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Remarks of

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as prepared for presentation
to the

Commission on the Future of Worker-Management Relations

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Mr. Chairman and distinguished members of the Commission, thank you for extending the invitation for me to speak to you today.

My name is Jack West, and I am chairman of ASQC, the American Society for Quality Control.

I am here not as an expert on labor relations or labor law, but as a representative of the more than 130,000 quality practitioners who make up ASQC's membership.

ASQC members include quality managers, quality assurance technicians, engineers, consultants, academics, and others. They work in every type of organization in the private and public sectors, including large and small businesses in manufacturing and service, union and nonunion, government and education, and as independent contractors.

In addition to providing educational materials and opportunities for our members' professional development, we are involved in development of international quality systems standards and many activities that help to define the state of the quality arts and sciences and to educate both our members and the public about quality matters. We have been chosen by the National Institute of Standards and Technology to administer the Malcolm Baldrige National Quality Award. Recently we have taken an active role in facilitating dialog between management, unions, and quality professionals on cooperative quality improvement efforts. We sponsored the first ever Labor/Management Roundtable on Quality last fall, which was very well received and has led to further opportunities to continue this needed interchange.

All of these activities put us right in the middle of some of the most sweeping and fundamental business changes since the industrial revolution, and our experience has taught us some valuable lessons.

We have come to realize that we are living a great experiment every day in the quality arena.

We are witnessing some successes and some failures; but, inevitably, a great deal of experimentation is going on in spite of what is codified in labor laws that were written many years ago. ASQC's role as a professional society is to encourage the best of these efforts; to lay down certain fundamentals and take steps to ensure that there will be more successes than failures, more starts than stops.

We regularly receive requests from people looking for a quality program that they can put in place where they work. Unfortunately, quality systems can't be bought ready-made off the rack. They're complex social-technical systems. We are awed by the tremendous diversity in approaches to quality improvement. No single approach fits everyone. You must shape your own approach to suit your own situation--including your own organizational culture and your particular state of human relations. That means this quality stuff is a messy business. But the diversity of approaches that it spawns must be encouraged; it can lead to many unique successes and novel ways of doing things.

With these thoughts in mind, there are two main points that we would offer in response to your request for input. First of all, U.S. labor relations policy and law must encourage rather than impede the types of participative working relationships that are required by modern quality management approaches in diverse organizations.

Secondly, we would encourage government action to recognize and actively promote initiatives in the private and public sectors that are laying the groundwork for new cooperative labor/management quality efforts.

Let me explain how these points address some of your concerns.

Specifically, you asked how trust and the quality of relationships can be enhanced.

From the viewpoint of quality practitioners, we see two ways in which this objective might be met. Primarily, by more widespread adoption and deployment of quality improvement programs, and also by encouragement of labor and management joint efforts on quality improvement.

There are countless ways in which quality programs foster cooperation, sharing of information, and cross-functional teamwork in order to be truly successful.

We have documented evidence that these efforts have an effect on employee attitudes toward participation and empowerment. For example, in a 1993 survey of workers done by the Gallup Organization for ASQC, employees who participate in team activities were shown to be significantly more likely to say, among other things, that one individual can make a big difference in an organization and to believe that management is open to new ideas. In general, these people have more positive feelings about their organizations.

Efforts are underway in the private sector to bring about better working relationships among management, labor, and quality specialists in American organizations. Last fall, ASQC initiated its first Labor/Management Roundtable on Quality, bringing together leaders from several unions, management, and the quality profession. It had a very positive impact; plans are underway to conduct a similar roundtable this October focusing on the automotive industries. We were surprised to learn that prior to this there had been no other opportunities for the kind of multilateral discussion that occurred there.

Initiatives such as this deserve to be encouraged, as they break down many of the subtle barriers that too often can hamper improved relationships.

In addition, trust and quality of relationships can be enhanced by showcasing existing models of labor/management cooperation; by discouraging the efforts of some who see worker participation as a means for decertifying of unions; and by encouraging rigorous problem solving that involves unit workers as a means for conflict avoidance and resolution, instead

of arbitration panels or judges.

You wanted to know if there is an unrealized interest in participation, and if so, what prevents its expression.

We also have evidence from our studies to support the view that there is indeed a fundamental interest in participation in the workforce. In a 1990 ASQC/Gallup survey of employees in large and small organizations in both the service and manufacturing sectors, "More involvement in making decisions that affect you" ranked very high among a list of changes that would make employees' jobs more satisfying. In this same survey, the primary reason given for not participating in quality programs is that they are not offered--they are simply unavailable. Only 66% of employees said they have been asked to be involved in making decisions about significant aspects of their jobs (that figure has since risen to 74% in the 1993 survey). "Letting you do more to put your ideas into action" ranked highest among ways to increase work performance. More training in job skills and educational opportunities ranked high as ways to achieve high quality. So the desire to be involved in meaningful ways appears to be very strong.

