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William Whyte
University of Chicago

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Solving the Hotel's Human Problems

William Whyte
University of Chicago

The People Make the Organization

“Unless you can build up good, stable, and cooperative relations among them, you don't have an organization which will continue to function and make a profit.”

That point of view is steadily gaining ground in American management. Forward looking executives are now casting about to develop better ways of handling the human problems of their organizations. This effort has led to a great expansion in personnel departments.

In general, the hotel industry has lagged behind other industries in the development of personnel work, and many hotels are now seeking to move ahead in this area. This is a healthy sign, but I suggest that the hotel industry would be making a grave mistake if it simply tried to catch up with what other people are doing.

There is valuable work being done in some of industry's personnel departments. There is also much time, effort, and money being expended in activities which are either useless or of very limited value because they fail to grapple with basic problems. Therefore the hotel which is now launching its own personnel program should not seek to imitate established practices but should rather try to develop a program tailor-made to its own needs.

No Magic Formulas in Personnel Work

What does the executive or department head need to know in order to manage his organization effectively? There are many answers to this question, but I suggest that if he can answer the following two questions, he can then get all the other answers he needs to have. Here are the questions:

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1. How can I get accurate information on the functioning of my organization?
2. How can I act on such information so as to improve the functioning of my organization?

The efficient hotel management today keeps elaborate records of the financial aspects of its business, and these serve as one sort of measure of the functioning of the organization, but behind the figures stand the people—workers, supervisors, and department heads. If their relations with each other are not organized effectively, costs go up. If there is friction among workers, between workers and supervisors, or between departments, it is impossible to give cheerful, thoughtful, and efficient service, and sooner or later the loss of guests will show up in the balance sheet.

We have found in our research that a company may have good systems for employee selection and training, for merit rating and job evaluation; it may pay good wages and provide insurance and other benefits, and still it will suffer from low employee morale, from absenteeism and labor turnover, from internal friction and low efficiency—unless the human relations of workers, supervisors, and department heads are organized with skill and understanding. On the other hand, as an effective organization is built up, it becomes easy to develop whatever personnel systems are helpful in improving efficiency and job satisfaction.

The moral is: there are no magic formulas in personnel work that produce a good organization. The first principle for effective action is:

Know your organization.

Hotel Radisson Scene of Experiment in Better Personnel Relations

It is one of the aims of the Committee on Human Relations in Industry to provide executives with the information they need for effective action. However, we feel that in the long run the business should not have to rely upon a university for such a vital function. It should be possible to develop the function within the organization itself. To learn how this might be done, it was necessary for us to experiment.

I am happy to say that the first opportunity for such an experiment was offered us by the hotel industry by the Hotel Radisson in Minneapolis, owned by Thomas J. Moore and Byron E. Calhoun, the latter until recently in active charge of the Radisson. Mr. Calhoun was seriously concerned over labor turnover and other human relations problems. In his two years as vice-president and general manager, he had not been able to find a personnel manager who was effective in this field. We agreed to provide him with a man trained in our human relations research on condition that he set up the project on an experimental basis, making provision for research within the personnel department.

In mid-July of 1945, the project got under way with the following personnel:

Meridith Wiley, who had a year's training in our field research and an M.A. degree in Business Administration, became personnel manager of the hotel.

Edith Lentz, who had a year of research on the human problems of the restaurant industry, went in as a research assistant. While the whole project was financed by the hotel, Miss Lentz was on the payroll of the university being directly responsible to the Committee on Human Relations in Industry. She worked closely with Mr. Wiley throughout the project, spending full time in the hotel. She had no administrative responsibilities so her time was entirely devoted to research.

