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Center for Research on
Social Organization
The Working Paper Series

The University of Michigan
Ann Arbor

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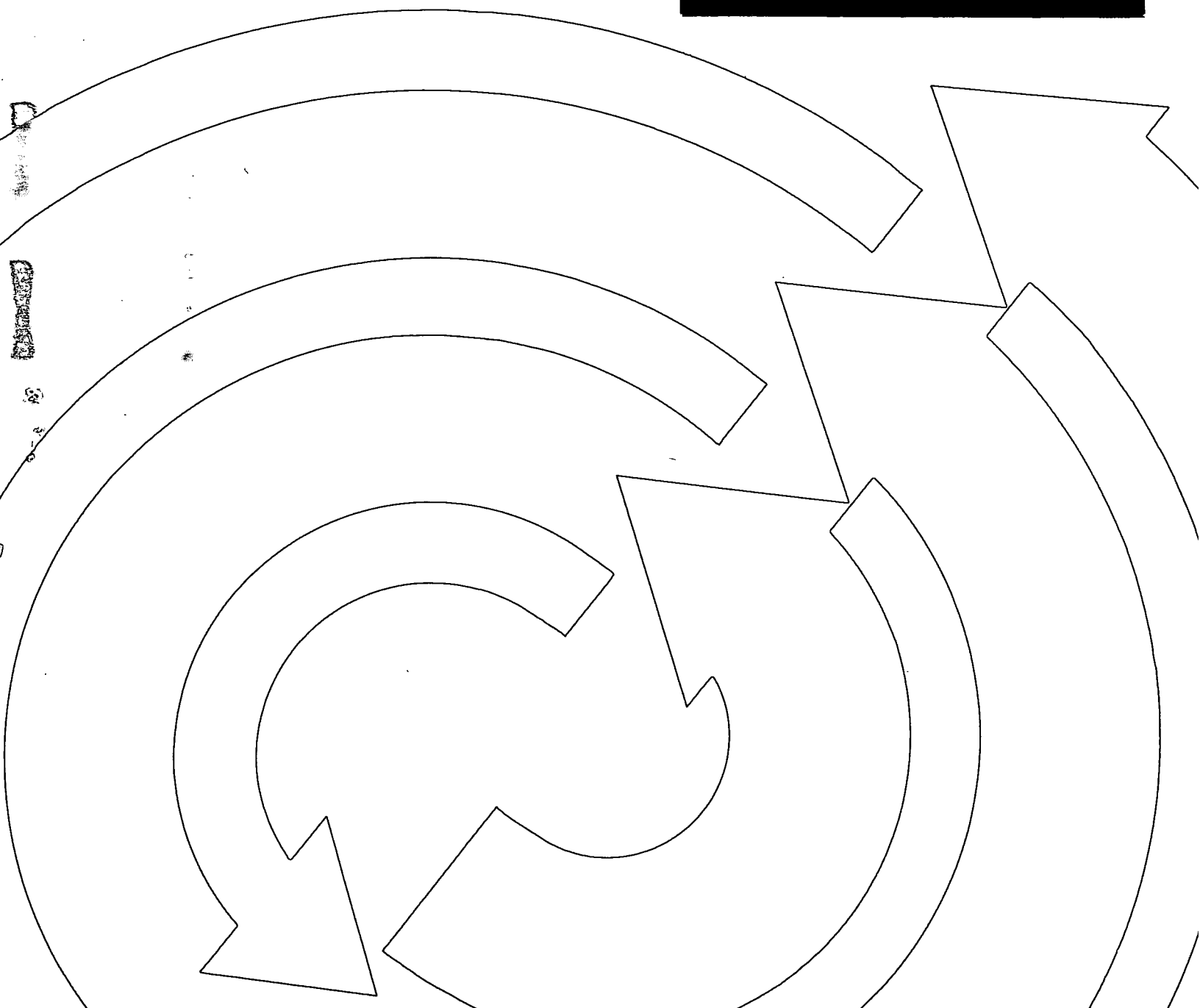

CRSO WORKING PAPER #315

PARTICIPATION AND CONTROL: NEW TRENDS IN LABOR RELATIONS IN THE AUTO INDUSTRY

by

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Participation and Control: New Trends in Labor Relations in the Auto Industry*

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The specter of foreign competition and lagging sales has fueled a new emphasis on cooperation between labor and management in the U.S. auto industry. One visible outcome of this situation has been a new generation of programs developed to enhance communication and human resource development within the major auto companies. By now, the names attached to these programs are familiar to many: Employe Involvement (EI) at Ford and Quality of Work Life (QWL) at General Motors are perhaps the most widely advertized. These employee participation programs--ranging from quality control circles to quality of work life programs--have been targeted as a major element of the industry's response to Japanese competition and to its own tarnished image in matters of quality and workmanship. By enlisting the knowledge and the creativity of its employees (particularly unionized production workers), the auto makers hope to replicate what they believe to be a contributing factor in Japanese management's success: the creation of a stable, committed labor force. Beyond this objective, however, employee participation programs are intended to build the foundation for greater labor-management cooperation--particularly in determining the new combinations of capital investment in machinery and human investment in training. Given the industry's avowed purpose of modernizing both product and process technologies, the success or failure of communication and information-sharing programs like employee participation may provide an indication for how efforts to include workers in decision-making about new technologies are likely to fare.