Further evidence of a deep-rooted interest in participation is provided by a new ASQC program, "The Stuff Americans Are Made Of." Based on research that uncovers the American archetypes for quality and teamwork, this training program allows us to understand and tap into our cultural patterns--the things we do naturally--to unlock the power to achieve world-class results.

Understanding the cultural tendencies that predispose Americans to full participation can have a profound impact in the workplace. Workers who have participated in the program have felt for the first time that their input is valued by their employer. Teams of workers who have received this training are making significant improvements in quality.

There is a state of readiness for participation, and it can be raised by adequate preparation, including education and training that starts with our nation's primary asset: its workers. As the economist Lester Thurow said, "The four elements for gaining national wealth are capital, technology, natural resources, and the work force. Only the work force is tied to the country. All the rest follow the highest bidder."

You asked if employees should have a voice in initiating, modifying, and terminating employee participation efforts. Of course, this is so. But a more appropriate question might be, What is the role that employees play in workplace redesign? In terms of a team perspective on participation, there are at least four levels of teams. The first is very artificial: teams are assembled basically to listen to management announce what it plans to do. This is generally under the guise of sharing information. The second level entails asking employees to help implement new directions coming from management. At the third level, teams make decisions, but they must clear with management before implementation. At the fourth level, decisions are made and implemented without prior management review,

with management providing oversight after the fact or when invited in as advisor.

Quality systems operate in organizations that fall in each of these levels. The most effective quality systems thrive on ideas from everyone in the organization. So what is needed is an atmosphere in which this high level of input is encouraged--which seems an appropriate role for this Commission.

In terms of government strategies to assist diffusion of employee participation and labor-management cooperation, we would offer these suggestions.

A government strategy of vocal and visible inter-agency support for and recognition of existing labor-management cooperation efforts would be welcomed. These efforts include the initiatives involving ASQC and major labor unions and corporations, plus other activities initiated by groups such as the Wisconsin Labor-Management Council.

Support could take many forms, from official encouragement, funding of initiatives, support for training, and recognition and showcasing of existing models of labor/management cooperation, such as those already mentioned here (Corning, Ford, Motorola, AT&T, Inland Steel, Xerox).

There are also examples of labor-management cooperation within the public sector. The best of these can be held out as models for others to follow and as demonstrations of lessons to be learned by others.

As for changes in the labor law, particularly Section 8(a)(2), it appears that retaining this section in its present form may not be desirable on account of the likelihood of continued challenges. In situations where good cooperative relationships exist, this provision may not be seen as an obstacle. But that is not the case everywhere, for a number of reasons: intent, lack of knowledge of the potential pitfalls, or an acrimonious human relations atmosphere.

Instead, we believe that the widest possible array of quality-related activities should be allowed, unless there is an antiunion intent.

This includes the use of self-managed production teams, in-house resolution procedures, and joint quality of working-life committees in nonunion firms.

ASQC maintains that any attempt to use quality activities to interfere with the right of employees to join a union, or to decertify a union or weaken a collective bargaining process, is improper; we would caution any organization that considers such an approach that it violates the spirit and the precepts of quality and is therefore not likely to succeed. We do not want to see quality efforts held hostage by either management or labor in a labor dispute.

There are plenty of other reasons why quality efforts stall or fail or fall short of reaching their full potential; this should not be one of them.

We do believe, however, that the vast majority of quality improvement initiatives that involve employee participation activities are honest efforts to engage the full capabilities of the work force for legitimate economic purposes. We therefore believe that the Commission has an opportunity to perform a real service (to the quality profession and the nation) by not only instituting safeguards against abuse but also, and more importantly, by encouraging the ongoing experimentation with new organizational relationships that may lead to breakthroughs in quality improvement.

We do not agree with a policy of mandating employers to offer to their employees participation procedures meeting certain minimum standards. To do so would limit the tremendous diversity of quality approaches that arise to accommodate a wide variety of situations and cultures.

In closing, let me say that there is still a lot of groundwork that needs to be laid to permit the widespread adoption of the type of successful quality effort involving labor, management, and the quality profession that we know from experience is possible. Reasonable people will make it happen, and you can help. How?

Let me reiterate the points I made in my opening statement: Through government action on several fronts to recognize and actively support the types of cooperative initiatives that ASQC and others are involved in, and by leading the effort to shape U.S. labor relations policy and law so that it encourages rather than impedes the types of working relationships required by a total quality management approach.

Thank you for your consideration.

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