COOPERATION: KEY TO MANAGEMENT PROBLEMS

Mel Byers

and

David Groves

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Mel Byers and D. L. Groves

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DEDICATION*

This book is dedicated to the memory of Mel Byers and his family, and especially Martha his wife. Mel Byers' portion of this manuscript was developed before his death. A special thanks to Jackie Outland for her help in development of this manuscript.

* This manuscript is the result of a morphological analysis of Mel Byers' collection of materials in the archives in Jerome Library at Bowling Green State University.

PREFACE*

This is part of a two-volume series. Volume I is *Cooperation: Key to Management Problems*, and Volume II is *Ideas for Program Development*. Part I of Volume I is an introduction which outlines the philosophy of employee services and isolates management problems. Part II is an interview with Mel Byers, which develops the structure and function of employee services programs. This will provide the reader an overview of employee services. Parts III through X are divided into critical issues that influence the function and operation of an employee services program. Mel Byers wrote the first part of each section and David Groves wrote the second. This will give the reader a different perspective on each of the topics. Each of the position statements is followed by an example to illustrate the focus of each chapter. The manuscript should be read in the context of when the material was written. In the historical dated material, the names and addresses are not current. Themes are repeated throughout the manuscript to develop a perspective of how one issue relates to another.

*All articles that are cited have been reprinted with permission of publishers.

I. INTRODUCTION

A. Focus

The purpose of this book is to review some of the important principles associated with the area of employee services. Some of the first written materials were by Leonard J. Diehl and Floyd R. Eastwood and were published in 1940 by Purdue University. This booklet was entitled *Industrial Recreation: Its Development and Present Status*. The primary purpose of this publication was to serve as a practical book on initiating an industrial recreation program. A second publication entitled *Planning Industrial Recreation* by G. Herbert Duggins and Floyd R. Eastwood was published in 1941. The purpose of this publication was program development. Even though Eastwood was a professor in physical education, the overriding influence of these publications had an engineering tone. Jack Anderson, a former student of Professor Eastwood's, published a text in industrial recreation; nutiled, *Industrial Recreation: Guide to Its Organization and Administration*. The basic nature of the text was a statement on how to develop programs in industrial recreation; however, it also charted the benefits of industrial recreation. An interesting thesis by Donald E. Hawkins in 1966 on industrial recreation on the principles was one of the few scientific studies that had been completed. The thesis was completed at New York University under the supervision of Edith Ball.

Eastwood established a research conscience in the field and this has been followed, but the examination of basic principles has not been scrutinized and examined. In 1979, a text was compiled by Wilson entitled, *An Introduction to Industrial Recreation: Employee Activities and Services*. This explored the developments in the field and raised questions related to organizing and developing programs. Since the early 1980's there have been a number of research efforts that have explored aspects of the employee services field--benefits, development, and critical questions.

When these materials are reviewed, the basic themes are organizational development and programming. The nature of these questions has not changed much since the 1950's. The current model being proposed is one of starting a program and having it readily accepted by

employees and management and then expanding. The basic focus of this approach is adoption from the bottom. Another successful approach has been to interest the CEO in a program and have it adopted from the top. Another model has been one. This model developed by Mel Byers which uses external pressures through the local involvement of an Industrial Recreation Council to stimulate interest in an employee services program. The purpose of this manuscript was to explore the traditional models of bottom up and top down as well as the model of external pressures. The basic question in all of the materials is one of persuasiveness and convincing industry of the benefits of the employee services. This will be the basic theme throughout these materials, as well as trying to emphasize the benefits, and a comparison between the employee services model and other models that are currently being used in organizations. This employee services model has not been widely adopted by industry and the primary question is how it has been ignored, especially in a time when new models are needed by industry to significantly increase productivity. The underlying principles may be repeated several times and this is purposeful as the principles are being repeated to show the relationships of one aspect of employee services to the other.

B. Traditional Approach

The Plan

In the beginning was The Plan, And then came the assumptions, And the assumptions were without form, And The Plan was completely without substance, And darkness was upon the faces of the workers. And they spoke unto their group heads, saying: The Plan is a crock of shit and it stinks.

And the group heads went to their section heads and said: It is a pail of dung and none may abide the odor thereof. And the section heads went unto their managers and said: It is a container of excrement and is very strong, such that none may abide it.

And the managers went unto their director and said: It is a vessel of fertilizer and none may abide its strength.

And the director went unto the executive director and said: It contains that which aids plant growth and is very strong.

And the executive director went unto the vice president and said: It promotes growth and is very powerful.

And the vice president went unto the president and said: The new powerful Plan will actively promote the growth and efficiency of the department.

And the president looked upon The Plan and saw that it was good and the plan became policy.

Anonymous

C. Employee Services: Cooperation

The employee club or organization is a key to implementing the concept of employee services. Through the employee/employer organization there is the total sharing concept, each contributing the same amount of cash, time and interest in the administration's success. This is the ideal training and educational media for industry. Education, both formal and informal, is the key to competition and, in turn profits. It is also a way of discovering talent and leadership source. The important factor is that benefits now provided by the company become a joint endeavor and responsibility. The public relations values may be one chapter alone, but the real value is its means to develop closer relationships between management and employees striving for a common goal of Greater Profits and Workmanship. Human resources as personnel as tagged, have done little under its new banner head to bring about the team, family, and friend synonym in the work place. It has failed to provide a successful supervisory and employee training source. We believe that through concerned observation and interest in the personnel, both top and bottom much can be done to improve educational requirements for greater production and a cooperative effort by all. Bonus systems, which may create greed and poor quality workmanship, may well be one of the culprits in industry. The answer again is a joint effort toward greater sales resulting in more profits due to higher quality products. To award this effort, there is but one solution--profit sharing on a fair, honest, and united effort to understand and cooperate through it for everyone's benefit--management, employee, and consumer. Along with the sharing of profits must come the assumption of risk by the employees. There must be a way (and it's the employee organization) to reach management levels without the roadblocks now present. Suggestion systems properly designed and administered will help in quality processes. Research and development are a must, but must be founded on the same principles as any other foundations of good management.

D. Personnel Administration: Integration

The most neglected and misunderstood segment of personnel administration is that of employee relations. In as much as the terminology covers a vast area of personnel operations, not always geared to improving employee relations, we hesitate to universally credit it with much success. Very often employee relations become a coverall, targeted title with little, if any defined boundaries or profitable objectives.

Therefore, the personnel administrator encounters great difficulties in determining his/her duties and priorities within this mass of varied personnel operations. To make matters more complicated, the executive branch of management in many situations is setting personnel policy practices based upon little or no knowledge of the profession. This is a tactic they would dare to project in other professional areas of their operations. Although difficult and sometimes nearly impossible, the professional personnel administrator must attempt to be upper management's educator, respected advisor, and confidant in matters of personnel management. The fundamental basics for improved personnel guidance seem quite simple. What does it contribute and how does the contribution relate to the company's profits? Relying upon trial and error tactics can be most frustrating, if not a costly method--errors made in personnel operations may take years to rectify.

Many of the pitfalls and mistakes of the profession, our interests and our contention for improved employee relations, is found within the little known area of Employee Services. Employee Services is one of the segments of personnel to be the one conclusive, stimulative and productive avenue to devote our energies and time. Employee Services has a very positive rather than a negative approach and, when implemented, will be a 180 degree turn for many management attitudes and policies concerning employees and associated company productivity. Unfortunately, there is little written material--only one known textbook which is an introduction to the subject, not a full text. There are very few companies that have a 100% employee services operation; however, there are thousands that have some prevalent phase or element of employee services. If there are some elements proving successful, what possibilities would a full-scale

program produce? The entire field of employee services is relatively new and undeveloped, as are many other phases of industrial humanities and effective personnel administrative functions. However, what may universally constitute essential, industrial personnel functions in the eyes of management, may overshadow and consume efforts of other important personnel activities. The natural reaction is to do what we know best and what pleases management. Very often forgotten is the fact that there is more than one segment of business and industry to please.

Management must realize that successes and failures fall within seven categories of concern and development: customers, employees, stockholders or owners, research, production and profits. Each category requires a vast degree of education, experience, and honesty. Therefore, all categories are equally important if growth and profits are to be achieved. However, it must be stated that of all seven the one of tremendous importance to the other six is employee relations. Employees at every level must be interested in the progress of the company and learn the importance of cooperation, thus reflecting the goals of continued employment, improved working conditions, higher wages, or profit sharing earnings.

E. Management Philosophy

The current management thought has been influenced by a quantitative statistical approach, such as the one developed by Deming. Primary focus has been redesigning or reengineering the workplace to conform to the new pressures for global competition. This means development of a system that is integrated and placement of greater responsibility at the employee level for the production of a quality product that meets very rigid standards. The basis of this approach works from the supposition that re-engineering must first identify the problems and develop a system that focuses upon the issues that have caused the problems with the current management systems. The following are the backbone of the elements that have been severely detrimental to the management processes as identified by Deming (p. 10).

Management Problems

- (1) Create constancy of purpose toward improvement of product and service, with the aim to stay in business and to provide jobs.
- (2) Adopt the new philosophy. We are in a new economic age created by Japan. Transformation of Western style of management is necessary to halt the continued decline of industry.
- (3) Cease dependence on inspection to achieve quality. Eliminate the need for inspection on a mass basis by building quality into the product in the first place.
- (4) End the practice of awarding business on the basis of price tab. Purchasing must be combined with design of product, manufacturing, and sales, to work with the chosen supplier with the aim of minimizing total cost, not merely initial cost.
- (5) Improve constantly and forever every activity in the company to improve quality and productivity and, thus, constantly decrease costs.
- (6) Institute training and education on the job including management.
- (7) Institute supervision. The aim of supervision should be to help people and machines and gadgets to do a better job.
- (8) Drive out fear so that everyone may work effectively for the company.

- (9) Break down barriers between departments. People in research, design, sales, and production must work as a team to foresee problems of production and sales that may be encountered with the product or service.
- (10) Eliminate slogans, exhortations, and targets for the workforce asking for zero defects and new levels of productivity. Such exhortations only create adversarial relationships as the bulk of the causes of low quality and low productivity belong to the system and, thus, lie beyond the power of the work force.
- (11) Eliminate work standards that prescribe numerical quotas for the day. Substitute aids and helpful supervision.
- (12a) Remove the barriers that rob the hourly worker of his right to pride of workmanship. The responsibility of supervisors must be changed from sheet numbers to quality.
- (12b) Remove the barriers that rob people in management and engineering of their right to pride of workmanship. This means, *inter alia*, abolishment of the annual or merit rating of management by objective and management by the numbers.
- (13) Institute a vigorous program of education and retraining. New skills are required for changes in techniques, materials, and service.
- (14) Put everybody in the company to work in teams to accomplish the transformation.

Another of the current theories about management is best epitomized in the book, <u>Built to</u> <u>Last</u>. In this particular approach, the focus is upon identifying the successful companies that have survived the test of time. The importance of this approach is being able to identify common elements among these companies given the diversity of the industries. Success as defined in these studies does not depend upon the vision of an individual but the development of an organization that has the foresight to engage in a self-renewal process to continuously reengineer the company in the light of the diversity of the employees as well as the cultures that exist inside and outside the company. Empowerment is the key to the development of visionary positions and the ability of the organization to respond to changing environmental conditions. The focus here is not a theory of management but a theory of collectively organizing individuals toward a common goal. The primary purpose is not profits, but a pre-designated goal or objective that can be identified by everyone in the organization. The two key themes of the Deming research and the <u>Built to Last</u> research is that it is no longer a theory of management, but a theory of employees and their development as major players and contributors to the organization as active full partners in the development of a company. New theories and ideas are needed on which to build a theory of employee management for the 21st century.

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J. C. Collins and J. I. Povva, <u>Built to Last: Successful Habits in Visionary Companies</u>, Harper Collins Publishers, Inc., New York, New York, 1994.

W. E. Deming, Transformation of West Style of Management, <u>Interfaces</u>, 15(3), pp. 6-11, 1985.

F. Philosophical Bases of an Employee Services Theory

David Groves and Derrick Manns. (1995). <u>Visions in Leisure and Business</u>, 13(4),
29-39. (Not full text)

Abstract

Management theory was examined to isolate how and where employee services are positioned on a management continuum. The most relevant theory for this study was Mouton and Blake. Management in this context is based upon a continuum of organizational and individual components. The important elements on the organization end of the continuum are: control, pressure, and process. On the individual end of the continuum the important components are: incentives, buying in, and caring. The employee service theory is one of cooperation and the exchange of money, power, and risk.

Introduction

There are always new techniques or philosophies that are being introduced as an innovative element to effectively solve management problems. These new ideas often are popularized, and then there are always questions about their effectiveness. They fade from the scene and have little impact upon the overall development of management theory. Tests of these management ideas have been time and their ability to be able to affect change within organizations over a number of conditions through different time periods.

Understanding management ideas in the context of a historical perspective and under what conditions this idea has achieved success, is most important. Within the past 30 years, many ideas have been adopted by other cultures. They have developed management philosophies or applied these philosophies in new ways to increase their effectiveness. One of the current popular concepts is Total Quality Management (TQM). Whether this concept will be one that will fade or gain popularity and be institutionalized into the management repertoires, only time will be a test of the effectiveness of this particular management style.

Conceptual Framework

A conceptual framework that can help clarify and compare the position and importance of different management theories is one developed by Muton and Blake (16). Two books by Robert Levering and Moskowitz and Eva Innes, Robert Perry and Tim Lyon on the 100 best companies in America and Canada were the standards used to develop the framework. At one end of the continuum are organizational types of theories and at the other end of the continuum are theories which relate to the individual. If one begins to conceptualize management theories and position them on this continuum on their degree of dedication to the organization and/or the individual, it is possible to develop a taxonomy of ideas that will have some type of application for comparative bases (Model 1). On the extreme end of the organizational continuum, theories or ideas are based upon direct control, while those toward the center are more humanistic. The upper end of the individualistic continuum is based upon responsibility. The positions near the middle represent less decision making by the individual and represent the role of environmental factors and conditions to create a positive productivity.

Organization

An example of a management theory that belongs at the extreme of the organizational continuum is the Machiavellian power principle (3, 24) (Model 2). This is a principle in which ends justify the means and an organization is operated as a dictatorship, from the top down, with the primary focus being the objectives of the CEO. The next position on the continuum may be best characterized by the authoritarian theory. The leadership is dictatorial and the human resources are a tool to achieve a means. It differs from the Machiavellian principle in that it is not evil. There are some ethics applied to the application of control for order. The next two points on the continuum are the Benevolent Dictator which is the use of power and authority to manipulate position. The leader is moral and protects the individual. Theory X (XY Theory) and Scientific Management are negative uses of pressure to achieve the objective of the organization. The next points on the continuum are the bossing and manipulation theories. This is where positive coercion is applied to bring designated end results. This coercion is not

abrasive but represents the best interest of the organization. The next position is one of relationships, especially a patriarchal emphasis in which the individual is treated as a child and the authority is primarily one of the father. Following on the continuum may be the expectancy theory where rewards are used to stimulate the proper behavior. The individual, in this particular case, is treated as a mother would treat a child. The primary focus is still the organization, but the motivation is very gentle to achieve the desired outcomes for the organization.

Near the center of the continuum are concepts like Min Max, TQM, and Corporate Culture. The focus upon these types of management theories or ideas is upon processes of management. The focus is on the process, not the individual, and giving of the individual tools necessary to work within a certain structure of management to achieve the organizational goals. The individual in this context must fit into the organization and become a part of the culture to achieve their objectives almost simultaneously with the organization.

Individual

The extreme end of the continuum contains humanistic philosophies. These philosophies are epitomized by Theory Y and the Learning Environment, which emphasize that an individual will motivate himself/herself and work is as natural as play (3, 13, 24) (Model 2). The motivation is primarily intrinsic. The next points on the continuum are those where motivation is provided by incentive to give the worker vested interest in the company. The stakeholder and relationship theories are directly motivated by the investment the individuals have in the company. One example of incentive is stock options. The employees' future is directly linked to the company's future through their achievement. Next on the continuum would be enriching and tailoring the job to the practical and emotional needs (job satisfaction) of the worker. The focus is on the quality of life. The basic philosophy behind this approach is that the worker has status, and dignity is placed upon the working experience so as to enrich the job, which will lead to greater productivity. The last point on the continuum, before reaching the neutral position, is that which is stimulated by conditions (Work Climate and Herzberg). These conditions represent the opposite end of intrinsic motivation. The primary emphasis of this type of management

theory is deciding the necessary conditions to stimulate the worker. The stimulation provided by the employer is the catalyst for the achievement of the company.

Employee Services

The primary question is "What is the employee service philosophy position in relation to the continuum of management ideas that have evolved through the years?" The position of employee services is the center of such a continuum because there is a concern for the organization and the employee. An employee services approach recognizes that the relationship between management and labor is a cooperative effort. There must be cooperation and the management must be willing to share authority and money. The employees must be willing to share in the risks involved with any new venture (4, 10, 12, 20, 22). Power and control of the organization have primarily been in management's domain. Management must relinquish some of this power and control and allow the employees to invest in the organization so that they have a stake in its future (15, 23). The power structure must be inverted enough to allow input and concerns to filter to the top and have a major impact on the decision-making process about the direction of the organization and development in the future (11, 25). Most individuals identify employee service philosophy as a tool or method of the personnel or medical department. This, in fact, is only a manifestation of an overall corporate and employee philosophy that is a cooperative effort to solve problems in the workplace. Employee service philosophy is a corporate culture and environment that raises the question of "How the organization and the individual interact within a corporate setting to achieve mutual goals through some type of symbiotic relationship?" (1, 2, 14, 17). Concern from the employees is "How one's life can be positively affected at home and work through the organization to fulfill the hopes and dreams of the individual as a life partner in the work environment?" (5). From the corporate perspective, it is the evolutionary position of the organization to determine how to achieve production by dealing with the economic conditions that exist through time. The overall objective is profit in relation to its social responsibility and its position within society to have a positive contribution to net productivity and quality of life (15).

Most management organizations gravitate toward the organization of the individualistic end of the continuum. Very few companies or organizations subscribe to an employee service philosophy. Of the Fortune 500 companies that had been on the list for years, these organizations tend to focus around the center of the continuum and less toward the extremes of the organization or individualistic position. Those companies that gravitate toward the top are some of the companies that have a more successful employee service program. The focus of most of the Fortune 500 companies is long-term and deals with the subject of longevity to both the company and the individual. This does not suggest that individuals or organizations that have a philosophy more toward one end of the continuum are not successful (19). Many are successful but in the short run.

Proving the Positives

The primary issue is proving the positives of an employee service as a management approach versus a tool (21). What has happened on an intuitive level is that top management or CEO's implement this type of program from the top. There are always testimonials on an intuitive basis by top managers of the impact upon their company in terms of benefits as well as outcomes. Companies that have quality programs can indeed cause other companies to implement an employee services program to "keep up" with the other employers in their region. The benefits on this basis are from the employees' word of mouth in establishing that a certain company has a good work environment because of the employee service philosophy. In other companies, it has been proven as a right for employees to have certain types of employee service benefits as an established tradition. Benefits are engrained in the employees and it is more the tradition that has had an effect in relation to the employee services program itself. Other employee services programs are public relations. The results of employee services programs have usually been from internal or external pressures and the benefits vary from each company because there is no consistency in the application of employee services. There is little doubt that the profession has grown just because the employee service concept works and produces positive benefits and these benefits are recognized by both management and employees.