So that we would have a full record of the experiment, we arranged to have the work supervised by the Committee on Human Relations in Industry. Copies of all interviews and other data typed out by Miss Lentz or Mr. Wiley came in to the university, and it was my job, representing the Committee, to keep fully informed on developments at the Radisson and help Mr. Wiley and Miss Lentz to interpret the research findings. I spent something more than one day each month at the Radisson for this purpose and to discuss strategies of action with Mr. Wiley and Miss Lentz. I also conferred regularly with Mr. Calhoun and other hotel executives to interpret to them the development of the personnel program and get their ideas upon problems that needed attention.

Cleared with Unions First

On our first day at the Radisson, we sat down with officials of unions having contracts with the hotel and explained our intentions to them at some length. They pledged their cooperation, and there has never been any difficulty in our relationships from the first day on.

We were also formally introduced to department heads and supervisors of the hotel in a first day meeting. Here our reception was, if not hostile, at least reserved. People wondered what changes we were to bring about and quite sensibly withheld judgment until they should have a chance to see how the new program would affect them.

The first three months served as an adjustment period. Mr. Wiley's first job was to fit himself into the organization. While he tried to become familiar with people and problems, he consciously avoided bringing in any changes. While some people concluded from this slowness that nothing at all was going to happen, the period did serve to allay anxieties and build relationships between personnel manager and executives which were essential to all future actions.

Miss Lentz began her research at once. She was free to move about the organization and interview workers, supervisors, and department heads upon the human problems they faced. In her approach, she avoided interruptions, argumentation, and moral judgments and made every effort to draw full expression of problems not limited to the answering of specific questions. The problem was to get people to talk out their thoughts and feelings about their work situation.

Miss Lentz also fitted herself in through helping out with the work of certain departments at rush times. Since she had served as a waitress for three months in our restaurant study, it was easy for her to take on this role.

Before the end of the first three months, we had, through the observations of Mr. Wiley, and through Miss Lentz' research, a general picture of the human problems of the hotel, with detailed information on two departments. It was time to begin to act.

The Problems of the Organization

The actions of Mr. Wiley must be seen against the background of the problems that became evident in the first three months. This is the picture as we saw it.

1. Interdependence of Departments—Pressure of Customers. The hotel was functioning at capacity, with a tremendous demand for rooms and for food and drinks. Even so the customer demand was highly variable, running from the occasional slack day to the peak of activity of large banquets and the sustained pressures of market weeks. Within a single day, especially in the food departments, the tempo of activity was highly cyclical so that neither workers nor supervisors had the emotional security of a steady routine.

All organizations are made up of parts which are interdependent at least in the sense that one part cannot cease functioning without affecting other parts, but the interdependence of departments in a large hotel is much greater than this minimum. There the activities of many of the departments must be synchronized from hour to hour, from minute to minute, and, in some cases, even from second to second. To serve customers well in the dining rooms requires skillful timing of activities of employees in kitchen and dining rooms. To move guests in and out of rooms efficiently requires close cooperation between front office and housekeeping department and between housekeeping and laundry departments.

At some points, departments mesh so closely together that it is difficult to tell where one leaves off and the other begins. This gives rise to confusions in authority and responsibility. When this is added to the pressures of customers reacting through the highly interdependent parts of the organization, the human relations problems become acute.

2. Autocratic Supervision! To meet the demands for quick action, the hotel tends to develop an autocratic structure in which orders are communicated rapidly from the top down but there is little effective communication from the bottom up.

3. Unclassified Personnel Policies. The hotel had been under its present management for only two years, and that period had been one of great expansion

of personnel and organizational change in order to meet the war boom volume of business. In such a situation, it was inevitable that there should be some confusion and uncertainty remaining on certain items of personnel policy.

4. Union Management Friction. While the hotel had signed union shop contracts, and the top executives wished to get along with the unions, no adequate grievance procedure had been developed. Cases were taken up outside of the hotel with a representative of the hotel association. Since he represented a large number of hotels, this often meant serious delays in handling grievances. And it meant also that he did not have an intimate knowledge of the internal problems of the Radisson.

