

"HOT TOPICS"
Future Worker Management



NEWS RELEASE

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**WHIRLPOOL PRESIDENT IDENTIFIES EMPLOYEE EMPOWERMENT
AS A KEY TO SUCCESS IN GLOBAL MARKETPLACE**

**Testimony Presented to Commission on the
Future of Worker/Management Relations**

Washington, D.C. - November 8, 1993 --- In testimony before the Commission on the Future of Worker/Management Relations, Whirlpool President and COO William D. Marohn emphasized the importance of employee empowerment to drive the success of businesses competing in the global marketplace.

"Whirlpool is successful not merely because of astute business decisions and global risk taking. It also takes the efforts and commitment of our employees who are empowered to improve our business and our products," Marohn told the commission.

According to Marohn, "empowerment" at Whirlpool is based on a strategy of comprehensive employee participation including employee responsibility for quality, productivity and self-management. In several Whirlpool plant facilities, production employees are responsible for hiring, training, skill building, appraisals, promotions and even the discipline of team members, including termination recommendations.

In 1992, Whirlpool spent \$16 million in training and developing its U.S. employees. The vast majority was invested in working men and women who build its products.

Marohn also emphasized that employee involvement has taken on a different look at the various Whirlpool facilities. The unionized locations work together through Labor Management Committees while the non-union operations use work groups and production improvement teams.

"Team involvement and employee participation is not a union vs. non-union issue. It's a survival issue." Marohn stressed. "We are winning together within the existing legal system. All Whirlpool people -- union and non-union employees -- are operating successfully without massive labor law reform. But, to continue to grow and be successful, we believe that it is critical to protect the right to participation and cooperation."

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"Anything that compromises the cooperation between employees and management and participation by employees in business decisions is not in this nation's best interests -- short or long term," stated Marohn. "If we can't empower our people, we can't compete successfully. And if we can't win here in the U.S., we must go somewhere else where we can. And we all know, that result is **not** what Whirlpool...or this commission...or this country wants."

With employee empowerment, Whirlpool management is responsible for providing "the vision and road maps for our continued growth and success," as well as the "direction and leadership for all of our employees. We must provide a workplace in which they can grow, increase their skills and knowledge, contribute and gain individual fulfillment," explained Marohn.

In closing, Marohn extended an invitation to the commission members to personally visit a Whirlpool facility and asked the commission to take a moment to reflect on Whirlpool Corporation when they were formulating their recommendations. He reminded them that Whirlpool is "leading the world in the major home appliance industry - within today's business climate and with today's workforce and labor laws."

The 10-member commission was formed on March 24, 1993 by the U.S. Departments of Commerce and Labor. Its charge is to investigate the current state of worker-management relations and labor law and make recommendations concerning changes that may be needed to improve productivity through increased worker-management cooperation and employee participation in the workplace.

Headquartered in Benton Harbor, Michigan, Whirlpool Corporation is the leading manufacturer and marketer of major home appliances, an industry in which approximately 190 million appliances are sold annually. With 39,000 employees worldwide, Whirlpool manufactures in 11 countries and markets products in more than 120 countries.

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