Even to the most skeptical observer, accustomed to the annual ritual of expensive ad campaigns staged by the auto companies, there is some reason to wonder if, indeed, something new is developing. The presence of the union logo in Ford commercials--openly connected to the company signature--and the regular appearance of union officials on public podiums with company chieftains are enough to make the question more than rhetoric. Yet, for all the publicity, there remain legitimate questions about the meaning and the content of employee participation programs in the United States. In this paper, I will examine the substance of employee participation programs as they have been developed in the American auto industry over the past several years. This will focus most directly on the following issues: (a) the structural and organizational constraints on change in labor-management relations; and (b) an attempt to separate the ideology of cooperation from the practice of shop floor relations.

Context

This paper reports on a study concerned not simply with the "outcome" of changes in labor-management relations but with the process of change, as well. It is concerned with the meanings people attach to changes and it makes an attempt to capture the complexity of the process while, at the same time, searching for patterns of action. This contrasts with research which has sought to quantify the effects of programs of worker-participation in decision-making--most commonly through analyses of output measures like productivity levels. Efforts to analyze outcomes have been interesting, but not all that instructive. For example, Katz, Cochan and Gobeille

(1981) used General Motors data in an attempt to do a time-series analysis of changes in several dependent variables (productivity, unit cost and grievance/absentee rates) but could not separate out the effects of economic conditions and the introduction of Quality of Work Life programs in order to determine their independent influence on the dependent variables. Efforts of this sort pose major theoretical and methodological problems.

Other studies have tended to rely on either secondary sources or "showcase visits" to well-prepared sites. They have provided the bulk of reports and historical treatments of worker-participation programs. These studies range from fairly detailed analyses by Poole (1975), Sabel (1981), Edwards (1979) and Abernathy (1979)--which have been mixed in their reviews of these programs--to rather less ambitious investigations by Guest (1979), Simmons and Mares (1983) and the whole host of "how to" books (including the Art of Japanese Management) which consist largely of plant tours and interviews with articulate plant managers and enthusiastic union representatives and workers.

This study is built around intensive investigation into the history, structure and practice of worker participation programs in the automobile industry. Data collection was limited to two plants--located in two different auto manufacturering firms--but it gained depth by the restriction of the number of sites. This paper focuses on one of those two sites. Both facilities, however share a number of important similarities:

(1) Both produce major components for a range of cars and trucks built by their parent corporations.
(2) Both are characterized by a mix of production systems, including: basic transformation of raw materials to finished products; bench and conveyor-based assembly work; and a small but growing use of robotics and numerically-controlled machines.
(3) Both are largely captive suppliers, i.e., the bulk of their product sales are made to their parent companies, but both are also experiencing greater pressure from the parent corporation to become cost competitive with outside vendors.
(4) Both are attempting to increase their sales to outside purchasers (i.e., increasing their competitiveness as vendors).
(5) Both employ roughly 2000 hourly workers and 400-500 salaried workers and managers.
(6) Both instituted worker-participation programs in 1980.
(7) Both have union (United Auto Worker) support for the participation programs.

Research Design

The research undertaken in this study consists of three major parts: in-depth interviews with a cross-section of plant personnel; observation of participation group meetings; and analysis of company records. The latter segment is still on-going but includes analysis of (a) patterns of participation group growth and change over time, (b) trends in grievance and absentee rates and (c) content analysis of meeting minutes from participation groups. In the facility about which this paper is written we conducted semi-structured interviews with 75 people over a period of two months in the summer of 1983. Interviews averaged close to two hours in length. Extensive notes were taken at the time of the interviews and were subsequently written up in detail. Three main groups were interviewed: hourly and salaried employees and union

representatives. The interviews with hourly workers included 22 who were involved in the main unit of the local employee participation program, problem-solving groups, and 20 who were not. These interviewees were randomly selected from two separate lists: one of all employees in the plant currently involved in problem-solving groups and the other from a list of those not involved in problem-solving groups. The split sample was used to assess the differences in views and backgrounds of those with and without experience in the the programs of worker-participation. The bulk of the interviews were conducted on an individual basis; however, some interviews were conducted in groups of 2 or 3 in an effort to both assess people's views in an interactive fashion and to reduce the amount of time that production would be interrupted by the interview process. Twenty-nine salaried employees were interviewed; ranging from first-level production supervisors and salaried office workers to the top levels of plant management. Included were representatives from all the major product lines in the plant and from all the major organizational functions, e.g., industrial relations, financial control, plant and manufacturing engineering, maintenance, production scheduling and material handling. The interviews with union representatives included the local plant leadership and three members of the local bargaining committee.