It is important to distinguish an employee services approach as a tool from an employee's benefits package. An employee services approach must be viewed as a non-negotiated benefit. These non-negotiated benefits often are service oriented. The cost is usually very small as compared to the hard benefits. What employees really want are hard benefits first, then secondary concerns often are how they are treated as individuals and job motivation and enrichment. Soft benefits are usually secondary to hard benefits provided by a company. The secondary benefits are usually directly related to employee morale and outcomes of an intangible nature (18). During hard economic times, it is easier to provide soft benefits than hard benefits. The costs of the soft benefits are much less and in hard economic times the employees understand and it is the soft benefits that become very important to positive outcomes for the company.

There have been some approaches to quantify the benefits of employee services programs that are related to absenteeism, reduction in health care, costs, etc. There are also a few studies that deal with satisfaction and productivity. The primary problem is that when an accounting department does a return on investment, or some type of cost benefit analysis on the hard benefits that includes such items as health care, the cost benefit ratios are very high and there are many crucial questions about these types of benefits and the types of outcomes that are associated with the company. On the soft benefit side, generated by employee services, the cost benefit ratios are high and they are such a good value that the company will usually foster and be willing to provide some resources for these programs up to the point where it costs them significant money. With the low cost benefit ratio and employees providing good feedback to management, employee service programs are permitted because it seems to have some positive benefits for the company.

Conclusion

The following comments are a result of 30 years of research in trying to determine on a systematic basis the positive benefits of an employee services philosophy and its impact upon a company. The first level of the study was a systems analysis of individual as well as company

benefits and the types of environments that are created to sustain positive outcomes in terms of job satisfaction and productivity. It was very quickly realized that an employee services program does have a positive impact in terms of both job satisfaction and productivity and that the array of types of services offered had a differential benefit to different segments of the employees as well as management (8). The outcomes were not limited only to job satisfaction and productivity. There seemed to be different kinds of mediating variables that had secondary and tertiary impact upon the benefits. The next types of studies were those that try to determine the nature of outcomes and develop a typology that would allow outcomes to be specified in the relationships among the outcomes to be more dynamically determined (7, 9). Relationships among the outcomes have become very important to be able to identify what type of program causes what type of outcome. Another aspect that is very important is becoming prescriptive in regard to being able to determine how and why to apply programs (6). The first type of study in this series was where job satisfaction and productivity were related to a specific type of employee service program and the participation patterns were related to the dynamics of an individual's day. When this occurred, a prescriptive program could be diagnosed to have a maximum impact upon the individual's productivity. It quickly became apparent that this prescription has a significant impact upon the total productivity of the individual in a very positive manner. The key was the relationship between other types of outcomes and specific employee service programs. There are very few companies that offer a comprehensive employee service program. Most are single purpose, where if they are multi-purpose they emphasize one aspect of a program or another. The structure of an employee service program as a management philosophy must be comprehensive in order to understand its prescriptive nature. Studies were then conducted on specific programs to determine the array of outcomes that such a program would produce. These studies have been very limited but the consistency in relation to a particular program producing a certain outcome has the potential to become very prescriptive. This prescription is going to have to be very detailed if a company is going to develop a comprehensive employee service program that will have maximum benefit to the company. The

prescriptive nature of the programs related to particular company outcomes to produce desired results is where an employee service program moves from a tool to a philosophy within the company because there is a direct relationship between the programs and the outcomes associated with the company on a long-term basis. Currently, this is the state of the profession in which the types of activities and programs are related to specific outcomes in order to develop a comprehensive network for an employee service philosophy that will have a quantifiable and measurable impact upon a company. Most of the management philosophies do not have a quantifiable way of measuring particular outcomes and to what degree these outcomes can be achieved. This is where an employee service philosophy is moving from an intuitive to a quantitative approach to prove the positives of employee service as a management philosophy and its impact upon corporate structure for long-term outcomes.

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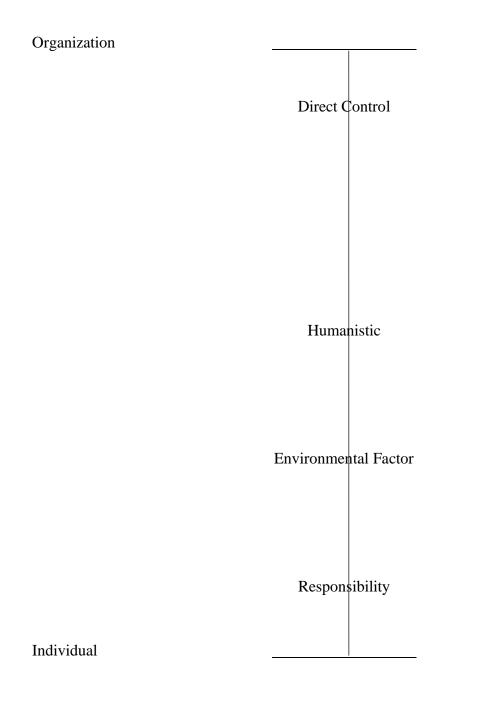
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Model 1

Organization/Individual Continuum



Model 2

Organizational Continuum

Control

Machiavelli Power

Absolute

Power/Dictatorship/Dominator

Authoritarian

Benevolent Dictator

Control for Order

Order through Manipulation

Pressure

Theory X

Scientific Management

Bossing

Manipulator

Parents Principles

Paternalism/Mentor

Expectancy

Intimidation

Coercion (Negative)

Coercion (Positive)

Carrot and Stick

Cause and Effect (Negative or Positive)

Parent/Child and/or Friendship Relationships

Reward (Motivation)

Process

MimimaxRemoval of Barriers to ChangeQuantification/TQMProcess/Tools over PeopleCorporate CultureOrganizational Socialization

Model 2 (Continued)

Individual Continuum

Conditions	Work Climate	Generous Parent/ Devoted to Individual Interest and How Climate Influences
	Herzberg	Motivators and Hygiene Conditions that Affect Work
Incentive	Job, Redesign, and Enrichment	Tailoring Job to Individual/Director
	Job Satisfaction/Morale	Sense of Worth
Buy In	Stakeholders	Investment
	Relationship	Symbosis
Caring	Theory Y/Maslow	Achievement Performance
	Learning Environment	Ownership

G. Examination of Key Concepts and Issues in the Development of Employee Services Derrick Manns and David L. Groves. (1995). <u>Visions in Leisure and Business</u>, 13(4), 4-12. (Not full text)

Abstract

It is important to examine concepts and issues of employee services to determine its past, present, and future position in society. Historical and evolutionary approaches will help understand the developmental cycles and isolate a framework for new philosophies in the 21st century. This will help ensure an identity for employee services and add credibility and accountability. An examination of the relationship between the organization and the individual was the framework used in the analysis.

Introduction

One of the first organized intents of employee services was to incorporate athletics into the workplace as an energy outlet. It has also been suggested that recreational play may help employees become better workers. It also brings the employer and employees closer together.

Since the field is not well defined, this study examined employee services from an historical and evolutionary perspective (23). The employee services program is undefined because not many understand its basic philosophy. Many people do not realize that some of the programs and services provided by a company are employee service based. An important development in the evolution of employee services was identifying the relationship between recreation and service programs and job satisfaction and productivity to justify the programs. Once a company realized the benefits from employee services, they provided the most effective programs possible. The next evolutionary step was focusing on the range of outcomes of an employee service program. The emphasis shifts to related benefits for the company and how the programs contribute to the company. Eventually individual outcomes are important. Since

human resources are such a critical element, there was a need to retain skilled and dedicated workers. Once outcomes have been defined, activity prescription to achieve the desired outcomes became the new theme. Improvement upon motivation, education and employer/employee relations becomes an important thrust. This information was essential to understand how the company and individual work together to reach common goals. The employer and employee need to be able to work together to form relationships. Group cohesion was an important factor related to job performance and satisfaction. Athletics and education became an important part in the development of employee services.

Historical and Evolutionary Framework

The first organized intent of employee services was to incorporate athletics in the workplace as an energy outlet in an effort to control employees and/or bring the employer and the employee closer together. Industrial recreation/employee services is a program of activities and services provided to satisfy the business and the employee needs and goals. It increases morale, social and physical well-being through the use of social and services approaches. At the turn at the century, the basic problem was exploitation. In the 1890's a few companies were matriarchal and patriarchal and were concerned with making a profit, but cared about their employees. One solution to the labor problem was to provide recreation for employees to alleviate the tensions of poor working conditions. One of the first companies to offer employee services was Peacedale Manufacturing Company of Rhode Island in 1854. Many of the early employee service programs started based on social concerns. Peacedale Manufacturing started with a library and expanded to include religious, musical, and educational activities. Soon other companies began to provide athletic programs and facilities.

After World War I, recreation programs grew as a result of attracting and holding employees. By 1926, 430 companies were offering recreation programs for their employees.

During the depression there was a setback in the offering of employee service programs; however, in the late 1930's, industrial recreation began to grow again. Many companies went against the norm of exploitation and retained quality employees to produce a better product. These companies made profits because they cared about the employees. Other forms of employee service programs, such as religious, musical, educational, and social programs, were offered as a result of the growing labor movement.

Labor unions were becoming an integral part of the industry as a result of many years of exploitation. The unions developed to protect the well being of the employee. Because of the new legislation, companies had to deal with employee issues and offered benefits to improve their work force. The struggle between labor and management has been well documented. Employee services has been the best approach to attain the most profits and more benefits for the employee. It also helped to create a sense of loyalty. Companies with employee service programs have a record of better performance in the long term.

Diehl and Eastwood published the first booklet in 1940 for employee service program. This work provided information about the creation of the employee service programs. The depression was ending and employee service programs were expanding. There was a need for employers to create a sense of loyalty toward their employees. As a result of the depression, many companies realized the benefits of having quality employees. Another book written by Anderson charted the benefits of industrial recreation.

The National Industrial Recreation Association (NIRA) was formed on the campus of Purdue University. In 1982, NIRA changed its name to The National Employee Services and Recreation Association (NESRA). (It recently changed its name again to Employee Services Management (ESM) to reflect the broader perspective of the organization toward management.) This organization was athletic based and focused on the education and importance of employee

service programs. The purpose of this organization was to justify the implementation of employee service programs. With the introduction of the employee service program, industries were finding how valuable it was to have loyal and dedicated employees. Since the beginning of industrialism there has been a struggle between labor and management. Management started in the power position and then it shifted to unions. Labor and management are competing for the power to control; money and job security are the key issues and without it there is no stability. Workers wanted stability for security. The employer wanted it to plan for investment and expansion.

About 25 to 30 years from the formal organization of the employee services movement, companies wanted to have the most productive and efficient employees. Most companies had large loses, but many were able to rebound and use the depression as a tool to increase efficiency. Some companies had developed a humanistic approach toward the worker. There were only a few companies who knew the value of employee services. The education process was very slow. Since employee services was undefined, it was hard for a company to adopt an employee services philosophy. NESRA (ESA) has been instrumental in the development of the employee service movement. Companies, through employee services programs, have been able to communicate better with their employees. In the past, there had been problems with labor and management. Better communication "can offer management more opportunities to relate with employees through programs, activities and services." This cooperative relationship between labor and management may help create a better environment for future success.

As a result of relating employee service programs to job satisfaction and productivity, employers may be better able to understand the need for employee service programs. After developing a framework from which to start, the need for programs became eminent. After the labor movement started and laws were passed to regulate industry, more companies like

Peacedale Manufacturing Company were able to make profits and treat workers more humanistically. After the development of NESRA (ESA), many other companies adopted this style of management. Today, NESRA (ESA) has over 800 members and estimates show that 30,000 to 50,000 companies have some form of employee recreation programs.

The focus of employee services has evolved from athletics to education to services. With the sophistication of programs and services, the need to keep employees working toward the same goal is essential. One way to achieve this objective is stronger group cohesion. Cohesion has become one of the most important factors in an employee service program. With the sophistication of the workforce in 50's and 60's, the demand for a cooperative workforce was important. This topic has been debated and there are many different opinions about the importance of employee service programs. Two of the resources used to develop the evolutionary framework of management/employee relations were: (1) <u>The 100 Best Companies to Work for in America</u> by R. Levins and M. Moskowitz and (2) <u>The 100 Best Companies to Work for in Canada</u> by E. Innes, R. Perry, and J. Lyon.

Relationships Between Employee Service Programs and

Productivity and Job Satisfaction

In many studies the focus was on identifying the relationships between employee service programs and job satisfaction and productivity (2, 12, 20). The purpose of the studies was to illustrate benefits to the companies (3). The study found that by giving the employees an education, the employees could use the new skills and apply them to their job. If there is a vested interest in the worker, he/she is more inclined to have a high level of satisfaction. The literature also suggests that if the employee is thought of as an investment, the employer will get more production in return (7).

Some companies already have good employee service programs and use them to their advantage. In some of the companies studied (3) such as: Bread Loaf Construction, Dahlin Smith White, Rhino Foods, White Storage and Retrieval Systems, and Mactemps, productivity went up from the previous level before any type of program was offered. The normal seven-day turn around on an order went down to a one-day turn around within weeks after the free education and on the job training programs were initiated. The approach is based on the idea that if the workers' needs are satisfied, they will service customers. The customer wants a quality product and courteous service. This is a win-win situation for all involved. When you have employees who want to come to work morale, productivity, and motivation are high.

Brokaw (3) gave an example of one advertising agency that gave their employees between \$100 to \$200 to decorate their offices. By fostering creativity, the agency received more creative production from the workers. An unmotivated person can produce about six hours a day, while a motivated worker may produce as many as ten hours a day. If workers work one more hour a day, there is a 12.5% increase in output. Some of the many benefits of an employee service program are: reduced absenteeism, higher morale, higher productivity, good work environment, and training.

Individual and Company Benefits of

Employee Service Programs

The second type of studies were those completed to determine the impacts or benefits of employee services programs (11, 13, 18, 21, 22). One of the most significant studies was a thesis by Hawkins in 1967. This study examined the potential employer benefits and the concept of individual benefits. By investing type of outcome, the company better knows the benefits from their investment. If the employees felt they were an integral part of a team, they may, in return, be motivated and involved in their work. By offering employee service programs, the employer

has the chance to open the lines of communication. This is a benefit to both the employer and the employee because the employer may be able to determine future leadership from this relationship. The employee may be able to achieve promotions. By offering team sports, companies were able to discover and develop new leaders, improve morale, increase fitness, and retain valuable employees (23).

With the introduction of employee service programs, both the employer and the employee can benefit. The employee may benefit by having a company-sponsored event, site, or class to attend. Non-negotiated benefits are factors in the retention of employees. Nonnegotiated benefits may include education classes at a local university for free or at a reduced price. Employers are able to get better production from a diverse and knowledgeable employee while the employee will be able to earn promotions, get raises, and take on new job responsibilities. Employees are given more control on how to advance or make more money. Other benefits to the employee may include on-site child care facility. If a worker is given something beyond the necessities, he/she is more motivated to perform.

Prescription

Another focus of the literature was on determining what programs and activities would produce what types of outcomes (5, 10, 14, 25). The primary concern is both long and shortterm outcomes to both the individual and the company. The important issue now is determining short-term outcomes and how they relate to long term benefits from a particular program. Within a large company the activities and interests are varied. Groves (10) found that there was a strong correlation between active participants and coordinators. Coordinators were more company oriented. "They were interested in outdoor activities. Movies and classes were the primary entertainment media" (10). Patterns are developed within the company based on activities and interests. Personality and psychological make-up tell the employer about the employees. This report can be used to find the norms of employees and make comparisons. By providing different types of employee service programs, the employer will gain the respect of the employees. Employees will be enthusiastic about work, produce, and get others involved. Recreation can be a positive influence within the company to help the employees achieve their goals and also bridge the gap between work and leisure (10). One of the ways for the employer to bridge the gap between work and leisure is to provide special or ongoing events. These events have been proven to show a relationship between the event and group cohesion. Group cohesion may be one of the most important variables to bridge the gap between employer and employees.

Cohesion Which Exists Between Worker/Co-Worker

and Employer/Employee

Special events, team events, and other (short-term) employee service programs have primary outcomes, which produce cohesiveness (17). Cohesiveness is defined by Festinger (9) as "the resultant forces which are acting on the members to stay in a group" (p. 274) and has generally been the definition accepted by most researchers.

Meta-analyses (8, 17, 19) indicate that there is a positive relationship between group cohesion, job performance, and productivity. In most studies it has been found that sports groups have shown the highest level of cohesiveness-performance. It is more meaningful to a person if they have a vested interest in a task. It is very important for sports teams to have a high level of cohesion to get the required result -- a win. By working together toward the same goal, each member will in turn put more time and effort into the task at hand. Several factors which may influence cohesion are: the degree of interaction required by the group, the reality of the group categorization, and the size of the group. These factors are examined to show the relationship between other group phenomena. Small groups have been found to produce more cohesion over their larger counterparts, and real groups produce more cohesion over laboratory or artificial

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groups (15). The other components of group cohesiveness such as: interpersonal attraction, commitment to task, and group pride are examined to determine their role in group cohesion. These are all mechanisms or tools which may have an effect on the completion of a task. Worchel, Cooper, and Goethals (24) noted that "in the final analysis, one can conclude that cohesiveness usually increases a group's productivity. However, there are exceptions to this rule that must also be considered" (p. 448). Not all groups are similar and this must be taken into account when interpreting findings. Forty years of research on cohesiveness-performance effect has failed to establish much about this phenomena. It can be concluded that the effect exists and varies in reasonable and predictable approaches (17).

Some of the factors which may influence group cohesion are the type and amount of interaction, reality of the group, and group size (17). Crate (6) "has argued that a positive cohesiveness-performance effect would emerge among teams in which successful performance depends on a close, interacting group effort." (p. 213) It may seem that a group can enhance their performance by interacting together. The more a group gels together the more work they should be able to accomplish. The more time that people spend together should lead to a high degree of what Campbell (4) calls entitativity, which is a term for "groupness."

Another element, which must be examined, is the size of the groups used in the Oliver (19) and Evans and Dion (8) studies. The number of people in the group also reflects on the level of cohesiveness (15) within a group. As the group expands the level of cohesiveness goes down. This could be attributed to the fact that it is hard to juggle the schedules of ten or so individuals. The individual ideas of each may play a different role in a large group. In a small group, each idea may be thoroughly discussed and detailed, but in a large group many ideas are not heard or not discussed. Many of the studies were based on small numbers: Oliver's (19) study of 14 and Evans and Dion (8) study of 16 were not sufficient. Smaller groups are less

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likely to become individualized and start to loaf (16). The reality of the group says that there is a difference between laboratory groups, which meet for 20 minutes a session, and real groups, which interact on multiple occasions and provide longer and deeper experiences within the group (17). It may be said that the ad hoc group has no interest other than completing an experimental goal. The real group can be measured in a real situation in which they are actually working towards a life goal.

Some of the findings also report there is a direct relationship between cohesionperformance to a specific task (17). The results of these studies show groups that were committed to the task usually developed a higher level of group cohesiveness. Neither interpersonal attraction nor group pride emerged as key factors in the cohesiveness-performance effect. Task performance was the factor which emerge as the main predictor of cohesivenessperformance (17). If members are committed to the task, they have a vested interest in the group and outcome. Real groups have been shown to use underlying mechanisms of group phenomena (15). "One plausible account for the differences among sports teams, military crews, other real groups, and artificial groups is a gradation of the salience and legitimacy of standard of excellence."

Cohesiveness-performance may also be based on personal attraction to the group or group pride. Many of the members may want to belong to a group because of prestige and, in turn, may become more cohesive as a result (17). Good performance should make the group members feel good about themselves and feel better about those they are working with. As stated earlier, these two factors have very little to do with the cohesiveness-performance effect. Commitment to task is the main factor and these other factors are secondary elements or intervening variables.