Research and Action

We got into action first upon problems of communication in the organization. The discussion was opened in a meeting of department heads, which I was asked to address. Bringing in research materials from outside of the hotel, I pointed out the human relations difficulties which arose in organizations where communication was channeled predominantly in one direction, from the top down. I emphasized the importance of the interviewing approach and the holding of group meetings to build up two-way communication.

Department heads participated in the discussion with apparent interest, but the general reaction seemed to be that these were nice theories which would never be worked out at the Radisson in practice. At this point, Mr. Calhoun came into the discussion and gave his emphatic endorsement to our point of view. As he made it clear in this and in subsequent meetings that it was the policy of management to ease downward pressures and build upward communication, he made possible the important changes which were to follow.

Trouble Spots Uncovered in Coffee Shop

At about this time (three months from the beginning of the project), Miss Lentz had completed her study of the coffee shop, and Mr. Wiley was prepared to act on this. The study showed that waitresses and first line supervisors were working under heavy pressures from above and felt that they did not have sufficient opportunities to bring their problems to the attention of higher authorities. In addition to the pressures of customers, the waitresses were troubled by friction with kitchen personnel and food checkers. There were also several problems of physical conditions, the chief one involving the water spigot. At this time the waitresses had to walk the entire length of the large kitchen to fill their water pitchers. This added appreciably to their work load, but, more important than that, it seemed to symbolize management's lack of concern for the employees,

as they had complained about the condition without getting any action.

For some months previous to the beginning of the study, this had been a major trouble spot in the organization. Turnover figures had been the highest of any department in the house, averaging close to 50% a month, which meant, of course, that no stable work group was being built up.

The easing of pressures from above, which followed the discussions described earlier, was particularly noticed in this department. The waitresses were soon heard to comment upon the relaxing of emotional tensions. Miss Belliveau, the department head, also reacted favorably to this change and was able to handle her supervision with the quiet confidence so important for stabilizing the department.

After conferring with Mr. Wiley, Miss Belliveau began holding meetings of all members of her department to discuss dining room service problems. The waitresses spoke freely in these discussions and afterwards spoke enthusiastically about the meetings.

The meeting approach was also used to handle problems of dining room kitchen relations. Miss Belliveau suggested to Mr. Wiley that it might be a good idea to ask chef Bernatsky (now food and beverage manager) to sit in on one of the discussions. Mr. Wiley agreed and went to the chef to explain the developments and issue the invitation.

Thanks to skillful handling by Mr. Bernatsky and Miss Belliveau, the meeting brought about a remarkable change in the kitchen-dining room relations. The waitresses began by expressing their complaints against kitchen employees and the organization of work in the kitchen. Mr. Bernatsky encouraged them to speak freely, and it was evident that they were getting many long-standing complaints off their chests. Mr. Bernatsky was able to meet some of the complaints by promising to make specific changes in the kitchen. Where he was not able to make changes, he explained his problems thoroughly to the waitresses, and they seemed satisfied to let these complaints drop. When all the waitress complaints had found expression, the direction of the meeting underwent a striking change, and the waitresses began asking Mr. Bernatsky for his advice on how they should handle certain problems they faced in getting service from the kitchen. Under these circumstances, Mr. Bernatsky was able to get across advice and direction which would never have been acted upon had he presented them in lecture form.

Removing the Trouble Spots

The meeting led to action by the chef on a number of counts. The waitresses complained that Sunday morning was the worst time for kitchen-dining room relations, and Mr. Bernatsky agreed to give particular attention to this problem. They suggested a more convenient arrangement of fruit juices so that they could

be served without delay. This was worked out. They complained particularly against one cook whose station seemed to be a major friction point. This man was transferred to another station, so that he would not be in direct contact with the waitresses.

Other examples of action growing out of the meeting could be cited, but the list itself is not the important thing. As Mr. Bernatsky himself pointed out to us, once before he had tried to improve the arrangement of work for waitresses by changing the position of cups and saucers at one station. The waitresses had greeted the change with indignant protests. On the other hand, the changes growing out of the meeting were greeted with enthusiasm. As one waitress said,

Honest, it's like a miracle. That kitchen's a different place. It's almost a pleasure to go out there, no fooling!