The interviews were designed to cover three major topics: (1) a description of people's jobs and positions in their area or office vis a vis other workers; (2) people's individual work backgrounds, including a relatively detailed account of the past employers and jobs; and (3) questions regarding perceived problems in their areas, in the plant, in management-union relations, and about their experiences with change in both the work they did and their attitudes about that work. We also included questions about people's expectations about the future of the plant, the company, the union and their role in each. The interview approach allowed respondents to assess, in their own words and using their own examples, what changes they had seen take place and what significance, if any, those changes had for them.

Employee Participation and Problem-Solving Groups

The employee participation program began in this plant in 1980 and has been augmented in subsequent years. To date, the most visible aspect of the program has been the construction of over a dozen "problem-solving" groups. Problem-solving groups usually consist of workers drawn from specific departments or zones in a plant (e.g., paint spray department, tool room or a specific product line). They tend to be composed of 8 to 15 members; usually all but a few of the group members are hourly. In some departments of this plant, however, it is mandatory for salaried supervisors (especially first-level supervisors and/or general supervisors) to participate. The groups meet on a regular basis: usually once a week before or after work with pay. At present, however, less than 10% of the plant population is actively involved in one or another problem-solving group.

The charter or purpose of these groups, as outlined in both company training materials and in early interviews with management representatives, is relatively straightfoward. It contains three parts: (1) improvement of the quality of work life; (2) creation of more "cooperative" or "harmonious" relations between workers and managers; and (3) improvement of product quality and reduction of unit cost. The bulk of this paper will be devoted to analyzing the ideological bases of these goals and their practical application. As I will go on to argue, however, the results of the first two objectives are dubious at best and the third (what I will refer to later as the "quality/cost calculus") is clearly the most popular objective from management's

point of view.

Improvement of Quality of Work Life

One of the plant manager's biggest emphases with respect to the employee participation program has been, in his words, "making workers feel like they are invested in the plant." He went on to suggest that investment is a better word than "belong to" or "are part of" because "those phrases smack of paternalism." A major aspect of investment takes the form of attention to better working conditions. This attention takes the form of encouraging problem solving group members to identify housekeeping issues which can be changed to make their work areas more liveable. This, as it was explained by a salaried problem-solving group trainer, meant:

> ...starting the groups out on little projects like drinking fountains or better lighting. That shows the workers that they can get things through working with management and making requests of the right people. And those little successes serve to show people that the groups work.

According to a plant layout engineer, the strategy has worked. He told me proudly that this plant had more drinking fountains per capita than any other plant in the company. Moreover, he noted, in 1982-83 the plant had spent $90,000 changing light fixtures in half the assembly workspaces.

Such successes do not go unnoticed by workers involved in bringing them about. One problem-solving group member, a woman who had worked on an assembly line for 20 years, remarked:

> You know, it's real nice. All these years I'd been complaining about the stool I sit on being too low and the lighting so bad you had toi squint. But all we had to do was say 'how about doing something about those lights and those stools and the next week, bang! We had new lights and new stools.

This small case illustrates what in the auto industry and other sectors of the economy is being quickly realized: problem-solving groups can have an early and, occasionally, dramatic effect on worker morale. But, can the long-term effects of these kinds of programs outlive the short-term successes? In many of the groups we have met or with individual group members we have interviewed, a "Hawthorne effect" is clearly visible. That is, attention to a group of workers or even a larger segment of the plant yields positive results in the short term, but as time goes on enthusiasm wanes. One worker, a machine operator, said with a sigh:

> Problem-solving is like buying a new car: the smell, the newness, the thrill wears off after a while.

Another worker, who had recently quit his problem-solving group after being involved for two years, said:

> You run out of diddlysquat things to do...you get tired of trying to figure out what you can do and what you can't.

The points these two workers are making are important. First, as was repeated over and over again in our interviews, anyone who has been around the industry for a

while has seen "programs" (of human relations, in particular) come and go. Even the participants are skeptical. Three-quarters of a million dollars invested in training in this plant is not particularly impressive to workers who see $2 million in parts scrapped each year. It pales in comparison to what one worker described as the "...$20 million in products that should have been scrapped but went out the back door to assembly plants anyway." The skepticism of many hourly workers was summarized by another group member: "What does Problem-Solving mean to me? A cap, a pin and a T-shirt."

Why, then, do people participate? The reasons are unclear but a number of explanations arose in our interviews with hourly workers. Job security was cited by several interviewees, particularly members of the skilled trades, as a rationale for participating. As one electrician told us:

> If we can use these groups to make the plant more efficient, it'll mean more contracts and more work for other tradespeople.

Improving working conditions attracted some participants. For example, a paint sprayer who occupied one of the least favored jobs in the plant said:

> I have no great love for the company. But, if I can make my job less dirty or help keep some of those people on the line from getting arthritis, I'll do it.