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Conclusion

There are several key themes that have been identified: relationships, benefits, prescription, and cohesion. There have been many attempts to isolate the relationships between employee services and job satisfaction and productivity. The evolution of key concepts and issues are identified in the following categories: (a) relationships between employee service programs and job satisfaction and production, (b) individual and company benefits of employee service programs, (c) prescription, and (d) the degree of cohesion which existed between worker/co-worker and employer/employee.

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II. STRUCTURE AND FUNCTION

A. Mel Byers

David L. Groves. (1984). Visions in Leisure and Business, 3(3), 4-45. (Not full text)

Mel Byers has 40 years of experience in employee services and he is internationally known, especially for his consultant work. Mel is known for his innovation in formulation of ideas as a free thinker. These ideas have stimulated the development of employee services for many years. He is the father of many of the new concepts and has helped add a sound philosophical base to the field.

<u>Question 1</u>: What has been your role in NIRA (National Industrial Recreation Association)/NESRA (National Employee Services and Recreation Association) (ESM) through the years?

<u>Answer 1</u>: My involvement in NIRA began in 1942. I have served in a number of positions including vice president, editor of <u>Keynotes</u>, and consultant. My most coveted position has been as consultant and being able to help individuals to better understand the employee service concept in its broad application. I have also been very involved in the formation of TIRES (Toledo Industrial Recreation and Employee Services Association) which is a local IRC (Industrial Recreation Council) for the Toledo area.

Question 2: What has been your most important role in NIRA/NESRA (ESM) and TIRES?

<u>Answer 2</u>: My most important role, especially in NIRA/NESRA (ESM), has been as a consultant and the publisher and editor if <u>Keynotes</u>. My real contribution, I think, is that I have generated a number of ideas to ponder and research.

<u>Question 3</u>: Were your goals achieved with these organizations?

<u>Answer 3</u>: No. I have only had the opportunity of making inroads and many times the going has been hard because of individuals not accepting new ideas easily.

<u>Question 4</u>: What has been your best experience?

<u>Answer 4</u>: There are always new challenges in this fast-moving world. My primary role has been as a starter because I usually get out of a movement before its objectives are accomplished. NIRA/ NESRA (ESM) and TIRES are just beginning and have not nearly reached their potential. As result, I feel that I have not accomplished my goals.

<u>Question 5</u>: <u>Keynotes</u> was such a successful publication for the national organization. What was its basic philosophy?

<u>Answer 5:</u> <u>Keynotes</u> is idea sharing. It was put together much in the format of the <u>Kiplinger</u> <u>Newsletter</u> in that the information provided is in an abbreviated format and the information provided has some instant application. It is also information that is not readily available to the practitioner. In employee services there are not many ideas that are not new. What I would do is research these ideas and put them in a form usable to the practitioner. Practitioners do not want to read copy, they want something that is useful. They do not want the "Blue Sky" type of thinking.

<u>Question 6</u>: What should be the primary goal of an employee services program?

<u>Answer 6</u>: The primary purpose is not a competitive athletic program. It is not the function of an employee services program to develop a collegial atmosphere and award company letters. The primary purpose should be service to achieve both the individual's and the company's goals. The question is always asked, "why are we doing this?" The answer most often given is, "you must play to be a good worker." This is not always true because there are some individuals who are workaholics and make a substantial contribution to the company, but "they do not play." These types of assumptions must be tested to identify base relationships and outcomes between an employee services program and outcomes of the company.

B. NESRA/ESM

National Employee Service and Recreation Association (ESM)

Question 1: When did NIRA/NESRA (ESM) start?

<u>Answer 1</u>: It was founded through the efforts of a professor at Purdue University. The primary purpose of the organization was sports programs within industry.

<u>Question 2</u>: Could you give some additional information about the historical development aspects of NIRA/NESRA (ESM)?

<u>Answer 2</u>: NIRA/NESRA (ESM) originally started in 1939-40. Four industrial specialists attended the National Recreation Association conference and there was nothing on the conference agenda that would benefit them. they met with the organization members and decided to establish another association under the leadership of Professor Eastwood from Purdue University. The association started with these four companies and rapidly grew to 40 or 50. The growth has been steady throughout the years. Currently, there are approximately 500 companies.

<u>Question 3</u>: What is one of the major problems facing employee services?

<u>Answer 3</u>: It is that many individuals who hold positions of importance in employee services do not know the philosophical basis of the program or why their program exists and how it relates to bottom line profits.

<u>Question 4</u>: Could you expand upon your statement about purpose?

<u>Answer 4</u>: It is not knowing, or have a clear definition of program purpose and how it fits into a company's organization so that it can be effectively sold. Many of the programs make statements about outcomes such as "it makes our employees friendly," "it keeps our people busy and; therefore, out of trouble," and "it is our civic purpose to provide recreational programs for employees, especially for the wider community." These types of statements are fine but they are secondary outcomes to the organization's purpose of bottom line profits. Ultimately, the base link between such outcomes as friendship and public relations must be shown to benefit the company. It is this link that is not well understood.

<u>Question 5</u>: Will you give an example of employee services programs that have had problems because of a lack of understanding of their purpose?

<u>Answer 5</u>: There was one company that provided their employees with every type of facility and program in a very benevolent manner. From this give-away program, the company expected loyalty. When problems in negotiation occurred, the employees walked out. The company officials could not understand how their employees could turn on them. As a result, the company reversed its philosophy and took away many of the employee benefits. This brought about unionization and conflicts resulted. This is an example of where the company entered into a give-away program and did not understand its basic purpose and how it could be utilized in relation to individual and organizational goals. Any produce, service or goods that is given away is not valued.

<u>Question 6</u>: What should the specific goals of employee services be?

<u>Answer 6</u>: The purpose should be the training of employees and improvement of employee skills. Employee services programs should parallel that of the business and its structure should be similar. The same purchasing forms, budgeting procedure, etc., should be used so as to help train the employee in the procedures of the company as well as giving him/her the necessary skill for job advancement. With this type of an objective, it will be better integrated as a company function and not isolated.

<u>Question 7</u>: Has there been much written about the basic principles and philosophy of the employee services field?

<u>Answer 7</u>: No, there was one textbook that was developed in the early 1940's that was primarily sport oriented. There was a new text that was sponsored by NIRA/NESRA (ESM) in

the early 80's. The primary difference between this and the earlier test is that it focuses more upon the service concept.

Question 8: What is the most important component of an employee services program?

<u>Answer 8</u>: For the program to be effective, it must be based upon sound business principles and knowing how outcomes from an employee services program benefit a particular company. Another important dimension is understanding how the business processes apply to a particular company and integrating these business processes into programming so that they are consistent with a company's overall policy.

<u>Question 9</u>: Have there been thorough assessments of employee services to identify these base outcomes?

<u>Answer 9</u>: There have been a few studies but there still is a big need to scientifically evaluate outcomes and relate these outcomes to company types.

<u>Question 10</u>: What are some of the services under the auspices of an employee services organization?

<u>Answer 10</u>: There are over 150 services and probably many more. Here are some to give you an indication of the diversity that exists in programs: blood services; service award programs; flowers for a death, birth, sickness, etc.; parking lot (with the oldest having the best spot); identification badges; banquets; physicals; reduced price on medicine; insurance that includes life, health, etc.; emergency auto services; dressing rooms; food services; vending machines; recreational programs; educational assistance for continuing education; and counseling.

<u>Question 11</u>: How does an employee services office operate as compared to one that is more traditional?

<u>Answer 11</u>: Usually the only time an employee ever went into a personnel office was to be hired, fired, or complain. When the employee did go, the supervisor would always ask the employee what he/she was doing in that office and placed him/her on some type of blacklist. In an operation that provides the total range of services, employees are always going into the office and no one knows the reason. As the employees come in, you get to know them and you build relationships. You get to know their problems and become very close. You are looked on not as a management representative but as a friend and co-worker who has the potential to help them with their problems.

<u>Question 12</u>: What are some of the new concepts that will be used in the employee services field?

<u>Answer 12</u>: You will be hearing many new terms like "humanities," "employee relations," "motivation," "reduced turnover," and "intelligence level." The primary focus of these concepts is greater productivity through helping the individual achieve his/her goals.

C. TIRES

Toledo Industrial Recreation and Employee Service Association

<u>Question 1</u>: How was TIRES organized?

<u>Answer 1</u>: TIRES began with a small group of personnel directors meeting for lunch, discussing ideas, and sharing experiences on how to improve services. As a result of increased interest, an organization was formed called TIRES. I have been with the organization since it started and have served as its executive director. It is an informal organization and Roberts Rules of Order was not used to establish a formal type of structure. Officers are elected and serve a prescribed term as a sounding board to the executive director. The primary element that has made the organization a success is that the professionals seek information in an applied format so that it is easy to digest and use.

<u>Question 2</u>: What is the basic purpose of TIRES?

<u>Answer 2</u>: TIRES was founded to help develop buyer-seller relations for employee services. It helps both the employee services director and the salesperson develop good relationships and programs. It illustrates through a doing process how to develop a program out of products and services for employees, which is the best method of sales.

Question 3: Why did TIRES develop an emphasis on the buyer-seller relationship?

<u>Answer 3</u>: The philosophy really began with me because of my background in sales and communication. I have always dealt with sales people and I have learned from them. The base philosophy of TIRES came from when I had first entered the field and was made safety director and I had to learn this position within 24 hours. I called all the sales people that we dealt with and asked them to tell me what to do and what mistakes were made by other companies that they had seen. I told them if they would teach me what they knew, I would do business with them. These sales people were my teachers. Since this initial experience, I have always had a positive feeling about sales people and what they can teach.

Question 4: What are the benefits of an organization such as TIRES and how does it work?

<u>Answer 4</u>: It is to teach people the art and science of buying and selling. It is controlled by the law of supply and demand. The relationship between the buyer and seller is not one of an adversary relationship but one of cooperation. It is a service to the industry because of reduced cost and increased services, which is a non-negotiated benefit for the employee. It is a new

market for the seller because it represents a large group with low cost advertising and a controlled point of entry in which the salesperson did not have access. One of the examples of this buyer-seller relationship is that of family photographs. The photographer will provide one 8 x 10 family portrait free as a service and he would offer to the employees packages of photographs at a reduced fee. The service is provided by and through the company as family portraits and the advantage to the seller is access to a controlled market. Another example is that of selling carpeting. An individual who was in deep financial problems learned to deal with people on a discount basis and his financial problems were solved. The discount that is provided to the employee services program is one of advertising costs. The seller no longer has to engage in expensive advertising because he has a direct contact with his target audience. The primary focus of advertising is one of developing a service program. This is a very novel approach to sales because it is not based upon hard sales but on soft techniques. What really happens in this type of relationship is that the buyer and seller become friends and there is a trust relationship established and the animosity that usually exists between buyer and seller dissipates for a cooperative atmosphere. The primary philosophy is help and cooperation to build a solid foundation of programming and sales. This type of relationship laid the pattern of the organization and is the ultimate reason for the association's success. The buyer-seller relationship is an educational process to utilize each other's talents, one for service and the other for profit.

<u>Question 5</u>: How does TIRES work?

<u>Answer 5</u>: There are two basic types of individuals who belong to TIRES, suppliers and purchasers. Purchasers are the employees of the organization and suppliers are those who will sell directly to these employees through a service concept. This service concept is very important as the chapter should never take the credit but give it directly, as it is the company that is a member and has the direct interest in the employees. TIRES operates on the "carrot and stick" principle. It provides those benefits that will have a direct impact upon the employees, especially in terms of money benefits. As the companies become associated with TIRES, short programs are provided at luncheon meetings that make the employee services programs better by providing examples. It also helps because members associate with programs that are successful and they can see the direct benefits of good employee services programs.

<u>Question 6</u>: Could you characterize some of the supplier members and who they are, and give some examples?

<u>Answer 6</u>: Such members as Cedar Point, The Magic Kingdom Club, hotels, and car rentals. Many times large suppliers will not deal with small businesses so by being associated with TIRES this allows small companies to be able to purchase these services for their employees.

<u>Question 7</u>: Who is one of the most effective sales people that you have met and what has led to his/her success?

<u>Answer 7</u>: One of the most successful people that I have met is a lady who sells tours. She sells the City of Toledo to individuals in Toronto. Toronto is one of the most cosmopolitan cities

in the world and it takes a real salesperson to do this. She knows how to meet people and use interpersonal communications to convey a very warm and pleasant personality. In just a few minutes, she will know the name of everyone on the tour and a little bit about them. She is a natural born salesperson. She also programs her tours in a very unique and personal way. For example, she may get a dress store to open and get a special discount for her tour as well as having them put on a fashion show. She will be glad to put on a program for your retirees to help you set up programs. This is a natural to sell her tours. Another example is that she will get to know the secretaries, take them to lunch, then the wives, and then eventually the executives to sell her tours and programs. Another person that I think is an effective salesperson works for a theme park. He uses a very low-keyed method of sales and he is more interested in you and what he can do for you than selling tickets. Tickets are just a by-product of him helping you set up programs. For example, he will be more interested in helping you develop a picnic, a party, etc. He has been one of the most effective agents for TIRES. He tells people that he can give them a better price on tickets if they join TIRES and goes ahead and spells out the benefits of the organization.

<u>Question 8</u>: Can you give an example of how a soft sell approach works, especially discounts?

Answer 8: The member that I am thinking of to use as an example has learned to effectively use the organization to profit his company. He helped lay the foundation for the development of the discount program in TIRES. The company, in this case, is the intermediary or the customer. He became acquainted with the employee services directors and has sold tickets and provided programs to company employees. He said, "you and the company take credit for obtaining this discount and the attraction and I will stay in the background." He was able to give a 20% discount because these are the advertising savings that he could pass on to the company. This discount then becomes a non-negotiated benefit to employees. This particular transaction turns on the fact that the company and the attraction both benefit and understand the costs involved. So often, employee services directors will start retailing and taking a percentage of the discount away from the employees and giving it to the club, the company or maybe even take it as a kickback. When this happens, the trust relationship is lost when the employees find out that they are not receiving the entire discount. If the entire benefit does not go to the employees, you are retailing in a place of business and this is wrong. Another example of retailing may not be taking cash but taking trips, junkets, etc. When clubs take trips, there are free transportation, hotel and meals that are given to the directors of the employee services. This is wrong. When I was an employee services program director, the company paid half the cost and I paid half the cost. I gave the leader of the trip 15 envelopes if the tour was 15 days and at the end of each day the leader of the trip would fill out a report on the quality of the facilities, problems, etc. He/she would mail this to me the next day so that I would have an ongoing record of the event. I would hold back 15 to 20% of the payment for 30 days. If a service was not rendered or up to quality, I would deduct that amount of money. In fact, if it had been an inconvenience, I would multiply it by three and deduct that amount. I would depend directly upon the evaluation sheets to determine the quality of the trip. I did not have a problem with the travel agency. The travel agency was not able to have anything to hold over us in eliminating gratuities on the next trip. If it was not a quality trip, they did not get paid.

<u>Question 9</u>: What is a common mistake made in sales?

<u>Answer 9</u>: One of the biggest problems is that most often the salesperson will call directly on a purchasing agent. You could spend one week in the company making contacts for sales. You cannot just stop at the first "no" or with an individual like a purchasing agent because he/she is just an individual through whom all orders are processed. You must contact individuals personally in each department to sell your product and services directly to the broad range of individuals. In every organization there are individuals in advertisement, community relations, food, personnel, safety, etc. You could literally spend a week or a month with some organizations.

<u>Question 10</u>: Is there a relationship between sales and employee services?

<u>Answer 10</u>: Yes, two examples that come to mind. One is where an employee program was supporting a certain theme park but when the park was visited it was noticed that they were using a competitor's product. This competitor did not support the company's product and as a result a comment was made and their business was immediately shifted from the competitors. This type of pressure is only possible through an employee services program because it represents consumer power. Another example is when a flower company or nursery was in financial trouble and needed a market in which to sell their product. The employee services director and the sales staff got together and developed a program in which the produce was provided to the employees on a cost plus basis. After helping this corporation out of a financial bind, they became lifetime customers of the company.

<u>Question 11</u>: What are some of the techniques of dealing with salespeople?

<u>Answer 11</u>: I figure out how the product or service relates to what I am doing. And then I try to educate him/her to what I am doing. I ask the salesperson what types of service they are going to provide for our employees. If, for example, he/she is going to give me a discount, I help the salesperson understand why and how this discount works with out company. I help him/her understand that it is not a discount from the salesperson or a "freebie" from the company. It is a benefit that the company wants the employee to have. I also help the salesperson understand that the employee must also have an investment in it for it to have any meaning or value.

<u>Question 12</u>: What is one of the major problems facing local IRC's (Industrial Recreation Councils) in relation to sales?

<u>Answer 12</u>: One of the problems that we had was disreputable salespeople. An IRC cannot function with this type of condition because one of the basic elements that makes it work is the element of trust. The products have to be quality and what is promised must be delivered. If it is not, the sales staff must be dropped from the local IRC and it must be very bluntly stated that the employees of the organizations that the IRC represent will not buy their products and will tell their neighbors and friends about the problems.

Question 13: What have been the developmental stages of TIRES?

<u>Answer 13</u>: The original concept for IRC's was conceived to allow smaller companies to participate on a local basis. Many smaller companies do not have the resources to develop an employee services program so the local IRC has been an instrument that has allowed this to develop. TIRES was formed under this auspice and has grown to include over 250 members. (It has now grown to over 600 members.) One of the problems currently with IRC's is that they are all operating on a different standard and there needs to be some effort to provide guidance to these organizations.

Question 14: What is the uniqueness of TIRES?

<u>Answer 14</u>: The uniqueness of TIRES is that it offers services to the small organization as well as the large. It is an organization that considers the needs of both in a cooperative relationship. TIRES is especially important to the small company because it can purchase many of the benefits for its employees through TIRES which cannot be purchased on the open market. Another important benefit is access to educational programs so they can learn how to develop a more effective employee services program. Many times small organizations cannot afford a trained employee services director.

Question 15: What is TIRES's role in community development?

<u>Answer 15</u>: TIRES has actually served as an agent to stimulate business within the Toledo area. It is a private sector organization that has helped add sales to companies in and around the Toledo area. It has helped increase the volume of business.

Question 16: What role has TIRES played in stimulating change?

<u>Answer 16</u>: TIRES has helped both employee services specialists and suppliers learn how to do their job more effectively and, as a result, it feeds new ideas into the organization constantly. It is this influx of new ideas that keeps the change of pace ahead of trends.

Question 17: What factors have had a significant change impact upon the profession?

<u>Answer 17</u>: The local IRC has a potential to change the profession because it can provide examples to help improve the operation of others. One of the elements that help this occur is good leadership in the local IRC. A second factor that is desperately needed is a new text that explores the specialty areas. This new text must be put in a how-to format and should be comprehensive. Another important dimension is getting the profession accepted and to begin to relate to business journals such as <u>Harvard Business Review</u> and <u>Wall Street Journal</u>. We must get our story out to these business publications so that others will realize the importance of an employee services program.

D. Trends

<u>Question 1</u>: What are some of the major trends in the business community?

