

Statement
of
Chester McCammon
Universal Dynamics Corporation
on behalf of
The National Association of Manufacturers
before the
Commission on the Future of
Worker-Management Relations

August 10, 1994

**MANUFACTURING
MAKES AMERICA STRONG**



Manufacturing: The Key to Economic Growth

- ✓ U.S. manufacturing's direct share of the Gross Domestic Product (GDP) has averaged more than 21 percent since World War II. And nearly half of economic activity depends indirectly on manufacturing.
- ✓ U.S. manufacturing productivity growth averaged 3 percent during the 1980s compared with almost zero growth in the rest of the U.S. economy.
- ✓ U.S. manufacturing exports have been the *single main source of strength* in the current economy — contributing 30 percent to 40 percent of the nation's economic growth since 1987.
- ✓ Each \$1 billion of exports creates 20,000 new jobs. Since 1985, exports have saved 4 million jobs in U.S. communities.
- ✓ Manufacturing jobs on average pay 15 percent more than jobs elsewhere in the economy.
- ✓ Manufacturing provides the bulk of technological advances and innovation for the economy.

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Universal Dynamics Inc.
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My name is Chester McCammon. I am a member of a self-directed team at Universal Dynamics.

Through interaction with fellow workers, I have noticed a growing desire in them to participate in the decision-making process at work. This is accompanied by a growing frustration, because the opportunity to do so simply does not seem to exist under current laws and their interpretation.

Most workers don't know this and believe management is intentionally preventing their participation. This misconception is combined with the belief that dictatorial line management is the standard. Further, no matter how benevolent the dictators, workers believe as soon as sufficient pressure is exerted, managers will regress to the use of whip-cracking and coercion. These are only some of the circumstances that are responsible for the "us-them" attitude found in many American workplaces.

If this attitude is to be changed, management must make the first move. After reviewing portions of the NLRA, I have come to believe that current interpretation of labor laws hinder management groups that are genuinely trying to bring about positive changes in their labor management relationships. At the same time, this gives others an excuse not to even try to change.

I would like to see interpretation of the law that would allow a wider range of employee participation in the management process, and that would allow management to make the first move toward changing management-labor relationships so that they are based on trust, respect and cooperation.

In addition to these changes in the law, a program should be instituted that encourages and rewards businesses for their efforts to promote greater employee participation and involvement in the management process.

I am particularly interested in the seven questions offered in section 8 of the Fact-Finding Report of the Commission on the Future of Worker-Management Relations. I would like to share some of my thoughts on those questions.

1. We can enhance workplace relationships by understanding that they are the same as what we would find at home. We must realize that they will take as much care and maintenance as our personal relationships. The keys to success are education and open and honest communication with the mutual belief of no reprisals for speaking one's mind. Patience and putting aside one's own ego will also be necessary.

2. There is a very very deep but unrealized interest in participation in the American workforce. What keeps employees from taking initiative is fear. Fear of changing management's view of oneself from positive to negative. Fear of loss of opportunity for advancement. Fear of loss of income. But mostly, fear of the unknown. Communication and

education can help dispel these fears. Management has fears also. What can they legally do to encourage real employee participation?

3. Management should make the first move. Managers should speak to workers, first as a group, then to individuals. Managers should be persistent, asking for feedback until they get an answer. Workers will only take you as seriously as you present yourself. Often, resistance is used as a device to measure management's degree of commitment.

4. I believe that if workers do not have a voice in determining what the outcome of their participation will be, they may believe that management interests are hypocritical and self-serving.

5. There is no start-up cost for an employee participation program. As for downsizing and pressure for short-term results, well, these are just normal conditions from the worker's point of view, at the bottom of the food chain.

6. My only thoughts on this are related to non-union and union businesses. If workers at a certain business have rejected unionization, the company should have no fear in instituting employee participation programs. The same applies to companies with unions as long as they deal with the union.

7. I believe that a program to educate management and labor in the benefits of adopting such new systems as TQM, TQC and JIT would be of great value. Also useful would be

programs that offer assistance, incentive and rewards to those who move in those directions.

The government posture should be one of education, not enforcement.

In conclusion, I'd like to say that the question is not whether, but when will the NLRB recognize what's happening on the shop floor.

Thank you.