Alleviating the boredom of routine work was also offered as a rationale; one worker suggested:

> Man, when you've got twenty years invested in a job that bores you out of your skull, you'll try anything once.

Finally, there were a number of participants who felt like they could give more in the job if they were just asked: "We all have skills. Whether we use them in the plant or not is the issue."

The second point that the earlier pair of comments brings out, however, is directly connected to the meaning and the practice of participation. When workers say the "thrill is gone" or that they've "run out of diddlysquat things to do," they are pointing to underlying constraints on problem-solving practice. There are two issues imbedded here. First, there is a real question as to the degree of change brought about by bringing workers together to focus on problems in their working environment or in the production process itself. Specifically, most problem-solving group members volunteer or are recruited precisely on the criteria that they are "good" or "quality conscious" workers. In all cases, participation in problem-solving groups is voluntary; but, more often than not, individual workers are encouraged (via special attention or invitations) by supervisors or supportive union committpersons. They are often recommended to the trainers who will seek to set up a problem-solving group in a particular area. Thus, the construction of a problem-solving group sometimes comes to look like the National Football League draft with the principal agents being supervisors and union committeepeople. In referring to the construction of a particular group, a supervisor (foreman) said that his criteria for recommending potential group members was that they be "reliable, quality-conscious and guys that don't give me a bad time." His counterpart in this case, a union committeeman, explained his criteria in remarkably similar terms:

> I want hard-working, reliable people...and moderates, you know, not radical in either direction. Guys who are good union members but who don't kiss ass or have this thing about how the company is constantly screwing the working class.

Thus, success, at least in the initial phases, is also the fulfillment of a self-fulfilling prophecy.

The second issue in this connection is that the terrain of investigation and of action is limited even for the most "radical" groups. In his response to my question about the future of the problem-solving approach in the plant, a superintendent in charge of an area covering nearly 600 workers provided a surprising admission:

> Its dying in this plant...from a disease I don't quite understand. The group (working on a luxury car component) fixed all the problems they could, but, then what? The line was outsourced to a plant owned by the company owned in Mexico.

He continued:

> Once the groups solve all the small problems then they confront large problems. But the system doesn't respond when they get to issues like, "Why is this product designed this way?"

Another example of the limitation of the terrain of action can be seen in the incompatability of two outcomes of an effort at problem-solving by a group in an injection-molding area. The problem they identified was a health and safety issue: when plastic parts for a glove-box door are molded, hot liquid plastic (at a temperature of between 400 and 500 degrees Fahrenheit) is squirted into a mold and allowed to set and cool momentarily before being ejected. If there is any blockage in the feeder tubes to the mold, the plastic has to go somewhere. When it is released it often lands on workers, burning them as it sticks to skin and clothing. This seemed an ideal problem for the group to contend with. The immediate response from the group was a call for burn showers to provide immediate relief to those sprayed with plastic. To back up their conclusion, they spent hours figuring and charting the relative costs and benefits. After completing the groundwork, they made a presentation to management. Management's response, after two months, was that the solution was not "cost effective."

Frustrated, but undaunted, the problem-solving group went back to the problem-solving principles they had learned in their training and developed another report. This time they focused on the reasons <u>why</u> the feeder lines were plugging up (low quality plastic). However, their investigation took them far afield from their specific production area. The overall process generated among a number of group members a tremendous satisfaction that they had independently gained knowledge about operations outside their area. This second investigation resulted in three major recommendations: (1) through a detailed documentation of the cost and quality implications of the problem, they argued that the plant should more closely monitor the quality of raw materials; (2) that management should conduct classes, or allow workers to do it, which would explain how the different phases of the production and assembly process were connected; and (3) recommended that workers be rotated between jobs in adjacent phases of the production process so that they could better

understand one another's work and how the problems of one area are experienced or responded to in another area. As one group member concluded: "Who knows, it might even make coming to work more interesting!"

The recommendations drew a mixed response. With regard to the first suggestion, they received a commendation in the plant newspaper. With regard to the second, they received a letter from the a letter from the plant manager noting that their idea was good and would be looked into. After 8 months there was still no action on the second proposal. Finally, the proposal on job rotation brought a representative of the union local to their next meeting to explain how their idea would undermine the local agreement in the areas of job classifications, job security, seniority rights and overtime equalization. In other words, the group was admonished for having strayed too far onto the turf of existing union and management labor relations hierarchies.

While I will return to this point in a moment, let me discuss briefly the relationship between problem-solving groups and the other two objectives: worker-management relations and product quality and cost.