The moral here is simple. When changes are made without the consultation of people affected by them, the people generally oppose the changes. Only when changes grow out of such consultation do they make a contribution to employee morale as well as to efficiency.

The spigot problem was taken to Mr. Calhoun by Mr. Wiley. We found that the same plea had come up a year earlier and had been turned down on the grounds that a completely new set of dining rooms and kitchen were to be built as soon as materials and labor were available. But in the course of that year the volume of restaurant business had doubled and it was still impossible to say when the new construction could begin. Under these circumstances, minor physical adjustments were certainly in order, Mr. Calhoun felt, and he ordered the change made. Placing the spigot inside the dining room meant a great saving of work for the waitresses, but, more important than that, it served to demonstrate to the girls that they could make their needs felt and that management was genuinely concerned with their problems.

In Four Months Labor Turnover Dropped to 7.7%

By the end of the year, the departmental labor turnover which had been running between 35% and 50% a month up to July had dropped steadily and was down to 8.0% in November and 7.7% in December. There had been no similar trend in figures for the whole hotel where the figures ran steadily close to 20% a month. From having the highest turnover record, the department dropped to where it had become one of the most stable in the organization.

To add to these statistics, we can cite the judgment of Mr. Calhoun, Mr. Bernatsky, and Miss Belliveau that the work was running much more smoothly. And Mr. Calhoun emphasized that this meant the dining room was meeting a much higher standard of service to the customers than had been the case some

months before. He added the impression that the whole "atmosphere" of the dining room had changed for the better.

Housekeeping Department Tackled Next

The next efforts were made in the housekeeping department where Mr. Wiley worked closely with Mr. Hale, the department executive, and Mrs. Grogan, the assistant department head. Here, as in the following case, I will not attempt to describe all developments but will limit myself to points which illustrate new possibilities in this approach to personnel work.

The group meetings which had proven so successful in the dining room were instituted here also, under the leadership of Mr. Hale and Mrs. Grogan. Miss Lentz was invited to sit in on all meetings and keep a detailed record of their progress. She had already done considerable interviewing in the department, so she was by that time well known to the employees. Following the third weekly meeting, she made a quick canvass of employee sentiment, asking more than 25 of the maids (more than half of the total in the department) how they felt about the meetings. In general, she found that the maids welcomed the meetings and felt they were exceedingly helpful, but a few of the women expressed certain criticisms and reservations. Some mentioned points in the conduct of the meetings which made them uneasy and hesitant about expressing their thoughts and feelings.

Miss Lentz turned over these data to Mr. Wiley and discussed them with him. Mr. Wiley then laid out before Mr. Hale and Mrs. Grogan both the favorable and unfavorable reactions. On the basis of this discussion, Mr. Hale and Mrs. Grogan agreed as to how the future meetings should be conducted so as to improve their effectiveness. Miss Lentz's subsequent observations showed that they were following through on the revised plan of procedure with skill and understanding. And when she later checked employee sentiment again, she found that the former criticisms were no longer being expressed.

In this case, the personnel department provided not only advice and consultation but also a testing of results so that the department heads were able to increase their effectiveness on the basis of analyzed experience.

Food Checkers Have Problems, Too

Miss Lentz next took up a study of the problems of the food checkers, who are stationed in the kitchen to total the checks of waiters and waitresses and to see that the food is served according to specifications. She found here serious problems in supervision and interdepartmental relations, which were worked on by Mr. Wiley. Since these problems did not involve any new applications of our personnel approach, they will not be discussed here.

In her work with the checkers, Miss Lentz developed an interesting combination of efficiency engineering with human relations research. She found that the women complained that the work load was too heavy, that too many things had to be done at the same time. Specifically, they had difficulty in handling the room service phone at the same time as they were checking the trays of waiters and waitresses serving three different dining rooms through the single food checking stand.