Answer 1: One of the major trends is that many of the companies are reverting back to type. There is a constant struggle in the American economy for power. A few years ago, labor unions were powerful and with the economic recession, the companies have received the opportunity to gain much of their power back that they lose during the rise of the labor unions. Many of the companies are reverting back to the positions they had at the turn of the century and not valuing their employees. Other companies are showing what can be done during times of adversity. Many are sharing their power and profits. Something has to be done to break this cycle for struggle of power. An operative element to this cycle is greed. There must be someone to say that we must be satisfied with our fair share. Cooperative structures work better during times of adversity than competition. It is important to note that each company will have to develop its own style of management as dictated by their culture. One of the most impressive figures to support this statement is that if you analyze the top companies you will find they do not even have an employee program. The most important trend that has occurred in the past few years is the rise of the Japanese model. Through their long-term management they have overtaken the Americans in many fields of endeavor. This has brought about stiff competition models and a new emphasis upon employee relations. Various managerial styles are matriarchal, patriarchal, benevolent dictator, etc. These various management philosophies represent ways of relating to employees. The key element is not style but concern for employees. The primary concern of the employee in the past few years has been security. It would be nice if each economic cycle had consistency and the business institution could predict that consistency would bring stability. But each recession brings about a different set of circumstances that cannot be anticipated. It is the cooperative effort between management and employees that creates stability. The reason for trying to achieve stability is that it takes much of the risk out of the investment decision. The key to stability, that is, reducing risk, is cooperation and collaboration among those parties involved, especially during hard economic times. During more profitable periods, stability is not a major concern. Many of the major corporations have tried to diversify their investments so that if one part of the economy is down, they could ride out the hard times. When stagflation occurs, a recession runs very deep, no amount of diversification will help you achieve stability. Some corporations have tried vertical integration to help achieve stability but this is no better than diversification. The important element to achieving stability is fairness and the reduction of greed. During the bad inflationary times in the auto industry, Chrysler recovered because they cooperated with the union. They even gave up some of their power to allow Fraser to sit on their Board. There is always constant change and there must be some mechanism within the company to deal with that change.

<u>Question 2</u>: What are some of the major trends that have an influence upon employee services programs?

<u>Answer 2</u>: Economics are the primary element that influences the industry. This same trend is also an important aspect of influencing individual decisions. The pocketbook is one of the most important factors in explaining past influences as well as charting new trends for the future. The American industry has let the concern for money go to the extent, in many instances, that it

has become greed. Greed and the concern for money have caused many of the major industries not to reinvest or to share their profits. Those who have had cooperative/collaborative models have been willing to share and have been those who have been more successful, and will be more successful in the future.

<u>Question 3</u>: What have been the trends in employee services?

<u>Answer 3</u>: The field was originally founded upon cooperation among organizations to provide for sport competition. As it began to evolve and grow the employee service concern was developed and the range of services and benefits derived by the individual and the company was recognized. The primary question has been "how much support does a company need to provide?" There has been a cycle from complete funding to no support. The original thought was that a company should give away the services and pay for the entire experience. But many have rapidly realized that if something is given away, it is not valued and it is in valuing that we achieve the outcomes for the individual and the company. There is the pattern of self-sustaining employee services through raffles, advertising, books, etc. This is not a good situation either because the company does not value the program or they have little invested and it is a separate entity and not recognized as part of the management process. The most successful program has been some type of 50-50 or 60-40 sharing of the costs as well as the efforts. The type of sharing leads to the valuing of the program by the employer and the employee.

<u>Question 4</u>: What roles do unions play in employee services?

At one meeting where I made a presentation, someone stood up and said, "I guess Answer 4: you are against unions." He was quite surprised at my statement that if a company does not provide for employee welfare, that they deserve a union. Unions have played an important role in employee/ management relations and will continue to do so in the future. There is another condition that is rarely talked about in association with unions. It is where management utilizes an employee services program to keep unions out. An astute manager knows that where there is an effective employee services program, there are usually no unions. In this case, management considers the lesser of two evils and implements its employee services program. There is no genuine concern for employees and the employee services program is used as an element of social control to keep employees in line. An important element is determining when a company is only utilizing the employee services program in such a manner. This will be easily detected because there will not be a true concern about the industrial family with only a minimal effort to pacify employees as concerns arise within a company. There will also be a lack of concern about input from the employee services director in making significant changes. The program will be strictly cosmetic; an employee services director and the employees will easily detect these concerns and take appropriate action.

<u>Question 5</u>: Many assumptions are made that employee services programs develop better employees, cause less accidents, reduce insurance, etc. Are these statements accurate?

<u>Answer 5</u>: Many of these assumptions have not been empirically tested. They are made for the sake of program justification. Employees get hurt in athletic types of activities and sustain

injuries that can cause them discomfort and maybe even days lost on the job. The insurance premium may even go up if enough of these accidents occur. Sometimes the individuals become so involved in athletic types of activities or events sponsored by the employees services association that they lose perspective and start showing up on the job in tennis shoes. The point that I am trying to make is that there are many workaholics in the company that do not cause these types of problems. A company can observe this disparity and look only on the employee services program as a tool to manipulate. The actual outcomes of the program are its training and management potential, such as showing someone how to budget time and money, increase in self-concept, and helping certain employees get along with others. The relationships between these outcomes and productivity or profits must be well illustrated. One of the most interesting comments is that many people who serve in employee associations as officers often rise to higher positions in the company. In fact, there is one corporation that boasts that every company president has been the president of the company association.

Question 6: What is one of the major failures in the profession today?

<u>Answer 6</u>: The major failure that we have is applying the necessary communication skills that we have to inform our clients about our program and us. We must use every method of communication -- bulletin boards, newsletters, even rumors, to publicize and promote our program.

Question 7: Why is communication such an important skill in employee services?

Answer 7: About 80% of the individual's job in employee services is communication. The most important communication competency is promotion. Promotion is the motivation factor that provides the energy that makes communication a success or a failure. Communication without promotion results only in greater sociability. The definition of promotion is the ability to convince, persuade, or sell an idea. Where a product is intangible, the promotion of ideas is difficult because the tangible results cannot be seen in the early stages of its development. It is the function of the employee services director to communication and sell the ideas of management to the employees and the employees' ideas to the management. The employee services director is a bridge or mediator between management and the employees. In most organizations he/she is not thought of as a part of "management" by management or an "employee" by the employees. The best analogy to the job function is that of a chaplain in that both parties involved are free to express themselves without repercussions. This is not only a listening job but also one that involves bringing about action to solve problems. The employee services director must have links with each phase of management that can correct problems in a helping way that will not be detrimental to the employees or the organization. This communication function is a two-way street so that both the organization and the individual can achieve their objectives and develop common ground. The primary job is one of selling to develop a good climate or environment for employee management interactions through the use of good interpersonal skills. The bottom line of an employee services program, especially for the company, is better profits. The employee services director must show the relationship between profits and secondary factors such as lower turn-over, more productivity, fewer mistakes, reduced grievances, and how the "family company spirit" translates into benefits.

E. Operations

<u>Question 1</u>: Please define the word "success."

<u>Answer 1</u>: Success is difficult to define. Each event is a stepping stone toward another goal. At one time an activity or event will be successful and the next time it will not; it depends upon the circumstances. It is important to analyze why an activity was successful. This type of post mortem is essential to the improvement of an event the next time it is offered.

<u>Question 2</u>: Could you give a working definition for success?

<u>Answer 2</u>: It is the attainment of goals and objectives and the constant changing of programs to improve quality.

<u>Question 3</u>: What is one of the most important factors in success?

<u>Answer 3</u>: It is creativity and the ability to capitalize upon the opportunities as they are presented. Implicit in this statement is also an ability to not only recognize opportunities, but be able to provide some type of developmental activity to cause them to occur. An example of this type of ingenuity is the new mini-maid service. This is a service in which a crew of individuals specializes in household services. They bring in their crew and perform household tasks in a very effective and efficient manner. Job tasks are specialized and within a few hours they have performed all household tasks and have moved on to the next job. The primary need for this service is the large number of families that have two working parents. This creates a need for a domestic convenient service. The lady saw this need and creatively found a way to fulfill it. There are many types of opportunities. Those individuals who are successful are the ones who have the ability to creatively solve problems through the offering of client services. There are more opportunities because of the inflationary condition of the economy that has caused instability and as a result, big businesses are in a quandary. There are more opportunities for small businesses to fill needs and to be very competitive with large

ones. During stable times there is less opportunity because big business has a more effective control and a monopoly. Creativity can be learned through observation and practice.

<u>Question 4</u>: What is creativity?

<u>Answer 4</u>: Creativity is the systematic generation of an idea. It is the translation of observations from one place to another and the ability to refine or modify it to work in new situations.

<u>Question 5</u>: One of the dimensions that seems to be important is a comparative analysis of business operations.

<u>Answer 5</u>: You can only gain a perspective about many different operations by actually visiting individuals in their own settings and listening to the stories. Many times at conferences the operation sounds like it is very successful, but once you visit the operation you are able to see the strengths and weaknesses in balance. Another important dimension in visitation is that you are meeting the people on their own terms and you are developing a rapport which enables you to explore cause and effects because you have quality time to spend with an individual. You are able to see relationships that the individual does not talk about when they make a presentation at a conference.

<u>Question 6</u>: What are some of the common factors among recreational activities that act as bonding factors to increase the popularity and involvement in program participation?

Answer 6: There are several common denominators but I will only talk about one or two to give you an example. The more denominators you have, the greater likelihood that your program will be a success. The first common denominator is food. This is at the very core of most recreational events. Eating out is one of the most popular recreational activities. At most events like sports, food is a central part of the experience. At many social gatherings food is the essential ingredient. The primary factor that makes food such a strong element is its social aspect because people do not like to eat alone. Offer free beer and pretzels and you will not have to worry about having a crowd. Another denominator is win or chance. If you add competition to an event, it adds an element of motivation for greater group participation. The other part of this factor, chance, is by adding door prizes or a lottery for money, etc. You increase the participation and, again, the motivation to be involved. This concept of chance is often used by businesses in the form of games or in cereal to attract children with toys. A third denominator is activated movement. An example of activated movement is that in many spectator events, especially football, the crowd is exhorted by cheerleaders to perform a movement called a "wave." This causes a greater air of enthusiasm and a feel of involvement in the activity or event. In fact, the purpose of cheerleaders and bands is to excite the crowd through some kind of activated movement process. An example of this type of approach has been McDonald's or a corporation like Show Biz Pizza Place. They provide a playground for the children, entertainment or toys, which attract the children, which in turn attracts the parents. An example of a promotion by McDonald's Corporation is serving hot lunch in a school and sponsoring a coloring contest with the drawings being displayed in the local McDonald's and a free French fry

coupon given for participation. Over 85% of the classes went to have dinner at McDonald's. This is an example of the use of bonding factors.

<u>Question 7</u>: What are the most common factors that cause the failure of events?

<u>Answer 7</u>: 1) poor marketing, 2) how to approach the market, 3) how much and what type of advertising, and 4) price. In addition to these base elements, the programming bonding factors may be missing. Failure is usually a result of marketing or content. The more of these bonding factors that you have, the more likely your event will be successful. The program is an interaction between marketing/ advertising and content. Both of these elements must be present for a program to be successful. There is always room for improvement in programs and you must always be looking for ways to improve them. Many people do not have this type of attitude. They like to talk about their successes but they never like to think or tell you about their failures. There is a natural tendency to either cover up failures to try to alibi. People do not like to look back so they use the process to cover up their rationalization. Nothing is perfect, there are always good and bad points about every type of operation. Failure is a learning process. Any operation that has been successful has had to fail several times and build upon this failure as a learning process to achieve success. I have never had a very successful program. The word "successful" is not a very good concept. A better term is effective.

<u>Question 8</u>: It would seem that our society does not allow time for failure. How do you deal with this type of situation?

<u>Answer 8</u>: We must take advantage of every learning opportunity to always try to improve and not alibi for failure.

<u>Question 9</u>: What are the important elements of business that are related to success in operations?

<u>Answer 9</u>: There are six primary dimensions for success of a corporation: 1) sound business management practices, 2) alert and creative sales techniques, 3) employee loyalty and cooperation, 4) investor trust and a profitable return for that trust, 5) good customer relations with satisfaction guaranteed, and 6) high productivity and a quality product and services. This does not suggest that if all these elements are not found, that a corporation is not successful, but it does say that corporations with these six elements are highly successful and competitive.

<u>Question 10</u>: What are the elements in an organization that are directly related to success?

<u>Answer 10</u>: Some chief executive officers have all the time and resources that are needed to develop a successful operation. They are situationally dependent. If their situation changes drastically, they will not be successful. Take that chief executive officer and put him/her in a new situation that has a different set of parameters and he/she may or may not be successful. An effective manager will be successful under any situation. This type of manager is one who has the ability to develop talent and resources under any circumstance. He/she knows how to mix

and match the talents and resources, even on a limited basis, to rise above this set of circumstances. This type of leadership makes an organization successful. Leadership ability is the most important factor. If a leader does not have strong potential in an area, he/she must surround himself/herself with the people to build upon his/her weaknesses. Many hire in their own image and do not surround themselves with individuals who compliment their talent. Often a Board of Directors is thought of as a group that might potentially interfere with operations; however it should be a group of specialists who can help and compliment the leadership of the organization in an effective way. For example, if my strength is promotion, I would not want to have someone who has an advertising/promotion speciality on my board. If my weakness is finances and law, I would want to put someone on the board who has these types of expertise.

<u>Question 11</u>: What is one of the most difficult aspects of working with an organization?

<u>Answer 11</u>: It is working with a group, especially a Board of Directors. They often make excuses for failure. Many types of Boards of Directors will contrive success, especially in making profit or money. I can think of one incident where a major event cut down on costs and increased their price to show that they made money. They called the event a success. Next year the people will not come back because of the quality of the event at an increased price. The situation is set up for them to lose money. Very often money and profits are used as indicators of success, but this is only part of the story.

<u>Question 12</u>: What are the management styles utilized in most companies?

Answer 12: The management style most often used is authoritarian with the chief executive officer making most of the decisions. Sometimes a small board makes the decisions. Some corporations have gone to a controlling executive group of two or three individuals. Where a board is used, or two or three persons in the chief executive position, the problem is one of conflict or friction. The management style used in most U.S. corporations is that of competition. Competition sometimes is the cause for friction between employees and management, among management staff, etc. This does not suggest that competition is not an important element as a management style but when it is carried to excess and not tempered with a humanistic philosophy, it becomes unbalanced. Excess is when there is such a competitive atmosphere that the company's values take reference and the individual is not important and is considered disposable. If the individual reaches the top position in this type of corporation, someone is always on his/her heels and the company will eventually dispose of him/her. A cooperative management style is one that values intra- and inter-relationships and usually has a more humanistic philosophy. It can also be out of balance to the point that the individual is so important and the company outcomes are second. The key word is balance.

Question 13: What is the importance of the personnel department within a company?

<u>Answer 13</u>: A personnel department adds a humanistic perspective to an organization. The primary problem is that often times an employee at a personnel department is not viewed as having a major contribution to the company and is looked down upon as a support service. There has been a cycle in which chief executive officers have been accountants because they know the money aspect; engineers because they know the technical aspects; and a most recent trend, lawyers because they understand the legal ramifications of decisions. Each of these phases is not really based upon a humanistic perspective as is a personnel department. One of the differences between the Japanese and the American style of management is that the Japanese are far more "people oriented."

<u>Question 14</u>: What are some indicators of an effective employee services program?

There are three important indicators: 1) a low turnover rate, 2) how many people Answer 14: want to obtain employment with that organization, and 3) how many people from an employee services program have moved into leadership management positions. If you really want to know if an employee services program is a good one or not, take a clipboard with two or three questions and a tape recorder and go out and conduct a survey in a mall or some place where there would be a great number of people and a diversity of opinion and ask them for what company they would like to work and why. If you ask them if pay is more important, they will probably say no. Better benefits? No. Unions? No. Better supervisors? No. The response most often found will be that they have a neighbor who works for "X" company and they provide him/her with picnics, they were sick and the company sent flowers, they had a baby and there was a gift, etc. Another common response is that they just seem to be happier. Another interesting place to obtain such opinions is in a lobby where the salespeople congregate to sell the products and services. If you take the same clipboard and tape recorder and ask the question, "As you made your trips around the various companies, which impressed you most and why?" A common response is that the company seems to be very friendly -- we were greeted, directed, and escorted to the proper place and treated with a great amount of respect. When we had our appointment, we were offered coffee and given an adequate amount of time to make our presentations, etc. When you bottom-line this information and opinions from the public and the salespeople, it is the attention to details and the "people things" that are important. If you find a company with this type of program, they have a waiting list for employment and can be very selective.

<u>Question 15</u>: What percentage of employees should be served by an effective employee services program?

<u>Answer 15</u>: About 90% of employees should be served. An employee must come in contact at some point with elements under the domain of the employee service. Employee services programs, to reach these individuals, must be comprehensive and include such components as food services, refreshments, restrooms, lounge, serve awards programs, medical programs, reception areas, equipment purchases that affect the employee, employee sales and merchandising, discounts, flu shots, physicals, recognition programs, special events such as births and deaths, insurance, credit unions, savings and loans, newspapers, bulletin boards,

parking lots, janitorial services, security for employees, counseling, profit sharing, suggestion system, evaluation of employees, and dependency counseling. The employee services director must be father, mother, and chaplain.

Question 16: What are some of the trends that will affect successful operations in the future?

<u>Answer 16</u>: Those factors that are currently affecting business institutions will impact in the future with the important element being innovation, change, and development of new technology. This puts much pressure on the R & D function of most organizations. Individuals in the future will have to be more observant, learn quickly, and be more aggressive. Business and industry must become much more aggressive. Some industries will be phased out and others will be found to replace them, especially in the high tech and agriculture areas.

Question 17: Could you identify one of the most successful operations that you have seen?

Answer 17: Whirlpool in Clyde, Ohio, provides a range of employee services that is very diverse for their employees. They handle all reception areas and tours of the plant. They have a 15-acre park with an Olympic size swimming pool, ball diamonds, tennis courts, etc. They have nine active clubs, operate food services, have a daily newspaper, a P.A. system for direct announcements in the plant, and a printing department. They operate all comfort areas such as the restrooms and lounges. Employees select their own equipment and office decor. Employee services operate an extensive community relations program that puts appliances in schools, volunteer organizations, etc. When the community is finished with the appliances, they are sold through their company store to their employees. They offer a wide variety of ticket sales to such events as Cedar Point and King's Island. They also have travel and tours to local and worldwide points of interest. They operate service programs like the blood drive. The employee services program is comprehensive and complete. A union tried to obtain a vote in the plant among employees. The employee services department helped them set up their voting places. When the tabulations were completed, only about 1% of the employees had voted to have the union. A company that does not have the appropriate employee services program and the proper attitude is one who deserves to have a union. The union plays a very important role in those organizations that do not provide for the employees. The role of a well-organized employee services program is to create a family atmosphere. The title that may more appropriately fit an employee services program is "industrial family." The closer the family, the better off you are. There must be a concerted effort by one member of the family to help another. There must be no secrets. If there is an accident in the family, you would not keep it from other family members. So, if there is a problem in the factory or the organization, you try to let this be known through the best means possible because you know that the other members will understand. The attitude held among some organizations is that upper management has all the knowledge and they are the fountain from which all answers spring. Some supervisors even foster this type of program in which the employee must come and ask them information so it will build up their prestige and image. A good indicator of the attitude of management is the number of suggestions that they accept from the workers. In the Japanese system, the average employee suggestions used is 5-6 out of 10 made and in U.S. corporations, it is 1-2.

<u>Question 18</u>: What is a good suggestion system?