Worker-Management Relations

The central issue in the development and evaluation of this problem-solving program and of quality of work life programs more generally is their impact on worker-management relations. There are two approaches to answering the question. First, efforts to link problem-solving programs with more harmonious relations between workers and managers are questionable. For example, a Ford-UAW survey of "attitudes toward Employe Involvement" indicated increased levels of satisfaction with work among those employees who had been involved in the program. However, the results were generated from a survey of EI participants in only two showcase plants. More commonly, as mentioned earlier in the case of the Katz, et al, study, determinants of worker attitudes are difficult to separate from responses to economic conditions and the conditions of the industry more generally. In the plant we studied, investments in the Problem-Solving approach and their allied small groups have not coincided with a drop in the number of grievances. That is, there is no indication of greater harmony even with tighter economic conditions and the ever-present threat of labor force reduction. A labor relations representative, asked if grievance rates had dropped over the past five years, responded:

> They haven't gone down, not any of them, except at the third stage (arbitration). It's about the same, if not more, overall. They've created a second-and-half stage in order to get the third stages down. Second stage (involving a formal hearing with representatives from the union and labor relations) has gone up. First stage, nobody follows it.

There has been a decline in the rate of unexcused absences--particularly the so-called ring failures--but, again, this is hard to separate from economic conditions. Moreover, the percentage of the plant population on medical leave has not dropped; in fact, it has risen modestly. In other words, if one response to work conditions (and this includes social interactions between workers and managers) is to periodically go AWOL, then people are being more careful now to cover theior absence with an offical excuse--in this case a doctor's note.

A second approach to assessing change in worker-management relations is simply

to ask workers if they think the relationship has changed. We attempted to do this in our interviews but in such a way as to not telegraph a "correct" response. That is, we asked workers: "If you had one or a number of plant managers here to answer any of your questions--or if you wanted to ask them anonymously--what sort of questions would you want answered?" The response came in three modal or typical questions--irrespective of whether the workers were involved in problem-solving groups. I will paraphrase them: (1) "Why don't you trust us?" or "When are you going to trust us?"; (2) "Why do supervisors (and/or) managers think they have to treat us like children/dummies?"; and (3) "Are they <u>really</u> committed to changing things?" In other words, as one worker put it eloquently: "It's like the rotation of the earth. Everyone says it's happening, but I sure don't feel it!"

If there are no demonstrable effects on broad quality of work life issues and no real change in labor-management relations, then what effects are there? With this question I turn to the third mandate of the employee participation approach: product quality and cost.

<u>The Quality-Cost Calculus</u>

Increasing quality and reducing cost are the most popular objectives from management's point of view. It is something all levels of supervision can hang their hats on--if only because they are the criteria most relevant to supervisors' performance evaluation. As one top manager told me:

> As far as I see it, the main object is to improve the quality of the product. The next objective is to reduce operating costs. If we do both of those by involving employees more, then I think that job satisfaction will be a by-product. Not the main product, but a by-product.

In other words, if groups can be steered in the direction of tackling problems which improve the quality of working life <u>and</u> reduce waste (and therefore unit cost), then employee participation is something no manager should be without.

This steering process has, paradoxically, been aided by what I described earlier as the union's effort to keep the groups off contract turf. Because the union sees and calls quality a "motherhood" issue, it encourages groups to walk the narrow path of tuning parts of the system rather than trying to redesign the totality. Thus, earlier union arguments to the contrary, advertisements and pronouncements by the companies focus primarily on how group discussion and so-called participative management result in <u>reduced waste</u>, <u>lowered unit cost</u>, and <u>higher levels of output</u>.

Further evidence for the quality/cost calculus can be found in those cases where the greatest pressure has been brought to bear by the company to change the existing physical and social arrangements of production: in plants which have been threatened with closure, on the one hand, and in new or refitted plants, on the other. In the former case, the introduction of participation schemes has been a part (though a secondary part) of a company strategy to accomplish an overhaul of the accumulated customs, informal arrangements, and problems which have come to characterize both union-management relations and management practice in a particular facility. The decision to threaten closure of a facility is often prompted by considerations of age and deterioration of physical capital; but, quite commonly, the threat of closure is coupled with an implicit proposal that, if costs can be reduced, some form of accomodation can be reached. In some cases, as in the Buick foundry in Flint,

Michigan, compromises have been reached between managers and employees, e.g., to save jobs, workers agreed to sweeping changes in the local agreement and were rewarded with conversion of the plant to the production of transmissions. In the name of quality improvement and cost reduction, administrative rules regarding job classifications were relaxed considerably (resulting in the creation of one job classification in the place of 80), seniority bumping procedures were amended to allow management to exercise selectivity in choosing which workers would be included in the new plant, and numerous quality control circles were established.

In the case of new plants, particularly those constructed outside the traditional power base of the UAW (e.g., in Oklahoma, Georgia and Louisiana), tremendous energy has been invested by the companies in "starting over" with new job rules, job classifications, systems of scheduling work and organizing work groups. The construction of quality control circles and related participation schemes has been part of what one organizational analyst referred to as "creating a new social order on the shop floor." This new social order has been established in some cases with the employment of an entirely new labor force, particularly one unaccustomed to the traditions of the UAW or its rationales for insistence on strictly defined work rules and employment regulations. In other cases, the union has been forced to concede greater flexibility in contract administration just to get its foot in the door.