On the basis of her observations and interviews, Miss Lentz made up a work flow chart which clearly illustrated the existing difficulties. Mr. Wiley set this before the executives of the restaurant section and also presented Miss Lentz's other data. After a lengthy discussion, they worked out two major changes.

Redistribute the Work Load

The room service phone was taken away from the checker stand, thus relieving the checkers of considerable work pressure. The work flow was then rechanneled. To serve two of the dining rooms, waiters and waitresses walked in the same direction. No change was made here. But waitresses serving the third dining room had to cut across the traffic. That dining room had its own checker's stand which, up to that point, had been used only to check beverages. Food checking was combined with beverage checking at this stand so that the food checking facilities were doubled. This redistribution of the work load was accomplished with the addition of just one employee.

The checkers reacted to the changes enthusiastically. One of them expressed the common view in this way:

Honestly you have no idea how different it is. It's just a new job altogether, that's all. It isn't only that the work is cut almost in half, either, but the confusion is so much less.

You see, when all the dining rooms were busy at once, before this new stand opened, half the waitresses would go in one direction when they left the stand, and the others would want to go the other way. They were forever getting into each other's way, and we were always afraid of trays upsetting or food splashing over the dishes. Not only that, but we didn't have time to be polite to people.

The room service phone would ring all the time, and we were just too busy to be courteous. I admit it, I know myself. I just *had* to be short with people. We tried to cut out every unnecessary work to save time. Now—oh, I feel swell today. It is like heaven, really it is.

The waitresses and waiters noted the difference and were particularly appreciative of the new checker stand. As one of them said,

Say, that new checker's stand is swell, isn't it? That certainly made a big difference in our service. Gee, we used to have to stand around and all the food would get cold while we waited. Then the customers would gripe. It wasn't our fault, it was just that we had to wait out at that checker's desk. I'm sure glad this new desk is in operation.

In the course of the year, Miss Lentz also did research in the front office, the laundry, the service department (bellmen), and one of the other dining rooms, and, of course, her contacts through the organization brought in scattered data on departments not specifically studied. Since my emphasis here is on outlining a new role for the personnel man, it is not necessary to go into details on this research.

Develop Way to Get Quick Action on Grievances

In the course of developing his work with management, Mr. Wiley worked out a new relationship between management and the unions. This was not done according to a prearranged plan. We would have preferred to have line supervisors and executives act for management on grievances, but at the time our work began grievances were not being handled inside the hotel at all. Recognizing the well-established principles that grievances should be handled quickly and in well-defined organizational terms, Mr. Wiley became increasingly active in this field. Union stewards and business agents would come to him with grievances. He would then go to the appropriate department head to discuss ways of handling the problem. As Mr. Wiley had more experience in handling grievances than the department heads, this naturally resulted sometimes in the personnel manager steering the executive toward the solution which he felt was required by the union contract and by good industrial relations practices.

In many cases there was ready agreement on the disposition of the grievance. In some cases, the department heads accepted Mr. Wiley's opinion with reluctance. They were, of course, free to stand on their own opinion and appeal to Mr. Calhoun for support, but in all cases so far grievances have been settled without appeal to the top.

According to all our evidence, the personnel manager's handling of grievances has not given rise to any serious problems in his relations with supervisors and executives. On the other hand, we find the union leaders very pleased with the new arrangement. They can get quick action on grievances, and they are now dealing with a coherent management policy in this area, so they know much

better what to expect. Nor does this mean that all of the cases are settled in favor of the unions. On a number of occasions Mr. Wiley has told them that, on the basis of his investigations, he feels the grievance is not justified. So far they have accepted his judgment in these cases. They seem to be convinced that he will bring in a favorable decision for the union, when the facts warrant it, and therefore they are willing to trust his honesty and his judgment when the decision goes the other way.