<u>Answer 18</u>: A good suggestion system is one that does not restrict suggestions, place limitations, such as only those suggestions that will increase production 10-15%, and accept opinions about management attitudes, etc. The very basis of a good suggestion system is that it is open and all recommendations will be taken seriously and studied for their potential uses. The second factor that is very important in the successful operation of the suggestion system is that review of any materials must be fair and equal and related to positive action, if worthy. A suggestion system can work if vigorously controlled by top management. Some of the reasons why a suggestion system does not work is that the subordinates may show up the supervisors or at least this is the assumption. Another reason is the committee looking at the suggestions is not knowledgeable. The third reason is that often the research department does not like ideas coming from the operation side because it makes them look bad.

<u>Question 19</u>: What is the impact of a suggestion system upon the employee?

<u>Answer 19</u>: The impact of a good suggestion system is the involvement of members of the organization in the planning and decision-making process. This makes them a stakeholder and motivates them to direct involvement in organizational processes.

<u>Question 20</u>: I am going to give you the name of some companies and would you please react to them, telling me about their employee services program and some of their operation problems? The primary purpose of this is to acquaint us with some of the types of problems that exist in companies today.

Answer 20:

Company 1 - Has an excellent employee services program and is probably one of the better companies for which to work in the United States because they are very employee-oriented in their attitude. Their primary problem has been that this corporation is so large they have not been competitive. They must learn to compete. They have been very complacent and must become very aggressive in their research and marketing to remain competitive.

Company 2 - The employee services program is sports and does not truly provide the total range of employee services. Their employees are very dedicated and loyal to the company because the company makes an effort to be concerned and involved. This company has a very aggressive research department. It will remain viable because it has placed many new competitive products that have been a success on the market.

Company 3 - Their employee services program is mixed. The primary problem with it is that they do not know why they have a program. In terms of operation, the primary problem is perspective. They have not diversified like competitors.

Company 4 - They have an employee services program primarily based upon health and fitness. They are fair and honest with their employees and their employees reciprocate with good productivity. This corporation is a success because of its high-powered sales and marketing operations.

Company 5 - They do not have an employee services program but provide an effective public relations program. The community relations program is all show. They have an effective product because of their attention to quality and the detail of production.

Company 6 - Their primary emphasis in the employee program is a give-away. Much money is spent on programming that the employees do not appreciate. Anything that is given away is not valued so the employees do not respect the efforts of the corporation. The employee services program is primarily a public relations effort. There is a gap between what they say and what they do and it will eventually catch up with them.

Company 7 - They provide recreation programs very similar to those at municipal parks and recreation. It provides the community with facilities and programs. They are very social, socially responsible, and very community oriented. They have a top-quality product but are not investing in their operation. Soon they will no longer be modern and able to compete with the production of foreign competition.

Companies are just like people, they go through a life cycle and they grow old and die if not revitalized through innovative thinking, either in sales and marketing or R & D. It takes both a good R & D department to develop a top-quality product and a good sales and marketing approach to have a successful operation. The competition in the past has not been as severe as it will be in the future. Each market is becoming more competitive as the United States no longer has the monopoly on products and services. The primary competition will come from external sources, and auto industry and others that have been complacent in the development of new ideas and a competitive edge have found themselves in a bad situation. We must be more aggressive. Aggressiveness, in this case, is the achievement of goals and objectives and improvement. The type of aggressiveness that currently exists in business institutions is one of competing with one another to see who is best, which only leads to dissention and is very dysfunctional to the organization.

<u>Question 21</u>: How does the employee program work as a training tool to improve job skills and help the individual advance?

<u>Answer 21</u>: First, the employee services director knows, sees, and has closer relationships, and is a better friend to most employees than anyone else in management. The employee services director should keep records and evaluation cards on each individual. At the end of a program cycle, the director may sit down and write a letter to the employee's boss and his boss' boss. Some of the statements that may appear on the card are: "John Doe/1984-85 was baseball captain. He is an excellent organizer, understands the budgeting process, is an excellent promoter, and manages people well, etc. He is an individual who would make an excellent supervisor." If the employee services director can write these types of comments for about 15% of the people per year, over a ten-year period he/she will have processed information on most of the employees. It is a slow but effective process.

Each activity should be run as a business. It will have to be promoted, have a budget, etc. The activities should parallel the business processes used within the company. For example, in purchasing equipment, supplies, etc., forms should be developed that are similar to the

company's and the processes used should be similar to those found within the company. Using this type of process, the individual learns the business processes utilized by the organization and may improve his/her skills in such areas as salesmanship, business ethics, communication, organization, etc. Skills learned through this type of program may even be better because it reflects use of these skills in a non-paid setting. This ability will be transferred to the work setting in terms of supervisory responsibilities. Anyone can become a supervisor and manage people when pay is involved. But the person who achieves this in a voluntary setting has a very special ability and contribution because he/she would have learned to not only supervise, but how to motivate people to accomplish a task. They have learned this skill as a result of a leisure interest and the by-product is increased skill in a non-forced setting. This type of program is a vocational school within industry. These same types of skills can also be learned through the individual working in other leisure organizations such as being a leader of scouting and bowling league president. Leisure is the vehicle of learning.

<u>Question 22</u>: How does the Japanese model of training compare to the one outlined through an employee services/personnel department as proposed?

<u>Answer 22</u>: The Japanese style of management is more a course in knowing yourself and learning development. One of developing an austerity to itself and the department of a desire to succeed. It may be characterized as something very similar to a Dale Carnegie course with an emphasis upon directing oneself to understanding base relationships with others. The employee service model proposed is one that is quite different than it appears in most American and Japanese companies. There are about 10 corporations that currently utilize such a system. The primary difference between those that use this type model and those that do not is that these companies have been in the foreground and will continue to be in the future because its most valued asset is its human capital. Other companies have come and gone but they are the ones that have sustained themselves through the years and all types of adverse conditions.

<u>Question 23</u>: If there are only 10 companies that have adopted an effective employee services model, why are others not moving toward this model when they have observed its effectiveness?

<u>Answer 23</u>: Most of the decisions in the business community are made in the short run and the impacts of such a program cannot be seen except in terms of long run. Most of the decisions made in Japan are based upon long run outcomes, not quarterly profits. It takes a tremendous amount of time and investment to cultivate the type of outcomes that we are talking about.

<u>Question 24</u>: How do you get an organization to adopt employee services or another type of training model?

<u>Answer 24</u>: The proposed employee services model of training is not one that should be copied but one that must be individualized based upon the cultural style of the organization. It does not depend upon content as much as understanding the processes that people and the leisure patterns utilize to benefit a particular company. It is also important to recognize that one of the most effective ways of implementing these types of processes in industry is to incorporate it into its base training program within colleges and universities. Most employee services programs are

not found in the college of business but are found at other locations in the university structure. What is even more ironic is that many colleges and universities have some of the worst employee services programs. The other two institutions that have very poor programs are hospitals and the hospitality industry. This is primarily due to the fact that there is a caste system and natural barriers established between employee types. As a result, there is often a high turnover rate.

The reason the colleges and universities are a good source for change is that it is difficult for a subordinate in an organization to educate his superiors. The change process must be institutionalized. There is a natural resentment to this type of process. It can be done but the employee has to be subtle in the methods used. Another possible choice or source of change is the consultant process. This type of information cannot be supplied consistently, but has been effectively utilized in some cases.

<u>Question 25</u>: What is the cost benefit ratio of this type of training program compared to others? What are the benefits?

<u>Answer 25</u>: A tremendous number of dollars are spent in sending executives to universities or workshops. Many companies have their own training centers and conduct their own programs. Where the program is the result of internal or external sources, most of the training is a sit-down type of lecture process. When the trainee returns to the job, there is usually no chance to practice what he/she has learned, so within a two to three month period, he/she has reverted back to the same management style. The advantage of an employee services program is that it offers the individual an opportunity to practice what he/she learns much quicker because he/she is motivated through his/her own leisure interests. The employee services program has both direct and indirect benefits. The direct benefit is the training aspect and the indirect benefits are such elements as improvement of absenteeism and worker satisfaction. I do not want to minimize the impact of the indirect benefits but many programs are set up on the basis of these indirect factors, when in fact the most important contributions to the company are the direct ones. A program can be justified on these direct benefits alone. Most employee services programs are supported entirely or partly by the employees themselves.

<u>Question 26</u>: What is the cost of an effective employee services program?

<u>Answer 26</u>: In an effective operation the cost to the company is one of staffing and personnel. The other costs are either based on association fees or are a direct result of buyer-seller relations. In some cases the company wishes to make a contribution but it is not necessary because additional measures of support can be found for the program as well as facilities. Additional revenue may be generated through food service programs, vending machines, etc. The way of raising dollars depends upon the creativity of the organization involved. The primary element that makes an operation successful is that the employee services staff can add to the effective income as a benefit to the employees.

Question 27: Could you give an example of an employee benefit and how it works?

<u>Question 27</u>: At one point in our company's history we had started a store as a benefit. This store was run by employees' services and the products that the employees made were offered at

wholesale. The store became so successful that the sales department took control and immediately raised prices so that the employees only obtained a 10% discount. The store was then opened to the public at a 5% discount. The public and the employees were mixed with one another. Local merchants were upset because the company selling direct was undercutting their profits. Merchants did not mind when the company sold to their employees but they did when it was opened to the public. This is a case in which the employees lost a benefit and the company increased their profits. It was a loss of potential. Another example was when I visited a major auto manufacturer to do a program evaluation and the first visit I made was to the parking lot to see how many of the employees owned a car they helped make. The question was asked at the end of the day what I felt about their employee services program and my first comment was that they did not have many employees who drive their make of cars. I told him that the employees must not think very much of their company or product because they did not buy a car they helped to make. They should know. I would see that every employee had a car or could afford a car that they made. This is a good form of advertisement.

<u>Question 28</u>: Would you give an example of how the program can be managed psychologically?

<u>Answer 28</u>: One of the best examples that I can give is a tour through a travel agency. A tour guide is a special person. The guide gets to know everyone within the first few minutes and how to relate to him or her. The guide usually finds someone to joke with throughout the whole trip. As a trip progresses, the tour guide has an ability to relate to the needs of each person. With one of the tours that we took to Europe, we did all the trip planning and programming and yet at Christmas, everyone on the tour sent the guide a Christmas card and gift. This shows that the trip was well managed.

<u>Question 29</u>: Could you give an idea of one psychological factor like ego and how it works in an employee services program.

<u>Answer 29</u>: Ego is a very powerful dimension that has an important influence upon an employee services program as well as plant operation. It is an element that operates all the way from the president to those individuals involved in maintenance. Some will suggest that a president has more ego and it has to be fed more often than a maintenance person but this is not true. The primary purpose of an employee services program is to build up the individual no matter what his station in a company. Many times an individual name appears in a plant publication. It is the only time that individual might see his/her name in print. If you have pictures in a plant publication, employees often want 20 or 30 extra copies to send to their family and friends. An interesting phenomenon about ego is the difference between how one perceives himself/herself and how others perceive him/her. Ego may be something that helps energize and initiate events. It is bad if it gets in the way of allowing certain events to occur or change. In positions like the presidency of a country or public offices, ego is a very important part of seeking those types of positions.

<u>Question 30</u>: What stands out in your mind as one of the most important outcomes from an employee services program?

<u>Answer 30</u>: Employee service programs help reduce friction. Often when you meet a chief executive officer, he/she wishes to be addressed by title so as to keep those lines of demarcation between management and employees very clear. One day I met the president of our company. He greeted me and indicated that his name was Bill and mine was Mel and it should be kept that way. And as I thought about the impact of that philosophy, it pervaded the company. It is this type of philosophy that has most impressed me throughout the years.

<u>Question 31</u>: What is the most important factor in a company to achieving the best type of outcome?

There must be an open and cooperative attitude among the employees and Answer 31: management for a system to be effective. An effective employee services program enhances what is there. The base of any company or organization is good business practices. If there are poor business practices, employee services cannot be the element that causes bottom line profits to increase. The reverse of this is also true as good business practices alone cannot achieve the maximum profit potential. One the maximum profit potential is achieved through an effective employee services program. There is a symbiotic relationship between good business practices and an effective employee services program. If the chief executive officer does not have a good attitude and tries to legislate outcomes from the top, an effective employee services program will never be able to sell the employees no matter how much money is put into a program. Often what you see is that top management wishes to impose their ideas on the employees. An example of this is when a chief executive officer jogs or plays tennis and the employee services program reflects a single purpose program in which the wishes or desires of the chief executive officer are translated into an employee services program. If you wish to make points with the chief executive officer, you learn to jog or play tennis and approach him or her on this basis. In this particular case, the organizational outcomes far outweigh the individual outcomes and the proportion is out of balance. One of the important elements that you seek in a good program is diversity. It is difficult to have an employee services program but impossible if the raw elements of cooperation and openness are not there among management and employees.

<u>Question 32</u>: How does an employee services program impact the consumer?

<u>Answer 32</u>: An employee services program directly impacts on the consumer through the employees. The employees directly interface with the public in terms of their neighbors as well as through the development of top quality product that carries the name of the employer. If employees are treated well, this treatment will be passed through to the customer in many direct and indirect ways. The organization basically has a philosophy and it is transmitted to the consumer through the employees. An important dimension is image. The chief executive officer knows the image that is most important for the product and he/she should develop the proper atmosphere that allows this image to develop and be transmitted through the employees. It is the best way to project an image because the employees directly and indirectly impact upon the consumer as they have been treated. Many chief executive officers do not allow such images to develop, but try to impose their image upon the corporation. It works something like an epidemic in that the feelings start with management and slowly work through their organization to their employees and their sales staff project a certain image that is reflected to the customer

and this either creates or hinders sales. The product with a good image is eight times easier to sell.

Question 33: Is it good business to be a social responsible organization?

<u>Answer 33</u>: It is good business to be a social responsible organization. The primary emphasis that it will provide is one of image and this is very important to selling the product. The best way to develop a good image is not through public relations efforts alone but to provide a good employee services program. The employees talk to their neighbors and will get out the message about the kind of company that you operate. A good public relations and employee services program should complement one another.

<u>Question 34</u>: What is the base relationship among community/public relations and employee services?

<u>Answer 34</u>: The base relationship is that community/public relations is the external contact with the company that primarily deals with the subject of image. Employee services is the internal dimension of the organization that deals with image of the company. In essence, it would be better if these two were combined into one function and put under the control of employee services to better coordinate operations.

Question 35: Is there a conflict between community/public relations and employee services?

<u>Answer 35</u>: Often employee services are incorporated into the community/public relations program and are viewed not as a non-productive entity but a necessity. It is used in community/public relations as a carrot to obtain a new sewer line, rezoning, etc., or in employee relations as appeasement.

F. Future

<u>Question 1</u>: What advice would you give to an individual just entering the field?

<u>Answer 1</u>: Business skills are very important as they are the prime basis for which all training within the business institution must occur. Another important emphasis is the humanities so as to develop a broad perspective and background. A third component is that of recreation. The training that must occur is "recreation not for the sake of recreation" but "recreation as a vehicle or tool to accomplish objectives." Employee services programs are an indirect service to help the individual and organization achieve their goals.

<u>Question 2</u>: What are some of the more important dimensions to success of an employee just starting a job?

<u>Answer 2</u>: Because the employee has to start at the bottom and learn operations from the ground up, they must have an ability to adjust to many situations. They may have to take a tremendous amount of abuse. Thus, it is important to be a survivor and to learn how to be successful in each company.

<u>Question 3</u>: What are the opportunities for young people?

<u>Answer 3</u>: There is always a discussion on whether the opportunities are good or bad. Usually this is not the critical dimension. The critical element is the talents and leadership of the individual and the ability to sell himself/herself and his/her profession. One example that comes to mind is Nancy Gansmiller. She attended a TIRES meeting and could perceive employee services as having a benefit to her company, Devillbis. The next meeting she brought her boss and he developed a greater understanding. The next meeting he brought his boss and within a few months, an employee services program was started and Nancy Gansmiller was appointed as employee services director. You have to have an ability to understand what your profession is so that you can sell it to those who do not understand its potential. You have to start in a lower position and work your way to the point that you can make positive recommendations. It is very difficult to sell a new idea. The greatest pressure that can be brought is external to the organization. It takes a special individual and a clever approach to sell your immediate supervisor on new ideas.

<u>Question 4</u>: How important is a college education as opposed to experience?

<u>Answer 4</u>: A college background is extremely important because experience is a trial and error process that takes you about four times as long to learn without some type of formal training.

<u>Question 5</u>: What are some of the important elements in obtaining a position with an organization?

<u>Answer 5</u>: It is important to know your competencies so that you have an ability to articulate what you can do for the organization or company. Another important dimension is knowing your profession well so that you have an ability to sell the profession, because so often the opportunities are in the starting of new programs. Therefore, you will have to not only sell yourself but also sell your profession and program ideas to be able to illustrate how an employee services program will benefit a company. The simplest of the principles in seeking opportunities is showing interest. An individual likes someone who likes them first. Along with this idea of interest is one of motivation to seek out opportunities and an ability or an aggressiveness to find them.

<u>Question 6</u>: What is the most important element in the change process?

<u>Answer 6</u>: It is the ability to foresee trends and develop and shape the corporation to meet these changing needs. This takes a very special type of person who has perspective, that is, foresight and an ability to react creatively. Creativity in this sense is being astute enough to use indicators to see what is happening, and having the ability to project by asking the right questions to extrapolate future positions with accuracy. Those who are trendsetters that make greater profits and those who react to trends are the ones who make a living.

<u>Question 7</u>: What type of opportunities are there to innovate in the employee services field?

<u>Answer 7</u>: The opportunities are very good because employee services is such a new field. In fact, the personnel administration is a very young field. For employee services to become a viable area it must be incorporated into institutions of higher education all across the United States. Only then will business institutions recognize the value of employee services programs. The other element is that a greater understanding is needed about what employee services is and this understanding will not come without it being offered in the college curricula. No major university is offering employee services courses or a specialized program in employee services as part of any course in the College of Business. Radical changes are needed in our colleges and universities because 98% of the courses in personnel administration are negotiating with unions. Much of what is taught in the College of Business is reaction and not preventative oriented such as employee services.

<u>Question 8</u>: What is the role of an effective employee services manager today and in the future?

<u>Answer 8</u>: The primary role of an effective manager is to have his/her employees and management theory close to him/her and develop a trust relationship so that he/she can work with the employees and management on an individual basis. The employee services director must assume the role of chaplain, teacher, and friend. He/she must be able to help the employees with management and yet not get them into trouble. The employee services manager is truly a bridge between management and the employee. The establishment of this relationship, especially with the employees, is a very rewarding experience.

Question 9: What is one of the major ways that changes occur within industry?

<u>Answer 9</u>: Industry is basically a copycat system. When one industry has a type of a program or service, others will begin to copy these services and programs. It is like an epidemic spreading from one company to another. What has happened recently is that the Japanese have provided a model of cooperation/collaboration that is being reviewed as a possible model to change their organization. Whether the management will share this power and profits is another question. At one time, the labor unions were very powerful and during these inflationary times, management has regained much of their power. Whether management will share in the true Japanese style or will mimic the system as an employee/public relations effort is still to be seen.

<u>Question 10</u>: What are some of the major elements to innovation in the industry?

<u>Answer 10</u>: Those who are willing to take a risk and develop an innovative product or method are those who stand to make the greatest profits and have the greatest impact upon the profession. These are the individuals who are in the market first and are able to sell their products at the highest price and establish a reputation for their product or service. It is like a dress designer who creates an original and sells that original at X thousands of dollars. There are production costs but also high profits. Many chain stores will then copy this original and try to make their profits on volume sales. Another example of creativity and innovation has been the McDonald's Corporation. They were so far ahead of the other fast-food establishments because they were the first in the market and had many new innovative ideas. Innovation and creativity do not only have to be related to products but new marketing approaches. Many times the burgers and the beer are the same but what it takes is a new marketing approach. The best example of this is Wendy's "Where's the Beef" or the "Miller Lite" commercials.