Our plant-level study, however, has uncovered another side to the connection between problem-solving and the quality/cost calculus. While union representatives and top management extol the virtues of "quality consciousness", the old driving force—the bottom line—still limits quality and, in the process, creates conditions which undermine the legitimacy of the groups for those who participate in them. Irrespective of the plant controller's claim that "we're light years from where we were five years ago," workers report a different sentiment. One assembler complained:

> They still play the old game of hiding the bad with the good on top. If the parts are hot (in high demand), they'll go out, maybe on the next shift. It just goes back to the old drill sergeant in the new army.

Another worker, a production checker, told us:

> On Tuesday the parts are called scrap and we put a tag on them to send them back to get thrown out. On Wednesday the assembly plant calls and says "Where are those parts?" Well, out comes the magic wand and suddenly those things are good enough for our new, improved '84 model.

Or, as a production supervisor explained:

> Hey, I'd like to send out nothing but good stuff. But if it's a choice between getting my ass chewed for not making budget or, worse yet, shutting down an assembly plant and just compromising, I'll compromise.

The inconsistency in quality standards which results from the bottom line and the contradiction of problem-solving group efforts quite often leads to frustration among the most dedicated group members and resignation for many who were skeptical to begin with. As one of the workers most openly supportive of the approach told me:

> After our last meeting we were just climbing the walls. Guys were literally banging their heads against machines. How in the hell do they expect us to give a shit when one day they pat us on the back for high quality and the next day they just absolutely reverse themselves?

Thus, as the groups find their charter limited to quality and managers justify their support via a quality/cost calculus, they also reencounter a system driven by profit. One worker best summarized the situation by saying: "I can see this whole employee participation thing in big trouble when car sales increase."

The Underside of the Employee Participation Approach

Assessing the intent behind the companies' enthusiasm for problem-solving groups is a more difficult undertaking than simply examining what the groups can and cannot do. However, management's intransigence with regard to fundamental changes in the work process and the overwhelming emphasis on quality improvement and cost reduction make on aspect relatively clear: rather than sharing control through the participation programs, management has put increased control on the agenda. Behind the trappings of phrases like "giving employees a greater say" is a concern for trapping into workers' knowledge of the production process, especially that element which has traditionally served as a buffer between workers and their immediate supervisors--the so-called tricks of the trade.

One way to interpret the problem-solving approach, suggested by Burawoy's (1979) analysis of informal relations on the shop floor, is that the construction of problem-solving groups allows a greater number of choices for workers--giving the impression of greater involvement in directing production--while simultaneously breaking down the barriers to management's control through the pooling of workers' hidden knowledge of the production process. If the tricks of the trade have served to reduce managerial control over output, then the mechanism of problem-solving groups offers the opportunity to turn those defenses to the organization's advantage. Such a practice appears consistent with the contemporary ideology of participation but it furthers a much more traditional Taylorist goal: the appropriation of workers' knowledge and it's reproduction as greater managerial control. Moreover, the appearance of greater communication between workers and managers and of greater "trust" on the part of the company is brought about by the construction of small groups and the identification of their purpose with that of the organization. Such an approach offers a tentative resolution of Mayo's classic problem of how to tap into the potential of informal work groups.

Two aspects of this are illustrated at the plant level. First, in response to an outside consultant's suggestion, plant managers decided to introduce an innovative practice in one of the assembly areas of the plant: the elimination of work standards. Instead of setting a standard of 800 pieces per operator per day, the company now offered to remove the standard and told workers, in the words of the plant manager: "Make the largest number of good parts you can by working 'bell to bell.'" The problem-solving group in the area, which had been actively pursuing housekeeping problems, was enlisted to help promote the system. They received regular visits from top plant managers and encouragement from all quarters. The problem, according to a production superintendent working in a similar area, was that workers were rushing throughout the early part of their shift and completing production standards one to two hours before the end of the work day. After meeting the standard, workers would sit, talk and/or knit for the remainder of the

shift. According to the Superintendent: "Any improvement he (the worker) figures out, he figures is his, not the company's." The approach taken to this problem, as explained to me by both the area manager and several members of the problem-solving group, was for the problem-solving group to analyze and discuss what the best methods for doing the work would be. Then, the problem-solving group members were to take the lead in implementing them and coach other workers in how to do the job. Both the area manager and group members described the objective in the same terms, to wit: "...to create a sense of group responsibility in cooperation with management. To make it a matter of peer pressure, not management pressure."

The second illustration of how group activities are bent in the direction of the organization's and management's purpose can be found in the new practice of "opening the books" in order to "increase communication." Following the last round of contract negotiations, the union has been clamoring for companies to tell it like it is economically. This has led, in the case of this plant, to introducing workers to the formerly hidden world of "pay points" (i.e., break-even points in the production of parts and subcomponents within an area of the plant), cost curves and production scheduling. Management has begun instructing workers in the language and the mathematics of running a business. While such a practice has the potential to suggest alternative strategies of organizing the work, its immediate effect is to ensnare workers in management's logic of production and market economics. The anticipated result is a form of consent to authority in which workers are convinced of the necessity of hard work (lower cost) for their own self-benefit—and, of course, that of the company.