We do not look upon this present arrangement as the ideal way of handling grievances. However, in working out human relations problems, we always have to start from where we are and measure progress from that point. The present system is clearly a great improvement over the former situation in which grievances were not handled within the hotel at all. In this field, as in others, it is Mr. Wiley's aim to build up a situation in which department heads make the decisions upon problems arising in their own departments. In the future it is likely that the department heads will play an increasingly active part in the settlement of grievances.

Defining the Personnel Man's Role

As we worked on the problems of the Radisson, we clarified our ideas on the personnel man's new role. We present here what seem to us the principles of effective action that can be applied in developing this work in other organizations.

1. Keep People's Confidences. In the course of time, if they do their jobs skillfully, the personnel man and especially his research assistant will be entrusted with much highly confidential information: how the individual feels about his superiors, his anxieties about his own job performance, his reactions to management rules, the personal problems he faces outside of the organization, and so on. Such data are essential for the understanding of human relations, and yet, if allowed to leak out, they can be highly damaging to the informants. Personnel men and research assistants must set for themselves a high standard of professional ethics on this point. They must promise to keep confidences, and they must keep their promises. People will naturally be suspicious in the beginning, but when they find that the things they have allowed to slip out when under emotional pressures do not come back at them from other sources, they learn to trust the personnel man and the research assistant.

2. Don't Ask Who Is to Blame for the Problems You Find. Try Instead to Explain Why People Act as They Do. In industry, as in other social structures, it is customary for those in positions of responsibility to try to determine who is to blame for the problems discovered and then to fix upon an appropriate form of punishment. At its worst, this approach leads to the pun-

ishment of innocent scapegoats. At best, the approach may fix responsibility for mistakes in a manner which will generally be thought fair, *but* it does not tell us why the individual made the mistake or what actions should be taken to help him function better in the future. We often find people handling their problems badly because they are under heavy pressure from superiors, they are facing conflicting demands, or they are otherwise bound by conditions beyond their control. In such cases, criticisms from superiors or from other people only accentuate the problems. On the other hand, an analysis of human relations will often point to changes that will relieve pressures and solve problems.

Furthermore, if the personnel man seeks to lay the blame, he gets involved in the politics of the organization. He is known to be *for* some people and *against* others, and all his actions are discounted on this basis. Only if he casts aside moral judgments and analyzes behavior in terms of human relations can he gain a reputation as a disinterested technician of organization.

3. Work with the Man Most Directly Concerned with the Problem. For example, if a study of a department brings out certain problems involving the relations of the department head with his subordinates, every effort should be made to work these out through consultation between personnel man and department head. The department head will naturally fear that all his failings will be reported over his head and that he will then be subjected to increased pressure from his boss. Such fears will further disturb his performance and make him hostile toward the personnel man. On the other hand, if the department head gets help in the analysis of his problems and in the improvement of his performance, he can add to his sense of confidence and security.

We should not give the impression that this result is easily obtained. The problems of changing the behavior of supervisors are exceedingly complex and difficult, and we still have much to learn on this score. In some cases it may prove impossible to change behavior through working only with the man most directly concerned, and we have found it necessary to take problems up at higher levels (which involves us in problems to be discussed below). However, Mr. Wiley has always made every effort to solve each problem at the lowest possible level and thus to avoid suspicion that his job is to carry tales to the boss. We feel that this has been an important factor in building confidence in the program.

4. Work with the Man at the Top to Help Him Understand His Impact upon the Organization. I have already noted the key importance of the top executive in setting the pattern in human relations for his organization. This means that, unless the boss is willing and able to examine his own behavior, the personnel program will be seriously handicapped. It takes a big man to be able to do this. At the Radisson, we were extremely fortunate in this respect. In making arrangements for the project, Mr. Calhoun told us that he was chiefly

interested in getting help for himself. He recognized that he sometimes failed to gain his ends through mistakes in the field of human relations. He hoped to improve his own social skills and understanding. Mr. Wiley and I found in the course of our work that we were indeed able to make suggestions to Mr. Calhoun involving his own activities and have them acted upon with skill and understanding. At the same time, we learned a great deal about problems at the executive level through our discussions with Mr. Calhoun.