<u>Question 11</u>: How does the subject of change influence an organization?

<u>Answer 11</u>: If an organization does not grow or change and tries to maintain a "status quo," there will eventually be a situation in which it cannot cope. It is important to keep the program or organization current so that it can easily respond to change. This is what makes the difference between organizations.

<u>Question 12</u>: If new ideas are important, could you address a way of introducing them into an organization?

<u>Answer 12</u>: New ideas are difficult to sell. Sometimes, you have to be a little deceitful. If I were a member of an organization and I said I had a new idea, more often than not this idea would be rejected. But, if I said that I had attended a conference and another organization like Ford Motors was trying to implement this idea, they would say, "Let's try it." The most important source for the infusion of new ideas into an organization is from outside.

<u>Question 13</u>: What is an effective way to incorporate change into an organization?

<u>Answer 13</u>: It is important to have an infusion of new ideas at a constant rate. New ideas are the very basis of change. Many organizations try to socialize their employees. Industries do not like to have trouble because they assume it is dysfunctional to their organization. An example of an organization that has tried to do a good job in screening and socializing is Walt Disney. They tend to produce homogeneity instead of diversity based on their selection process. As a result, new ideas do not flow freely. EPCOT Center is the last major idea of Walt Disney. Now that it has been acted upon, they are looking for new ideas to progress or grow. It is important to have several idea people in an organization who will cause you to reflect upon your program and how to improve the program. Most individuals who are "troublemakers" or "idea people" are not popular. An organization tends to use them and then discard them after making full use of their resources and potential.

<u>Question 14</u>: What is the most effective method of change within industry?

<u>Answer 14</u>: The most effective method of change comes from management. When top management wishes to implement a program, it is accomplished. The Xerox Corporation CEO jogs; therefore, everyone in upper management does some type of health-related activity. Another example is Eastman Kodak. Eastman has been dedicated, since its inception, to a diversity of employee services programs. As a result, they have a very effective program. The problem is that in most cases the top management does not have an understanding of employee services. It is difficult to work with management to educate them to the benefits of an employee service program.

Question 15: What is one of the most effective ways to bring change to the profession?

<u>Answer 15</u>: One of the most effective ways is through the local IRC's. This is a training ground to help those who do not understand employee services to pattern their program after the better ones and to help those who sell to the industry develop good service programs that will pay benefits to companies in the local IRC. The training function is the understanding of economics and being able to use the economics to the benefit of both the company as well as the seller. Economics is the greatest factor that makes this particular system work. And, if it is operated properly, it will increase the real income of company employees at a minimum of 5-7% a year. There is also pressure from outside of the employee service industry and this is where the change may ultimately come. Salespeople are beginning to realize the opportunities available through group sales. The cost in terms of operation, distribution, and sales is much less, and there will be more sales programs geared to the group. This may be the biggest change factor in the near future.

<u>Question 16</u>: Is it important to have the business community accept employee services as a profession first or for the profession to provide well trained people and let them serve as an example?

<u>Answer 16</u>: At the present time, there are no institutions that can train individuals with the necessary competencies in employee services; therefore, it is the chicken and egg situation. Employee services programs are often found in Health, Physical Education and Recreation, Social Professions, and other related fields. It needs to be located in Business. The competencies that are really needed are knowing how to sell, what you are selling, how it is different from other products and services, and how it relates to the profit margin. The three essential elements are business training, knowing how to write and knowing how to communicate. Content is important but it is only secondary to the ability to sell and communicate. It takes a special person who has a people-orientation. This type of approach (service) is not offered in most business schools and is needed in an employee services program.

<u>Question 17</u>: What are the best ways for an individual to stay current so as to provide the best employee services program possible?

<u>Answer 17</u>: The employee services director must visit other programs, talk to sales people to find out the best way to improve the program, read, associate with peers in the local organizations, attend conferences, take continuing education classes to strengthen weaknesses, and associate with other types of organizations outside employee services to stay current in the parent field.

Question 18: What has been the major change that has had an impact on the consumer?

<u>Answer 18</u>: The technology in communication has a major impact. Our society has become better educated. The public is demanding to know why and how systems work in relation to themselves and their children. This increase in education has caused a greater sophistication in the selection of products and services. They are selecting products and services more carefully in relation to quantity, quality, and price and investing their time and money more carefully. They do not want to be treated like children. Currently, there is a rebellion in the advertising field and the traditional types of advertisement relating to sex drive, humor, and children will not work as it once did. People are basing their decisions more upon quality.

<u>Question 19</u>: Could you give an idea about types of businesses that can be entered into with a small amount of capital and where there is a great need or potential for growth?

Answer 19: There are currently three primary areas of growth related to business and they are very closely following economic cycles. These types of services will continue to grow in the future. One is related to convenience services; that is, those services that people do not have time to complete on their own. Two is a service that may be demeaning or one that the individual thinks is demeaning to his or her position in life. Three is a life skill that has not been taught and is necessary to effectively function or increase one's status in life. It is not necessary to have a large capital to start a business, especially if it is in the service area. In the past, the economy has been geared to large, heavy industry. But in the future it will be primarily services, which will take less capital involvement, and we will see a period of greater entrepreneurship and indeed innovation within our society. As our society becomes faster paced, with more people working, and our life style changes, the big area of opportunities will be in convenience services. The examples that are going to be provided in the following statements are not only items that can be offered for the general public but may also be offered through an employee services program. One point that must be made, especially about employee services programs, is that in the future they will be more family oriented and, as a result, they will be more effective because it will include the social unit as the family and there will be a greater strengthening between the industrial and the individual families. The following are some examples of programs where there are entrepreneurial or innovative opportunities, especially for employee services directors to develop and diversify their program:

1) Day care centers are becoming increasingly popular at places of work because of the increased number of women who are entering the work force. With the increasing concern about child abuse in day care, there are going to be coming increased opportunities for those who provide quality programs and insure the safety of the children.

- 2) Services to children are becoming increasingly more important for the reasons listed in item 1. There are increased opportunities for special types of children's services such as babysitting for young children and program services for older children until their parents can arrive home. (These individuals have commonly been called "latch-key children.") These services are not only for fulfillment of time but the enriching of the children's life to replace parent relationships.
- 3) With increased cost of toys and clothes, there are opportunities for toy rental, exchange, sale, or rental of children's clothes, especially for special events. With the way children grow, there is an opportunity for use of the clothes and the children's accessories for only a short period of time.
- 4) There are opportunities for educators to provide seminars in life skills topics to individuals in their home or place of business because many times individuals are afraid to go back into the classroom. Place is extremely critical to providing these types of services.
- 5) Individuals are in need of financial assistance, especially of the investment variety. There are more citizens becoming involved in the investment process and wanting to obtain a maximum return on their dollars. Another area of financial assistance is taxes and development of a service that will go right into the home or the place of business to set an appointment to do the tax returns. Place of employment is very critical in this type of service because of the apprehension involved with taxes.
- 6) Writing and editing is an emphasis that is extremely important because there is always someone who has some memoirs or want to develop a book on their experience and needs assistance in putting their ideas on paper.
- 7) Home security is a very important item. The possibility of charging a monthly fee for checking and developing security mechanisms within the home offers a tremendous potential.
- 8) Once individuals retire they do not want to sit and play cards all day. Their entire life is not fun and games. Having a placement service and a program based upon retiree enrichment is an area that is being sadly neglected.
- 9) Most organizations need help in promotion and administration. Organization all the way from the Kiwanis to large corporations need help. The organizations that especially need help are those that do not have the full time administrator but depend on administration duties on a volunteer basis. These agencies are formally administered, and as a result, never achieve their full potential. They need help in such areas as accounting and development of policies and procedures manuals. In fact, there is even a market for specialized seminars for organizations of staffs like social agencies that do not have a comprehensive business/administrative background. These seminars must be reasonable because one of the primary problems with it is its cost. Most of the individuals in this area need very practical how-to-do-it help. Some of the topics that might be appropriate for such seminars are: fundraising, membership, and promotion. One of the companies in which I worked provided 3-day training sessions for those individuals who would be

working with employee services to teach them business procedures. This was vocational training in business procedures utilized by our company.

- 10) When people are new in the community, how do they know who are the good doctors and dentists, how to have their water turned on, where to buy groceries, where to have their electricity turned on, etc. You have Welcome Wagon, but they only provide advice based on retailers. We used to do this for our employees.
- 11) Having a home fitness program or home fitness parties to help individuals is important. Some individuals do not like to participate in group activities because they are overweight and do not like to have other people see them. These individuals need individual attention.
- 12) A typing and mailing service. Many individuals need help, especially at times like a wedding, death, etc., where they have to do writing and mailing and are too busy to do it themselves. In an employee services program that I helped operate, we provided volunteers to help with this type of activity.
- 13) Widows and widowers need special help for a week or two after their spouse's death. They need help with the insurance, financial consulting, legal advice, help in removing a spouse's clothes, etc. Many times the employee services organization helped with these services. Sometimes employee services programs also provide legal services to their employees on a consulting basis.
- 14) Developing a local vacation guide and the conducting of tours for churches, senior citizens groups, women's clubs, etc., is profitable. These groups are always looking for a day's outing and some type of enrichment program. The number of organizations in the community that need this type of service is almost limitless. There are always trips within a 100-mile radius of most communities that have some type of entertainment or historical interest such as wineries, presidents' homes, state historical houses, etc.
- 15) The appraising of one's household goods in case of fire or theft is essential. The appraising process would be the taking of photographs so that the individual could keep these in a safe deposit box. Other types of appraisals may be of restaurants, foods, etc. Business establishments are looking for comparative, objective opinions.
- 16) An international institute for foreign students is important. This type of agency could provide interpretive services, business advice, protocol, etc. Those who are foreigners do not have a place to obtain specialized services.
- 17) There are many small appliances as well as other household items that break and there is no one to fix them. The appliances are disposed of in great quantities. In employee services programs, those who are quite handy would provide this type of service to the employees. This type of fix-and-sell shop can also get into equipment rental for specialized needs.
- 18) Many times there are individuals who do not like to take their cars to a garage to have them maintained. If someone would come in the home and provide maintenance, such as

oil changes, grease jobs, etc., it would provide a needed service for some individuals who like home services. The type of business can be associated with a kind of a garage on wheels in which an individual worked out of a large truck.

- 19) A small company that specializes in inventory for small businesses may be successful because there are many organizations in the community that do not know how to inventory or need special help at certain times of the year. Another idea that might go well with this type of business is storage in that once you understand the inventory process, you can provide additional storage space for small organizations and companies because they often need space on an irregular basis.
- 20) Instructional programs for children are important because parents are the worst teachers. Parents often demand perfection and the children are only interested in the enjoyment of the activity. Any type of instruction that focuses on the development of skills in children is a good enterprise.
- 21) Local farms make an excellent place for trips. Everyone likes to go on a hayride and how many children have actually been to a farm to see cows, chickens, or how a farm operates? This often provides many exciting types of relationships for children and adults.
- 22) Co-ops that operate on pool buying can save families dollars. In my employee services program, we often bought frozen foods by the truckload and then the individuals picked up directly from the trailer in the parking lot. There is a need for community services that provide bulk buying on most bases including large appliances, food, clothing, etc.
- 23) Seminars devoted to family leisure services such as home decorating, fashions, etc. Another type of operation that will compliment this type of business is hobby services that provide specialized workshop items such as quilting, woodworking, etc. A directory of where to obtain instructional services is also an essential part of this business.

Question 20: What role does risk play in starting a business?

<u>Answer 20</u>: It is a very important dimension because once a person has experienced failure, he/she will not be as competitive in relation to taking risk the next time. Many times, having no experience and having someone tell you it is not possible is the best element because you will work through the many difficulties. Risk is a product of experience, training, and what you "hear." What you "hear" is not always accurate and you have to make comparisons to find the "truth."

<u>Question 21</u>: What is the future of convenience services?

<u>Answer 21</u>: Convenience services will increase in the future. The more affluent a society becomes, the more they desire to be served, which is one of the things that has led to the decay of many societies.

Question 22: Can we afford, as a society, to encourage convenience services?

<u>Answer 22</u>: We are moving from a hard to a soft economy and are in a state of transition. There are many good and bad points about a service economy. The primary dimension is psychological. It depends upon how the society will react to increased leisure time. Our society seems to be coping well in that they tend to be using the leisure time in a very productive and energetic manner.

Question 23: What are the important elements in putting an idea into practice?

<u>Answer 23</u>: The individual must have fortitude, push, and guts. Patience is needed in an effort to develop trial and error methods and the ability to deal with the concepts of success and failure, to learn from mistakes, to develop a workable product or service for the population being served. An example of this type of effort was a gentleman who went into business to sell ducks for hunters but found that there was no market and, through the trial and error process, has a very successful business because he had an ability to adapt his service. The essential ingredient is the ability to create.

Question 24: What is the relationship between employee and personal services?

<u>Answer 24</u>: Many of the same processes that are applied to employee services can be used as a model for either the direct or indirect delivery of services in the personal service industry. In fact, employee services is one of the few "people" service industries that may serve as an effective model for other related industries.

III. HISTORY OF EMPLOYEE SERVICES

A. Mel Byers

Overview

Employee services were offered in some businesses and industries in one form or another before the turn of the century. Employee housing furnished by the employer was one such employee service that was beneficial to the company, by having the worker close to the plant or office. He/she could be called into work at the employer's beckon and call. The company store which provided employees with their day-to-day necessities was another service; however, it also became a means for the company to keep the employee in servitude. We have often heard the remark, "I owe my life to the company store." Practices of this kind brought on confrontations between employers and employees, a cause for formation of unions. An unscrupulous management and an uneducated work force was a fertile field for these kinds of treatment.

There were, however, industries which provided some employee services or benefits which were benevolent and a credit to them. Often, one derives some good from the bad. From 1900 to the 1940's appears to have been a period of erratic behavior on the part of employers and employees. Both labor and management appeared to be in a human, behavioral, experimental state. There arose a more violent attitude or dislike among employees, more belligerent unionization, and an acceleration of militant management attitudes. This history seems to repeat itself, even to our present time. It not only affects those industries and their people, but spills over into the community as a whole. Some scars are left for a long time on a community as a result of these confrontations.

Conditions

During the 19th century the country's engagement in wars created numerous changes in employee relations, behaviors and policies. Shortages of labor brought about competitive practices to get and keep employees. It is times like these when we see services for employees peak. Again, some of these services offered may be termed as mutual benefits and some as

foolish and of little significance. As the world economic conditions change, so develops changes in both employer and employee attitudes and behavior. Government also has a large stake in the number of business, industry and labor reactions. Many governmental policies concerning industry brought forth greater concerns about personnel administration. It was, then, that personnel management may have been considered more of a profession and some research was instigated. A great deal of emphasis was and is directed toward labor relations--how to negotiate a contract and play maneuvering war games. The need for greater emphasis in business education should be how to avoid the "we and them attitudes." It is necessary to maintain a the long-range objectives instead of short term. Greed on the part of management and labor can lead to disaster for them both. We still find personnel administration in some areas in a state of confusion as to what policies and practices they should follow. Most of the problem rests with management's unwillingness to seek change . They give little attention to personnel administration, research and development. "Hypodermic" treatments for immediate relief do not cure the disease.,

Relationships

In the sixties employee services cropped up in some companies as a means to bring management and its people into a closer relationship. Employer and employee mutual benefits would bring about change that indirectly and directly could affect the profits and losses of a company. In 1941 the National Industrial Recreation Association was founded with less than 25 companies. Its interest was one type of employee service, "recreation," sports, and physical fitness. The growth of NIRA was slow and not all companies could relate to the benefits it offered. However, this was only the tip of the iceberg, and in the sixties the association came to realize that there were many more services to offer. A name change was instituted and NIRA became the National Employee Services and Recreation Association (ESM). They, too, are still in the process of learning what the role of employee services constitutes. Some companies, too, begin to see values in providing an employee services section to personnel. They also are in a research and learning phase of this operation.

Employee services in the future will encompass activities that are quite new to the personnel profession. They will see how extensive it is and how it overlaps into other areas of management. The functions employee services offer are many. Some are as follows: employee savings and loans, employee emergency relief, employee health and welfare, day care centers for employees' children, recreation and athletic activities, suggestion systems, service awards and recognition, employer-employee communications, company product sales to employees, employee trips and tours, employee extended education, employee social and recreational associations, food services and vending machines, employee parking and transportation, employee profit sharing programs, new employee orientations, visitor accommodations and tours, employee-community relations programs such as blood drive, United Way, Chamber of Commerce assistance, Red Cross, and other social agencies, Junior Achievement programs, employee family programs and services, major company employer-employee events like picnics, Christmas parties, open house, etc., employee counseling and guidance. All of the above and more may be offered, depending upon the ability of the staff and support of management.

B. David Groves

Organization

The history of the area of employee services can be charted through the change in the organization that is now the National Recreation and Employee Services Association (ESM). It began in the early 1940's as the Recreation Association for American Industry that was an outgrowth of the National Recreation Congress in October of 1941. Prior to this, the National Recreation Association had been holding special section meetings during the Congress for those who were interested in the industrial sector. Soon after the formation of this organization, the war had an important influence on shaping employee services. During this particular period in history, the defense industry had special needs and this particular organization served as a consultant. In February of 1944, the name of the association changed to the Industrial Recreation Association. Another major name change was in 1948 when it was changed to the National Industrial Recreation Association. The basic purpose of this particular association

through the years has been the development of better relationships between management and employees and among the employees themselves. Recently, the name was changed to Employee Management Association to emphasize the importance of management. Each of the name changes have reflected a shift in the emphasis of the organization to broaden its base.

When the objectives of this organization are reviewed, most of the base objectives have not changed since its inception in the early 1940's. The emphasis upon each of these objectives has changed somewhat, but the basic nature has remained as the core of this particular organization. The objectives for this organization and for the field are: 1) the education of management and the importance of industrial recreation as it relates to: a) creating better fellowship between employers as well as among employees; b) indicating the relationship between a broad and adequate recreational program as a factor in increased production; c) pointing out the relationship between skill and recreational activities and safe behavior in the plant; d) overall value of industrial recreation in creating morale for a better "esprit-de-corps" among employees; 3) the relationship of physical fitness to participation in recreational activities; 2) appreciation of special values in industrial recreation during periods of national emergency as they relate specifically to health, safety and physical fitness; 3) to provide a clearinghouse for the dissemination of information on industrial recreation; and 4) to encourage the study and research in matters of professional interest. Most of these objectives focus upon the physical aspect and some upon morale and better relations. What has been missing from the focus of this organization has been one of a consistent philosophical base for the employee services movement that has a basic relationship to the business institution, especially management. The role and definition of an employee service program needs to be defined and its contribution to the business process well established in terms of tangible outcomes. These tangible outcomes, even though they may be physical, are probably in the social/psychological area.