If the problem-solving groups represent devices for playing out new and sophisticated forms of management ideology, they also provide a further means for instigating divisiveness between workers of different statuses. Here I refer most specifically to the relationship between production workers and members of the skilled trades. If the trades look to be an attractive alternative to the boredom of routine work and seem to offer higher status along with the higher pay (e.g., with a $2.50/hour difference between assembler and electrician), the trades have also occupied an unpopular niche in the minds of many production workers. As maintenance workers, they have traditionally been part of a crisis managment approach to production: they are expected to respond to production emergencies (such as machine failure), but when not "putting out fires" they sit and wait for the next crisis to occur. The image of the skilled tradesmen (and they are men in this plant) held by the bulk of production workers and supervisors is one of laziness, indifference and self-importance. That the underutilization of the trades is a failing of management is often conceded, but in a period of economic crisis and job insecurity, the trades become an easy target for abuse from workers who see themselves as more expendable than the tradesmen.

In the problem-solving groups this conflict is heightened by the fact that many of the problems groups tackle involve the maintenance department and, by extension, the trades. Two examples of divisiveness within the hourly ranks are relevant. First, when a problem-solving group suggested that a system of preventative maintenance might diminish dangerous (but routine) oil spills in a parts press area, the maintenance superintendent came to the group and explained, in hat-in-hand fashion, that he agreed enthusiastically with their proposal <u>but</u> that his hands were tied by the restrictive job classification system enforced, in his words, "by the political power of the trades." Second, a routine part of the opening pitch offered by the plant manager to budding problem-solving groups of production workers is a monologue on

how "we're all in this together." But, he goes on: "You have to remember that you'll get $9.65 an hour doing assembly work only in the auto industry...electricians make good money wherever they work."

The resulting antagonism between the trades and production workers is exacerbated by the problem-solving approach. As one otherwise skeptical production worker member of a group remarked:

> They (the trades) are overstaffed--they carry twice as many as they need. You go back to their crib and you'll see a stack of books and cards and toys they make with company materials....They're stronger than us in the union. They follow the contract to a T. The union pampers them on the local level. For example, they've got a horseshoe pit out back financed by the company. That shows you how much free time they have!

Such characterizations, not surprisingly, lead to equally vicious responses from tradesmen. For example, one electrician retorted:

> Those jokers didn't invest in anything but a lunchbox but now they want parity....Even though many production people can learn somethings by observing, they didn't sacrifice 4000 in an apprenticeship like I did.

The situation is made even more divisive when the plant chair from the UAW local comes from the trades and has his strongest political support there. When asked how his political base effected his dealings with the two factions, he responded:

> I deal with the skilled trades and production people in a different way. I can humble production people by saying there's a threat to their jobs. But I have to build up the egos of the tradesmen.

Employee Participation and the Union

In dealing with the economic crisis of the industry and the attempts by management to deal with it through a new ideology of control, the union walks a tightrope. Having negotiated an international agreement which solidly supports the philosophy and the practice of problem-solving, it cannot actively deter the experimentation. The international leadership of the union has made a point of telling the locals not to obstruct experimentation because "it's in the contract." And, having effectively ignored the significance of changing working conditions in past contracts (focusing instead on wages and benefits), the union has helped create a situation where involvement in problem-solving groups appears to be a real alternative to trying to change things in the old bureaucratic way. As one production worker noted:

> They (the union) don't consult the worker before a contract agreement. They just say "You need glasses" or "You need dental insurance" rather than asking us "What about the work needs to be changed?"

The union is aware of the dilemma and there is considerable skepticism about problem-solving and its implications for the union's position. A local union representative told us:

> It's a big risk to back it (the employee participation program). Many

> people are skeptical. If it turns out bad, the supporters get identified with it and it makes you look foolish. We'd look like we got used if things get better financially and it was dropped.

A skilled trades representative followed up by noting:

> I feel it was set up to concede little things to workers in order to undermine the union. They concede to problem-solving groups requests for things like more drinking fountains--something the union has been asking for for years. This way the company looks good.

He went on to say that he often drops in on problem-solving group meetings "just to protect myself politically." Political protection is a matter of course for the plant chairman who admits that he has his neck "stuck way out over this problem-solving stuff." But, he also concedes that promoting problem-solving groups among production workers enables him to "build more bases of political support for the next election." When asked whether union-management cooperation meant no more strikes, however, he responded that "the union is going to keep the doors open for a strike."

In the meantime, the union milks employee participation politically in order to stave off complaints that they are obstructing the recovery of the auto industry (i.e., that they are good economic citizens) while remaining aware of the "union-busting" potential of this new generation of management ideology.