At first we were reluctant to take up lower level problems with the top executive even when they could not be worked out below him because we were not sure how Mr. Calhoun would handle these situations. However, we found that this was not as serious a problem as we had first anticipated. In the first place, the personnel man does not present the only channel through which the executive can become aware of human relations problems. He may learn that "something is wrong somewhere" through checking figures for labor turnover, through receiving union complaints, through a drop in production figures, or in still other ways. The personnel man then does not become involved in bringing an unsuspected problem to the attention of the executive and thereby perhaps exposing one of his subordinates to criticism. In all cases so far in our experience, it has been possible to start with discussion of problems whose existence is already recognized by the executive and, on the basis of research, to clarify the nature of the problem and to outline possibilities for effective action.

As time went on, we were able to present Mr. Calhoun with an increasingly full picture of the human relations problems of his organization. We could do this without jeopardizing the positions of his subordinates because discussions were not pitched on the level of laying the blame and "reading the riot act." Mr. Calhoun asked two general questions: What is the nature of the problem? And what can I do to help solve the problem? Discussions in this area led to greater social understanding and the development of more effective executive leadership.

5. Present Facts and Interpretations, But, as Much as Possible Let the Man Who Must Act Decide for Himself upon His Course of Action. We do not believe that the personnel man should take it upon himself to solve all human relations problems for supervisors and executives. If he proceeds in that way, they will either rebel against his "interference" or else become so dependent upon his judgment that their own capacities are seriously weakened. Instead, it should be the function of the personnel man to build a *problem solving organization*. That means that he should present supervisors and executives with the facts and interpretations which he feels are necessary in reaching sound decisions, but the actual decision-making process should be left to those in positions of line responsibility. While this may lead to mistakes in judgment which could be avoided by following the personnel man, the procedure seems to us essential in

building up the long-run effectiveness of the organization. The supervisor or executive cannot learn to handle his human problems with skill and understanding unless he works out his own decisions.

6. Develop Personal Influence, But Avoid the Use of Authority. We feel that the personnel man should function in a strictly advisory capacity. As he learns to help the line officials toward the solution of their human problems, he will gain a constructive influence in the organization. But if he tries to exert authority—to tell line officials what they must and must not do within their departments—then he only confuses the structure of the organization and creates friction.

We have heard some personnel men say they could do a better job if they only had more *authority*. This is, we feel, an illusion. In general, we find that people cannot effectively serve two bosses. The only person who is in a position to lead and direct them is the line official who has the full-time responsibility for this job. The personnel man can be much more effective if he serves as advisor and aide to the line than if he tries to direct activities himself.

7. Leave Rewards and Punishments in the Hands of the Line. This means that promotions and salary increases, demotions and firings should all be handled by the executives. It means that reprimands for poor performance should be given by line officials and not by the personnel man, and the personnel man should avoid giving the impression that he is putting people “on the spot” with the boss. While he may compliment people for doing a good job, the really important recognition must come from line executives. While not handling rewards and punishments himself, the personnel man can work with supervisors and executives to improve their performance so that they may win top management’s approval and avoid adverse criticism. The administration of these incentives should remain with the executives.

Conclusions

Our new approach to personnel work may be summed up in this way:

1. The personnel man, in this project, had command over a body of scientific knowledge. While we fully recognize the relatively undeveloped state of the science of human relations, the personnel man had been trained in this field through course work, and, more importantly, through a year of field research. On human problems, therefore, he based his judgment on this background of knowledge and was less likely to be led astray by his personal reactions to the individuals involved.

2. The personnel man had access to human relations research dealing directly with the problems of his own organization. When problems came to his attention,

he did not need to guess at their origin or solution. His judgment was based upon past studies made by his research assistant or upon studies specifically designed to bring in data upon the problem in hand.

