff with line operations.

Urwick, L. *Committees in organization*. 1938. 48 pp. (Reprinted from the *British Management Review*, Terminal House, 52 Grosvenor Gardens, S.W.1. London.)

An exploration of the characteristics of committees and a description of their methods and activities.