Conclusion

I have tried to stress in this paper the necessity of an analytical separation of the ideology and the practice of employee participation programs in the auto industry in two senses. First, the imfatuation of many American managers and union leaders with the prospect of greater participation has ttended to obscure the gulf between talking about control and fundamentally altering authority relations. Problem-solving groups as they are presently organized may enlarge the number of choices for workers with respect to aspects of the production process, but the range of choices is not expanded. Communications devices may give the appearance of greater managment openness but (a) they do not alter the distribution of rewards or authority or the mechanisms through which power is exercised and (b) management's retention of intiative for constructing participation programs means that problem-solving groups and the like will continue to force unions to respond rather than create their own alternatives. Second, the establishment of work groups under conditions not of workers' own choosing has the potential effect of enabling employers to further reveal and appropriate workers' knowledge of the production process. Therefore, the language of cooperation, particularly persuasive in a period of economic crisis, acts to obscure a practice in which greater control is the objective.

Little change can be expected unless steadfast efforts are made on the part of the union and the companies to introduce structural changes alongside their emphasis on changing attitudes. The survival of participation programs, in fact, depends on structural change. Four interrelated factors must be addressed: (1) Moving involvement beyond those who are already "quality conscious" and, in the process, extending the "interest curve" by increasing the breadth and depth of training and the terrains of investigation of the problem-solving groups; (3) Developing a combination of incentive and requirement for management groups (particularly those in engineering) to respond to and, perhaps more importantly, consult with hourly workers

in the process of their own decision-making; (4) Broadening the participation of rank and file members of the union in key union activities, such as contract negotiation and development of pilot programs through the initiation of problem-solving groups for the union which cross-cut departmental boundaries in an effort to deal with broader issues of work organization and employment which, of necessity, fall onto "contract turf"; and (5) Constructing a training and incentive program for lower levels of production supervision which rewards supervisors, general supervisors and superintendents or area managers for their participation in problem-solving groups and their own inculcation of an environment which encourages communication between hourly workers and their supervisors.

These are general conclusions and stray from providing concrete, direct advice of the "how-to" nature. Yet, in some sense, their very generality is a product of the fact that specific suggestions can be misleading if they are not coupled with (and, to some extent, preceeded by) a broad commitment to re-thinking the purpose of the organization. By that I refer to a question we encountered in the overwhelming majority of interviews we conducted at the plant level: "Can these programs survive a resurgence in the economy?" As we were told on numerous occasions, in effect: "It's easy to be innovative when you're not selling cars. But what happens when people start buying them?" Will the old bottom-line emphasis--"getting the metal out the back door"--reassert itself and drown the participation approach in a sea of back orders?

The answer to these questions is far from clear. There are, however some disturbing implications when one looks at the issue of product quality--a corrolary emphasis in the industry's response to recession and increased competition. Though public presentations by the major companies have emphasized the success of efforts to increase quality, there is sometimes disagreement at the level where quality is most immediate: the production facility. Interviews we conducted indicated that many employees--hourly and salaried--remained skeptical about the sincerity of top management's commitment to improving product quality. They pointed to continued inconsistency in quality standards, to the lack of a continuous program of preventative maintenance for machinery, and to the unchanged pressures on supervisors to reduce labor hours even at the expense of returned parts as evidence that little had changed when it came to quality. While some salaried employees argued that at "the upper levels" (i.e., outside the plant) there was perhaps a new emphasis on risk-taking and innovation, the bottom-line emphasis continued to dominate people's actions in the plant--even with a new language of openness, communication, information-sharing, risk-taking and other aspects of what has recently been dubbed "intrapreneurship." In other words, many feared a revival of the old ways of doing business when the profits began to show up again. This, many suggested, is what prompted recent pronouncements on the part of the leadership of the union to "recapture" what had been lost in the last round of contract negotiations.

If there remains genuine concern about commitment to quality at the level where quality must be produced, then it should not be surprising that questions about commitment to quality and commitment to "new styles of labor-management relations" should go hand-in-hand. What makes the issue even more pressing in the case of participation programs, however, is the fact that participation programs do not contain in themselves a sort of "end point" or goal such as is targeted in zero-defect programs of quality assurance. In other words, participation programs cannot be considered "successful" with the achievement of an arbitrary percentage of the

labor force "involved" (be it 10%, 25% or 100%). Rather, they represent a kind of undertaking that cannot survive unless it continues to grow. This is what was implied in the earlier discussion of the "Hawthorne effect." That is, while it might be considered by some a measure of success that programs of greater communication and more extensive problem-solving have developed over time, to stop there would be to risk the "routinization" of their intent, i.e., transforming them from something dynamic and alive into something that just constitutes another aspect of the job or, worse, into something that has little meaning for the participants.

Notes

* This paper was prepared under the auspices of the Joint U.S.-Japan Automotive Industry Study administered through the Center for Japanese Studies of the University of Michigan. The author, however, takes sole responsibility for the arguments and conclusions presented.

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