<u>Models</u>

Even though, the basic development of employee services has developed through the national association, there have been many contributions made by individual companies prior to and outside the efforts of this association. Prior to the development of this association, as early as 1890, there have been matriarchal corporations that have provided some type of employee services as a basic non-negotiated benefit to their employees. These early programs were inevitably the right of the employee because of their association with a particular employer. Most of the matriarchal companies that did provide these particular types of benefits were not looking for a benefit or an outcome for their program. Later in history, some of the corporations had a patriarchal philosophy. Employee services were a part of the benefit package provided by a benevolent organization as a condition for employment. A number of patriarchal companies came into existence in the early and late 20's. Only a small number of the matriarchal and patriarchal companies existed in the 20's, 30's and early 40's. The emphasis in most of the other companies was exploitation of employees and the reaction to this employee unrest was the formation of unions. In all of those companies that had either a matriarchal or patriarchal philosophy, unions did not have an important role in the development of those particular corporations. Even during the 40's when the employee services association initially came into existence and through today, there are many companies that do not belong to the employee services association. Many belong to other type of employee association or may not belong to any employee association. The primary problem with either of the matriarchal or patriarchal philosophy is that the employee is subservient to management. In the early 50's and late 60's, the management began to develop a position of equality with management. A struggle then began that is well represented by the labor unions in which, at some point in time, management has more power and, at other points in time, labor has more power. This struggle has continued into the 80's and 90's and is the cause of much of our industrial problems. Those companies that have developed or evolved a philosophy of parity with the employees and sees them as an important, valuable contribution are some of the companies that have been more successful in the market

place. This is not to suggest that those with other types of management philosophies are not successful, but often they are situationally successful and are not successful in the long run. Most companies could be competitive just because of the economy dominant of the U.S. The international markets began to produce quality products at a cheaper price. U.S. management did not change their system. In the past, much of the money went into the owners pockets. Greed became the primary corporate strategies. Capital must be pumped into modernizing the industry, updating with robotics, and more importantly, putting together a management system that is reflective of an employee service philosophy. Currently, there are all four major management philosophies: matriarchal, patriarchal, exploitation, and sharing philosophies. The sharing philosophies may help break the vicious cycle of struggle for power and greed between labor and management. The primary questions is how to convince most of the industries who have not had industrial recreation programs of the benefits. Those organizations that are matriarchal or patriarchal in nature will obviously have employee service programs now and in the future. Those organizations that are highly exploitative will not provide programs because of their philosophy. The majority of the companies at the current time are in a position with a sharing philosophy and can be swayed in some way to see the positive benefits of employee services.

The importance of other models, such as the Japanese and West German, that have become effect competitors of the U.S. system are now being tried by many corporations. These models represent a different type of patriarchal approach to management in which the corporation elicits responses of loyalty and productivity through being treated as a valued guest or someone's opinions who is highly sought. The difference in this regard and the employee service approach is one of equal partners. The best approach for management as well as the employees is to share responsibility as well as profits in a cooperative atmosphere. Each of the other philosophies is based upon competition or collaboration .

C. Impact of Industrial Recreation Upon Job Satisfaction and Productivity. D. L. Groves. (1981-82). Journal of Environmental Systems, 11(2), 187-200. (Not full text)

Abstract

An important issue to the future growth of employee recreation will be the benefits and impacts that a program has upon the individual in relation to company outcomes. This study examined the relationship between a health and fitness program in a major company and its influence upon job satisfaction and productivity. Findings indicate that employee services have a major impact upon job satisfaction and productivity and service as a device to develop leadership and organizational skills to the benefit of the employee and the company.

Introduction

Employee recreation has been an expanding field within the business and recreation disciplines. One of the primary issues to the future growth of this field will be the benefits and impact it has upon the individual in relation to company outcomes. The question, in terms of benefits and outcomes, is one of job satisfaction for the employee and productivity for the company. A problem in studying job satisfaction and productivity in relation to recreation has been one of methodology as well as difficulty in obtaining access to flexible scheduling to conduct studies in companies. Many of the methodologies that have been developed to study these questions have been of an experimental and laboratory nature. A difficulty with these studies has been that they have not had wide applicability to the industrial setting.

The question of job satisfaction and productivity in relation to the employee recreation programs must be answered. If it is not, industrial recreation will be a qualitative science because those factors that improve programs in relation to positive outcomes will be difficult to isolate. At the very core of this question is one of methodology and the ability to quantify relationships to determine the exact impact and how to improve the quality of employee services. At the center of this quantification issue is relationships to illustrate the benefits and impacts, but also a methodology to quantitatively examine the issue of the relationships between an employee recreation program and job satisfaction and productivity.

A common design used to study job satisfaction and productivity has been a pre-post type. The only definitive conclusion from such a design is that an experimental treatment has or has not contributed to the overall impact on job satisfaction and productivity. There are many activities that can take place during a day that may or may not contribute to the development of job satisfaction and productivity. This study was undertake to pilot test a different design that would help isolate those particular program elements that significantly contribute to positive change in job satisfaction and productivity. The major thrust of this study is one of methodology.

Test Design

The design utilized is one in which instantaneous measures based upon program components are correlated to a net change of long-term measures. Net changes in job satisfaction and productivity were isolated. Mood in terms of program segments were correlated to these changes. Mood was utilized as a short-term social-psychological measure. This gave an indication about those parts of the program that contribute significantly to job satisfaction and productivity. Also correlated with the changes were instantaneous measures of job satisfaction and productivity during each segment. The uniqueness of this design is that it is based upon the component approach that allows program components to be correlated to the net changes in job satisfaction and productivity. A problem in the past has been evaluating what parts of a program or treatment need to be changed and which need to be continued to improve program quality. The primary advantage of the design outlined above is that treatments can be broken into their component parts.

Methodology

The purpose of this study was to test a methodology to determine the diagnostic capability of mood and the instantaneous measures of job satisfaction and productivity as shortterm elements to indicate effectiveness of program components to cause long-term changes in job satisfaction and productivity. A case study was undertaken for a major manufacturing company in the Southeastern United States. The company wishes to remain anonymous to

protect employees and the company. There were 150 participants in the study. The study was conducted on two study groups: Group 1 were those individuals who did not participate in the health and fitness program or any other recreational program within the company (N=50). Group 2 were those individuals who participated in the recreation programs and the health and fitness program on a regular basis (N=100). (The participants in the treatment group were executives and active members in a health and fitness program.) Groups 1 and 2 were also asked to change or reverse their recreation participation patterns on randomly selected days to test the impact or change upon job satisfaction and productivity. The participants in the study were requested to maintain their normal pattern for six months and then they were asked to reverse their pattern during the last six months. In terms of the long-term measures, the individuals completed questionnaires at the beginning and end of each six-month period. Individuals were asked to select 30 random days and complete the instantaneous measures form for each of the days. This allowed for the determining of the impact of recreation in terms of a fitness program. Test phases were established before the reversal pattern to determine the net effect, especially in relation to the activity that provided the increases or decreases in the overall job satisfaction and productivity. Individuals were selected to participate in the program at random.

Comparisons were made using an analysis of variance framework. Program data were analyzed using a step-wise regression framework with the productivity and job satisfaction scores being used as dependent variables and mood, the instantaneous measures of job satisfaction or productivity, and job task being used as independent variables. Since mood and job task are qualitative characterizations, they were incorporated into the regression equation using a dummy variable framework. A hierarchical scale was used to measure job satisfaction and productivity, therefore equal interval assumptions were made for analysis of this data.

An additional value of using instruments such as mood, job satisfaction and productivity during a program is that it helps individuals clarify the value of each of the programs for the individual. What is being suggested is that instrumentation may be an educational tool in itself.

Instrumentation

The long-term measures used were job satisfaction and productivity, and the instantaneous measures used were mood, job satisfaction and productivity. The purpose of this case study was to correlate the short-term measures to job satisfaction and productivity.

Job satisfaction was measured utilizing a scale composed of 63 items. A four-point scale (satisfied, neutral, dissatisfied, and not appropriate) was used to record the responses. Job satisfaction scores were obtained through the summation process. Scores ranged from 63 to 189, with the larger score indicating higher job satisfaction. This particular scale was chosen for job satisfaction because it analyzes the component of work on a diagnostic basis.

Productivity, the long-term factor, was measured using the concept of objectives accomplished.¹ This type of measure was utilized because it is easier to deal with the percentage of objectives accomplished as a measure of worker effectiveness than the more elusive concept of productivity. Participants are more defensive about the word productivity when compared to the word objectives. Two measures of productivity were utilized:

an objective measure, that is, a job supervisor's or occupational counselor's rating; and
 a subjective measure, that is, an employee's self-rating.

The job supervisor or occupational counselor and the employee were asked to establish a number of work related objectives for the allotted time. At the end of the measurement period, the employee and job counselor and supervisor were asked to rate the objectives accomplished on the following scale: completely achieved, partially achieved, not achieved at all. The following scale was used to rate the objectives: If an objective was completely accomplished, it was assigned a value of one. If it was partially accomplished, it was assigned a value of 0.5, and if there was an unexpected outcome, it was assigned a value of 0.25. The sum of these scores was divided by the total number of objectives listed. This provided an index of tasks accomplished in terms of an objective and subjective rating.

Mood, in terms of some personality theories, is a short-term element that indicates socialpsychological status. Moods are the basic building blocks of social-psychological constructs

such as job satisfaction and productivity. A list of words describing feelings were given to each participant. He/she was asked to indicate, using no more than three words, his feelings during the various segments of the day. The author feels that it was important for mood to be characterized using only a word description list and not a scale because mood is a qualitative characteristic. The scale used to rate instantaneous job satisfaction was not a diagnostic scale and utilized the following rating system: high, medium, fair, or low job satisfaction. The following non-diagnostic scale was used to rate productivity on an instantaneous basis: high (75-100% of the objectives accomplished), medium (50-75% of the objectives accomplished), fair (25-50% of the objectives accomplished), and low productivity (0-25% of the objectives accomplished). The instantaneous measurement scales of mood, job satisfaction, and productivity were rated in relation to activity on a day and hourly basis. The activities codes used for recording responses were decision-making, planning, organizing, staffing, communication, budgeting and resource allocation, evaluation, stimulation, recreation, eating. There was also an open-ended response available. the activity codes were confined to white collar or professional types of tasks.

Program Description

Since the company did not have facilities on site, there was a YMCA within two blocks walking distance from the main headquarters. This facility was used and the local YMCA worked in cooperation with the company to develop their program. The YMCA helped establish the fitness program, but it did not provide the necessary expertise to supervise it. The cooperative relationship that developed between the YMCA and the company was one of paying fees or dues for use of the facilities without the necessary programmers to implement the program.

The treatment utilized in this study was the YMCA's health and fitness program [38-44]. This program is progressive and designed to improve health based upon skill level [45-48]. As a result of different skills, there were two groups established to reduce the confounding of this issue. One skill level was the low to medium and the other a high skill level. Individuals were

placed in the skill groups based on a preliminary test and upon their advancement and progress through the program. The program was self-administered and the individual recorded their progress after every session. Checks on progress were made once a week by the YMCA professional and the occupational counselor. The skill level groupings were only appropriate for the participant group (Group 2). The program itself was not highly rigorous, but based upon progress and steady development. The basic objective of the program was to increase strength and flexibility with an emphasis upon conditioning at first. The company did not have an individual to supervise the fitness program.

Implications

Results indicate that short-term measures such as mood, productivity, and job satisfaction can be related to long-term measures to give an indication about factors that influence job satisfaction and productivity. Such a design has the advantage of helping to determine effectiveness of components to produce desired changes. This type of information is of value for administrative decisions because it is based upon net instead of gross value indicators. It also lends itself to an administrative framework because of the process of efficiency and effective are natural outcomes of the measurement process. Effectiveness is the number of objectives or desired changes accomplished. Efficiency is the amount of time needed to produce the desired change. If effectiveness and efficiency are combined with the component analysis approach, a system for assessing administrative changes can be developed.

Results indicate that there is a high degree of relationship between objective and subjective measures of productivity. They also indicate that there is a difference in relationship between job satisfaction and productivity. Results suggest further that when recreation is manipulated in the industrial setting, it has a significant impact upon job satisfaction and productivity. The increase in job satisfaction and productivity that may be expected with a non-recreation group is in the range of 15 to 25 percent.

Further analysis indicates the correlates of job satisfaction and productivity are factors related to independence, that is, programs that recognize employee initiative. Activities such as

planning and organizing were the ones related to job satisfaction. Elements related to productivity were factors that relate to seeing the impact or product of the work. Categories such as motivation and evaluation were the ones related to productivity. Comparisons were made using the net measures of job satisfaction and productivity as a dependent variable and the instantaneous factors of mood, job satisfaction and productivity as the independent variables. The equations utilized were the ones where there was a significant difference isolated between pre- and post-test scores. The non-recreation group, as opposed to the recreation group, has a higher level of productivity, but they seemed to engage more in activities that were related to organization and planning and implementing their day, whereas, those engaged in non-recreation activities seemed to have a lower productivity because of being less able to plan and organize their day effectively. Recreation in this instance is a device that helps to develop such factors as leadership and organizational abilities. Recreation is an activity that is able to bridge the work and leisure setting to take the activities where they can develop such benefits as leadership organizational skills and inject them into the company in a non-obtrusive manner. Even though the lower productivity in itself does not indicate the major impact of recreation, the reversal of role is the conclusive evidence that illustrates the positive benefits of recreation.

Follow-up Investigations

Further investigation was conducted using a cluster analysis to determine the types of productivity patterns during the day and its associated effects upon recreation. It was found that there were four major patterns of productivity based upon a time analysis:

- 1. a high to low gradient;
- 2. a low to high gradient;
- 3. a low to high to low gradient; and
- 4. a high to low to high gradient.

An additional hypothesis was tested: when recreation is interjected into an employee's day prior to his low productivity period, it will increase his productivity. A pilot test was conducted on a smaller sample of 15 to test this hypothesis. The 15 were selected at random from each pattern.

Fifteen people from each pattern were utilized and the recreation period was injected into their day right before the low productivity pattern on 10 random days. It as found from this analysis that, when a comparison was made between the two patterns, with and without recreation at that appropriate period, the level of productivity tended to mediate. This indicates further the potential impact of recreation. The primary question not raised in this study is one of a longitudinal nature. This study is not meant to be definitive but only suggestive of the types of studies that are needed in industrial recreation. Much further analysis is needed on a more complete sample and population to verify and refine these findings.

IV. PHILOSOPHY OF EMPLOYEE SERVICES

A. Mel Byers

Respect

The basic philosophy of employee services is to form a close relationship between employer and employee, resulting in the company and the employee benefiting in a more productive and profitable atmosphere. It also has a direct bearing on employer to employee cooperation, understanding, and mutual respect. As an added but important benefit, there is much to be gained for employer and employee through various community related involvement.

<u>Size</u>

Small as well as large companies can engage in many of the employee service functions. There are differences in the manner a small company administers such programs from that of the larger companies. In many instances, we see advantages the smaller establishment has over multi-unit companies. Once again, in a different administrative approach, large corporations can spend more time and offer more programs and services resulting in a greater sophisticated operation. Actual time testing of the employee services functions can be administered to determine the effectiveness of each phase. In the small company environment, there is often more of a parental approach, a one-on-one closer relationship. This has its values, when administered properly, in order to communicate freely with management and management with its people. The disadvantage in these small operations are individual preferences and lack of experience in the field of humanities or personnel administration.

Team Approach

Just as the product or service it provides, a company is also known by the manner it serves its people. Top or upper management is responsible for the climate of their people's attitudes and cooperation and set the gears in motion for whatever direction they are most interested in pursuing. No function or operation will succeed without management's interest, drive, and full support. This often becomes a difficult assignment for top management as it requires more from the middle management down. The way top management supervises its

subordinate management makes a big difference in the effectiveness of its requests. Middle management must cooperate with employee services, especially if there is an employee recreation and social association. They should consider the departmental groups of the employee organization as a part of their responsibility and serve as an advisor when asked. Junior management, foremen and crew leaders who report to them, must understand the goals to be attained and cooperate as a team.

Employees fall into various categories: about ten percent of any group show leadership abilities, another ten percent have some restricted leadership abilities, the remaining employees are either followers or loners. The leaders must have an opportunity to express themselves and display their leadership. Leaders will either be cooperative or belligerent toward management, depending upon how supervisors treat them. Employee attitudes also depend on the volume of services and events offered to employees that allow them to display their leadership talents.

<u>Harmony</u>

Just as some companies are owned by individuals or families and others are owned by partners or stockholders, each type has one person who represents the ownership at a top-level position. There usually is a chairperson of the board or the owner who oversees this official. In most cases, every person working on a day-to-day basis is an employee. The levels of supervision may create discriminatory practices and, if carried to extreme, will also be detrimental to company success. These practices are usually the reason that a union is organized to represent the employees.

Employee services does not differentiate, nor should anyone in management, between non-union or union people--they are all employees. Harmony cannot exist within a work force when there is a division of the employees' loyalties and respect for one another. Again, it must be said, the reactions of employees to their job is a direct reflection of management's way of doing business.

There can be a family spirited work force much like there is at home. The hours spent at work with fellow employees will count for as many, or more hours, than those spent with their

families. Thus, business and industry can profit by integration of the family at home and the one at work and employee services can make it a reality.

Once we have an understanding of how to implement the services offered, we will quickly see results in productivity, quality of workmanship, and contented employees. A management and its employees can set the standards that will be of mutual benefit.

B. David Groves

Overview

Employee services is a bridge between management and labor. Many individuals in the employee services field do not understand this particular philosophy and, indeed, do not know why the employee services program exists. Many associate employee services programs with public relations, competitive athletic programs, etc. The primary purpose of an employee services program is to allow the individual and company to achieve goals which are mutually beneficial. Training of employees and improvement of their skills is an essential ingredient of any program. The employee services program must parallel the organizational structure of the company as well as use the same forms and business principles so the individual can be acclimated to the company. Each employee services program must find and develop its own philosophy in relation to the organization and integrate itself to perform integral functions for that particular organization to bridge the relationships between individual and company goals.

<u>Company</u>

Employee programs often become an integral part of management philosophy. It is the company's concern for the health and well being of their employees and their concern for optimal health that helps to reduce absenteeism and increases production and morale. Absenteeism, turnover, and low productivity and morale can seriously affect a company's profits. The impact of leisure time is that it helps retain loyalty and enthusiasm of the worker. The primary purpose is to maintain physical health and increase mental alertness to combat lackadaisical attitudes.

The death of top executives means a loss of what is stored in the mind. The corporation has spent thousands of dollars training an executive, thus it is beneficial to invest the employee's

health. Most of the programs in this area are fitness or health related. The secondary benefit is that it helps to develop an atmosphere of friendship. The company or leadership protects the employee from adverse commercial recreation. It provides an opportunity to give the employee a voice in the company and shows the employees that the company is interested in the employees, their welfare, and their life. The focus of this particular philosophy is on company outcomes, with the individual being a secondary consideration.

The primary purposes of most employee services programs are often thought to be keeping employees happy or providing physical fitness along with mental fitness, but these are by-products of the ultimate objective of the program. The recreational program is a training and development element for leadership with little or no expense to the company. With each opportunity that an individual has to assume responsibility, he/she becomes more self-assured and is more motivated to become a better employee. Activities do not become a part of the work record; therefore, employees have the courage to attempt something beyond their present experiences of responsibility. They learn how to associate and relate with other people; thus, they learn a great deal about other people. They find themselves evaluating others as individuals instead of co-workers who can improve work relationships. A motivated employee can become a better part of the work unit. Careful guidance needs to be offered to help a trainee realize the serious degree of failure. A structurally well balanced employee service program encourages employees to first be a participant and then gradually enjoy participation through increased responsibility. Work is specialized and the individual has the capability to move beyond the job requirements and see the whole relationships. If this program does not provide this type of benefit in helping to develop the individual, then the director is behind in his/her administrative responsibility. It is the company's right to expect this benefit from the recreational program. Employee services is a testing ground. The director can see how an individual copes with many facets of responsibility. This is a testing of one's leadership ability at no risk and expense to the company. The director knows the capability of the individual that may be undetected in the regular work environment. If the individual is under consideration for a supervisor's position or

a manager position, an employee's record can be checked by employee services to give an indication of the qualities and response to leadership roles. If the employee acts with selfconfidence and good leadership abilities as he coordinates the planning as well as the discussion, certainly he could be considered as a logical candidate for a supervisory position. It is also a morale checkpoint; if there is a morale problem, even though not yet recognized on the job, it is apt to be revealed when employees participate in recreational activities together. This is where good liaison between company and employee can be invaluable for both.