There are certain other aspects of human relations research that deserve special mention here. When the research interviewing program is skillfully carried out, that in itself tends to relieve tensions and have a generally favorable effect upon human relations. However, the interviewing approach alone cannot be counted on to solve many human relations problems. For example, in one department the first month of interviewing was accompanied by a striking drop in labor turnover. We hoped that this favorable result could be capitalized upon by prompt action upon the problems the interviews brought to light. Unfortunately, due to problems which need not be discussed here, the necessary changes did not take place until six months later. In the meantime, turnover figures had jumped back to their former high level. According to our interpretation, the drop in turnover was due only in part to the feeling of relief on the part of the employees who had a chance to get their problems off their chests. They also felt, though no promises had been made to them, that the interviews would bring favorable changes in human relations. When these changes did not follow, the morale profit from the interviewing was dissipated. Therefore, if the employees are given to understand that there is a relationship between interviewing and action, the benefits from the interviewing program can only be preserved if there is a follow through.

In the course of our research, we tied in certain aspects of management engineering (studies of the flow and organization of work) with our human relations approach. I feel that this is a necessary development. Too many managements look upon efficiency and human relations as two sharply separated subjects. To build up efficiency, they call upon their best engineering talent to conduct time and motion studies, to set up incentive pay systems, and so on. In all too many cases, these elaborately worked out programs fail to achieve management's objectives because they meet resistance from informal groups of workers or from unions themselves. This resistance is clearly a problem in human relations. We feel that the long run efficiency of industry can be served best by a skillful integration of engineering and human relations programs so that any engineering changes are carried through on the basis of the best human relations knowledge available.

A personnel research program, we feel, should not end with recommendations for action. Just as the chemist and the engineer must test their plans in the laboratory, so the personnel department should be so organized that it is able to follow very carefully any action which takes place as a result of its recommendations. At the Radisson Hotel, we were able to make such follow-up studies.

My emphasis upon interviewing for relieving tensions, upon efficiency engineering and human relations, and upon the importance of testing results

should not obscure the main stream of our personnel research program, which involves the detailed study and analysis of the total social system—of the relations of workers to workers, workers to supervisors, supervisors to supervisors, supervisors to department heads, union business agents to department heads, and so on. It is this study of the structure of the organization of human relations which provides the framework for all our thinking and action in this field.

3. The personnel man was not limited to bottom-level problems. He was free to operate upon problems at all levels in the organization. The results obtained were made possible only by the changes in human relations which were brought about at high levels in the organization. Had Mr. Wiley been confined to bottom-level programs, the whole program would have broken down.

4. The personnel man was given high status in the organization. He reported directly to Mr. Calhoun, the operating executive of the hotel. In the beginning, the university connection no doubt served to give status to the personnel program, but, as Mr. Wiley developed his relationships with the hotel personnel and began to bring about favorable changes, his high position became more secure, and he was listened to with increasing respect.

This report should not give the impression that the changes in human relations were entirely due to the efforts of University of Chicago trained people. It is the essence of such a personnel program that it rests ultimately upon the social skill and understanding of the line executives and supervisors. The personnel man can serve to provide a sounder basis for executive action, but unless key people in the organization take an interest in working out human problems, nothing will be accomplished. We were fortunate that the executives came to take a keen interest in the development of the program. And here, of course, the key man was Mr. Calhoun. His intelligent interest and solid support set the tone for the entire organization. It would have been impossible for us to move forward in this experimental direction had he been hostile or even indifferent to the program. That emphasizes once more the point that a personnel program designed to meet the needs of this critical age can only be developed if it has the support and lively interest of top management.

We still have much to learn in this field, but even now we feel that the initial experiment has shown such possibilities as to give us hope that the personnel man may at last come into his own as a scientist of organization so equipped and placed that he will be able to meet the pressing human relations problems of our industrial society.