<u>Outcomes</u>

Once a supervisor is involved in some activity, he/she is seen as a fellow participant and in a different light. This definitely reflects on employee relations and company attitude; however, it also works the other way. Management may have an opinion about an employee, which may be changed when the individual is seen as a fellow participant, especially in a pressure situation. Physical programs help in prevention and improvement of health, which reduces absenteeism and improves morale. Competitive programs allow for an involvement and venting of frustration as well as feeling good about skills that have been developed. It also develops a solidarity or a camaraderie with fellow employees. Sometimes the program is therapeutic because the individual reaches a point where job and personal burdens become overwhelming and employee services act as a stabilizing force. When the individual is involved in enjoyable activities, there is little time for worrying about small problems and imagined illness. Activities provide individuals an opportunity to meet new people who are not related to their personal problems. It provides an opportunity for them to find satisfaction and selfconfidence through the informal activities. It is also a loyalty builder. A well-balanced industrial recreation program gives enjoyment, and satisfaction is gained by employees and family, and builds a feeling that this company is a good place to work. It helps to build community relationships. The company is not only known by its product but by its involvement. Employee services offers the individual an opportunity to learn the reason for being. It is a medium through which one can help the employees find a meaning in life. Through an

employee services program, they learn to know themselves through enjoyable experiences and leisure education programs and to understand their fellow workers. They can develop a sense of realization of the reason for being. It is a time for realization of happiness and a search for selfexpression, self-fulfillment, and a greater awareness of the world around them. The philosophy of employee services provides a synthesis between the individual and company. The accent is not upon the individual, but on how the individual can learn new skills to benefit the company.

Employees

Other definitions of employee services are employee oriented; that is, the basic objective of employee activities is psychological, to produce favorable employee attitudes. Employee programs in this context should place greater emphasis on developing employee programs to achieve physical, educational, and even spiritual objectives. The program should respond to the needs of the whole person, spirit and body, not just a frame of mind. These programs should seek to respond not only to the needs of the employee but of the family, community and country as a whole. The headings of most employee services come under social, physical, and cultural recreation. Social recreation activities are often competitive. The physical recreation programs try to develop the wellness concept among employees. The cultural programs try to develop unity and are often attended by a whole family. Most programs leave much to be desired in terms of meeting individual's serious educational needs. These types of definitions are one end of the dipole in that they are almost all completely employee oriented. Another approach is where leisure employee programs are a direct result of motivation. Motivation, in this context, is a factor of job enrichment. The focus of this is to teach people why they should exist and motivate them to follow through with their personal program. This allows for greater selfesteem in the work role. The central life issue of work and self-esteem is heavily invested in this role. Alternative non-job-related sources help in the development of self-esteem and add to job performance. Recreation enriches because it affords freedom of choice, flexibility, diversity, development or organizational skills, and interpersonal relationships. Those who invest the greatest amount in their job gain little benefit from the recreational program. Those who invest

little time in their jobs gain more from some type of recreational program. The focus of this philosophy is the psychological benefits and enriching the job to increase performance through psychological conditioning.

Shared Goals

The last of the major purposes of industrial recreation programs is that of involved or shared leadership. In each of the above philosophies, the balance has been on the individual or on the company and the use of employee services programs to achieve the goals of one another. There are some organizations, and this style of management is not for all, in which the sharing of profits and leadership is a way of having the company to buy into the employees and the employees to buy into the company. In this case, the employee services program is a means of sharing through a common experience. The idea is to develop a cooperative atmosphere to give the employee tangible benefits through the playing of a major leadership role in their future and having them to buy into the concept of the company. Sharing in this context does not mean involvement management decision, but in such items as profit sharing, taking suggestions from the employees that have a direct impact on paying bonuses, etc.

Each of the philosophies of programs, or purposes of programs, outlined is not different, just the emphasis that is placed upon the program. Most of the services and activities provided are the same. It is how these services are delivered with the purpose that directly determines the benefit to the individual as well as the company. The purposes of the employee services programs are many and the reasons they are offered vary greatly. The company has to find an employee services purpose or philosophy that fits their management style to allow the program to evolve as their organization and individuals in the organization evolve. It is hoped that obviously the last stage in this evolutionary process is sharing through a cooperative relationship. This has been shown to achieve the highest benefits to both the individual and company.

C. A System Analysis of Benefits from the Industrial Recreation Environment. D. L. Groves. (1980-81). *Journal of Environmental Systems*, 10(1), 1-15. (Not full text) Abstract

One of the least explored components of industry as a systems input is the area of recreation and leisure. The purpose of this article is to explore the interface between work and recreation and leisure activities, in terms of establishing relationships and outcomes from this interaction. Results suggest that industrial recreation is a company service that acts as a preventative dimension to create satisfaction among employees. Recreation and leisure is a bridge that serves as an integrating device or vehicle among the employee, company, and community to provide an atmosphere for the frank exchange of ideas and development of common goals.

Introduction

One of the primary objectives of corporate officers in planning is finding ways to increase job satisfaction and productivity. Productivity of workers is still one of the major problems facing the American business institution. Many of the problematic symptoms of companies with low job satisfaction and productivity are: high absentee rates, abuse of drugs, high turnover rate, high rates of vandalism in industrial areas, etc. One cause of low job satisfaction and productivity is that the work experience no longer is valued or holds importance to the individual. The pride once associated with workmanship has been lost because of fragmented experiences. The employee can no longer see the product of his work. As a result, perspective has been lost and the individual seeks satisfaction and meaning to life through other types of activities. Recreation and leisure activities are one of the primary environments that the individual has sought to add meaning to his/her life.

A total time frame of reference for analysis will help understand how to increase job satisfaction and productivity. The work experience is relative to the other experiences within an employee's life style. Life satisfaction, in terms of emotional factors, has a direct influence upon job satisfaction and productivity. Life satisfaction, like other dimensions in a total time

framework, is relative to the relationships between non-work and work time. For example, some individuals who have high life satisfaction with their domestic and community environment and medium job satisfaction, usually have low work productivity. Other individuals who have low life satisfaction with their domestic and community environment and high satisfaction with their job, usually have high work productivity. Yet, other individuals having both low satisfaction with domestic and community environment and their job, usually seek their satisfaction through other sources. The question is one of isolating the meaning of life on a comparative basis to find out what and where an individual gains satisfaction. There is a correlation between life satisfaction, job satisfaction, and productivity. Little research has been done to determine the relationship of the spillover between job and life satisfaction in terms of trying to experimentally isolate factors that positively influence productivity.

The Puritan work ethic has been a dominate force in the American life style since the beginning of the Industrial Revolution. A characteristic of the Industrial Revolution in its later stages of development has been mechanization. Mechanization has given rise to more free time for workers. Due to the advent of more free time, leisure activities have assumed a more important role in most Americans' lives. As a result, Americans are beginning to develop a leisure ethic that is associated with natural life experience toward greater self-fulfillment through leisure activities.

The field of industrial recreation as a system component has the potential of bridging the gap between the work and leisure environments. It is an institution that can use the concept of a spillover effect to produce tangible, positive outcomes in both the work and leisure areas. Since there is continuity between the work and leisure environments, industrial recreation provides the opportunity for employees to expand their horizons. Recreation in an industrial environment tends to be a preventative factor when it is applied before the problem occurs. Most of the factors that are presently being utilized to increase productivity are remedial factors and are used

as a reaction to the problem. These corrective factors are usually less effective than preventative methods.

There has been little empirical research investigating the benefits or outcomes from the industrial recreation environments and the complimentary relationship between the work and leisure environments, especially in terms of recreation activities and its importance to the individual This study investigated (1) the benefits and outcomes of participants and non-participants and (2) isolated the types of recreation activities that are important to participants and non-participants in an industrial recreation program.

Methods

This pilot study was conducted with the cooperation of a major industry in the Northeast United States. Due to the nature of the information collected, the company does not wish to be identified. Their employee population is between 8,000 and 10,000. The salary range and working conditions are similar to other industries in the Northeastern United States. The recreation program provided by this company represents the diversity of services and facilities comparable to other companies its size. Recreation services offered illustrate this company's dedication to providing quality recreation activities for its employees and their families. (Comparisons made on the basis of N.I.R.A. Survey.)

The questionnaire was designed to obtain

- 1. demographic information;
- 2. explore benefits of industrial recreation to employees and the company; and
- isolate recreation participation patterns associated with company and non-work time programs.

Questions relating to the benefits of the industrial recreation program to the individual and to the company were open-ended. Open-ended questions were used because of a lack of information on which to develop a typology to characterize data. Converse and Robinson developed the part of the questionnaire concerning recreation patterns. This instrument was utilized it to study the relationship between life satisfaction and recreation patterns.

Three different populations were sampled within the company: active employee participants, non-active participants (non-active was defined as individuals who did not take advantage of any program, services, or facilities offered by the company recreation association), and recreation program volunteers. The recreation volunteers were recruited by the recreation professionals based upon their distribution throughout the divisions of the company and their interest and participation in the recreation program. They act as a communication link between the employees and recreation program and its professionals. Questionnaires were given to recreation program volunteers for distribution. They were asked to randomly distribute one questionnaire to an active participant and one to a non-active participant within their division. The response rate of this questionnaire was 74 percent. The usable data available for analysis was 99 questionnaires. The excellent response rate was felt by the author to be a result of the good rapport between the recreation program volunteers and the employees.

The data were analyzed by percentage distribution. Major descriptions of trends were made on the basis of percentages larger than 35 percent.

Implications

The primary outcomes to the employee participants and volunteers were health and fitness and social-psychological benefits. The outcome for the non-participant was one of opportunity costs. From a company perspective, the benefit was one of development of positive employee attitudes. The open-ended responses indicated that there was a relationship between industrial recreation programs and productivity and satisfaction as well as fostering cooperative relationships that are necessary between the company and an employee to engage in a frank exchange of opinions, suggestions, and ideas to the benefit of both. The initial hypothesis of there being a complimentary relationship between work and leisure was confirmed. Industrial recreation is an integrating factor that produces positive results to the individual and the company.

There was a correlation between how an individual participates in recreation and the recreation activities offered. From the open-ended responses where comments about programs

were solicited, individuals indicated an additional interest in family and passive types of activities. Results suggested if these types of activities were offered, they would participate in the company recreation program. This implies that there is a relationship between family leisure activities and the company. The primary question in the development of a recreation program is point of contact and how the company and the employee and his family will interact to provide the proper atmosphere and condition on which positive outcomes occur for the individual and company. The point of focus of the present recreation program is the blue-collar workers. The white-collar employee can afford to purchase leisure services and facilities through private sources. The important influence in this circumstance is money and its influence upon recreation programs.

Activities being offered need to be tailored more toward a white-collar audience. The audience of an industrial recreation program needs to be segmented to offer a variety of activities based upon the type of population within the company. The type of framework being suggested is one of individualized programming. Individualization of programming helps a person to utilize leisure activities to grow and learn.

Results of this study suggest that industrial recreation is a company service that acts as a preventative dimension to create satisfaction among employees. These findings are suggestive but not definitive. More empirical research needs to be conducted to explore the complimentary relationship between work and leisure. Industrial recreation may be an effective bridge between an employee and his community.

V. SELLING MANAGEMENT BENEFITS

A. Mel Byers

<u>Role</u>

Considerable effort is required to introduce management to employee services and emphasize the benefits. Business courses covering employee services would be of great benefit. Experienced employee services personnel would save considerable time and required research. Personnel administrators who understand the basic philosophy of the services is an absolute need to sell the concept. Employee services usually is a section of industrial relations, human resources, or personnel administration. The person selected to direct employee services should have a well-rounded education and experience in a variety of subjects. The more education or experiences in the following subjects and fields, the better will be the choice made:

- 1. Personnel administration
- 2. Business management
- 3. Communications and promotion
- 4. Organization creativity
- 5. Programming and directing
- 6. Human behavior and psychology
- 7. Purchasing and sales
- 8. Recreation and health
- 9. Public and community relations
- 10. Labor relations

The job requires a carefully selected, dedicated specialist. The number of services offered and the wage scale based accordingly determine the staff. The specialist becomes an advisor, director, counselor, friend and helper. They are, in many aspects, the middle person of personnel and will be closer to more employees than anyone else in management. They will have more contacts with employees as they increase employee services. This should be the best source for improving employee communications. Because employee and employer

communications are weak and poorly executed in many companies, it is one area that needs attention.

Every service offered should have a purpose and a goal. As an example: an employee association sponsored by the company can be used as a communicative media and it can offer management more opportunities to relate with employees through programs, activities, and services. Employees can now display their leadership abilities and the employer can discover future supervisory material. The 10 percent of leadership personnel found in a group must have a means to exhibit their talents. It can work for or against a company, depending upon the opportunities offered to employees to express themselves. Such employees, if not recognized in one place, will seek it in another, be it within or outside the company. The one factor that remains paramount with all personnel is recognition and reward. Frequently business and industry do not see the ways and means of recognition or reward. When salaries or wages are increased, it very often appears quite automatic and with little relationship to achievements or performance. Raises in wages or salaries may fall into categories such as cost of living increases, wage and salary structured increases, union negotiated increases, government regulations, or merely the location in an area where wages and salaries are higher or lower. There are merit rate systems for salary increases that are well executed and others that are not. Where there is a union involved and through negotiations, wages or benefits are increased, the non-union employees may also get more benefits and money. This is not creditable to the company and only strengthens appreciation for the union. It is not possible for unions to be effective without periodical benefits secured from management for its members. It is also not possible for companies to remain solvent by negotiating every employee benefit, plus salary or wage increases, nor is it a sound business practice to pass such benefit increases to the consumer through product or service costs.

Failure to educate employees in business methods and procedures makes it much more difficult to communicate with them. Employee services is the area where such education can begin. When employer and employee can talk honestly with each other, the need for outside

interventions is not required. Greed on the part of both employer and employee can eventually lead to serious problems--no company and no job.

As a business becomes more competitive, there is much more reason to keep costs down and more effort is required of management and labor. The total personnel must be conditioned to understand the "why" and the "how." To do this, it requires previous cooperative attitudes which were developed over a period of time. Here again, one of the best sources to achieve cooperation is through employee services and their programs.

Benefits

Qualitatively, there have been many expressions of the benefits of employee services programs. These qualitative statements are often made by practitioners as well as researchers and point to specific programs. The primary question raised is the relationship between the type of programs and the outcome achieved by each of the programs. The critical element is the program design and the outcomes that are achieved from a specific type of program or activity. The outcomes or benefits from the good quality programs are primarily psychological. Some of the outcomes or benefits listed are: creative expression, happiness, health, movement, personality development, confidence, independence, mental stability, preparation for life, intellectual growth and development, self-expression, ethical values, positive social relationships, aesthetic appreciation, change of pace, balance with other life activities, resources for solitude and contemplation, social interaction, morale, solidarity, productivity, loyalty, good will, leadership, employee recruitment, family involvement, conflict avoidance, status and recognition, security, relaxation, discharge of aggression, escape from reality, a sense of belonging, character development, compensatory experiences, and release of repressed emotions. One of the very important elements of research in the past few years has been what prescriptive programs lead to these types of outcomes so management knows what type of programs to provide on a qualitative level to achieve a particular outcome. Specific types of outcomes have to be related to specific types of programs or management principles.

Management principles associated with employee services programs undoubtedly make a difference in types of outcomes or benefits that are achieved out of a program. The primary question is what are some of the uniquenesses of management principles and what are some of the common ones used in quality programs. Some of the characteristics of quality programs that have produced system outcomes are: a sound industrial recreation philosophy with established goals, location of plants in a community with good recreational opportunities for the employees and their families, an effective system of rewards and reinforcement to recognize employees' contributions, education programs to prepare employees and their families for program participation, a cooperative atmosphere in relation to community development, programs that recognize current trends and needs of the employees as well as the larger society, professionally supervised programs to help employees improve and grow professionally, good will gestures made at every point of contact with employees and the general public, an efficient operation, allocation of dollars and time based upon need, a financial plan to help defray the costs of the program as well as administration, a diversity of programs that meet all classes of employees, and cooperative use of facilities. Some of the program principles are: 1) The program should develop new interests and exposure to new activities, an open system of decision making should be implemented in making programs as well as operational decisions. 2) The "in group" must not control and determine the exclusive use of the resources. 3) Programs should be structured according to the philosophy of the company as well as incorporated into the decision making process to help prescriptively solve problems. 4) Time is a critical dimension so that all can participate. 5) Family activities that incorporate solidarity help integrate work and non-work life. 6) Formal and adult education should be used to the greatest degree possible for improvement of oneself. 7) Opportunities for volunteering for community service should be encouraged. 8) The development of one's own potentials in relation to weaknesses is a very important part of a program. 9) The development of leadership is very important to the organization and execution of a successful employee services program. 10) Individual as well as group goals should be set and the leisure program should facilitate the achievement of these

objectives. 11) Placement of the individual in the organization as well as in ability level should be prescribed for the achievement of success. 12) The operation should follow a similar pattern as that of the organization or company for familiarization purposes. 13) Industrial recreation is important for the non-profit recreation efforts in the community. 14) The motivational aspects of recreation must be utilized to deal with specific problems such as boredom, monotony and morale. 15) An activity may have value in itself but may also have important by-products or values and it is important that this be understood. 16) Opportunities must be provided for social fulfillment as well as common interests where group solidarity can be developed. 17) The leisure experience is a humanizing experience as opposed to participation in many work experiences. 18) The continuity and transfer value of leisure must be emphasized. 19) Part of the financial cost of the program must be borne by the employee to have value. 20) Programs should provide for the entry at one level and exit at other levels for a progressive series of developmental steps. 21) The trend toward effective programming is one of individualization and providing for the spectrum of employee needs. These two trends require the program to be very prescriptive in the understanding of each employee and their expectations and goals for the program and in helping them achieve these goals and transfer these experiences into the work place. 22) Industrial recreation program is not an isolated event. Many individuals who belong to a company or organization do not participate. It is important that the industrial recreation director or employee services director understands the total leisure needs of an individual's life even though it may be outside the company. These experiences also have important transfer value and it is important that these experiences be channeled and provided back into the company through some type of system developed to provide continuity between the work and leisure experience.

Understanding the types of outcomes that are generated from quality programs is very important to illustrate to management the prescriptive nature of leisure programming and its direct benefits to a particular company. Leisure, in this context, is not only understanding the company-provided programs, but other aspects of an individual's life and where they participate

and how each of these translate to the job and affect it. It is not only important to understand what the effects are, but how to affect it to improve the individual's achievement and motives, thereby achieving the goals of the organization of having the individual to buy into the organization to improve productivity and profits.

B. David Groves

Development

The key to the development of the field of employee services has always been trying to sell management and articulate the benefits to a company of such a program. Innumerable efforts have been mounted and publications developed by getting top company executives or CEO's to make very positive statements about employee service programs and their benefits to their companies. This has had a positive influence, but does not spell out the hard benefits in a quantitative manner. These types of statements are always persuasive but lack substance and direction. They are always very supportive. There are some fine fiscal efforts to develop a cost/benefit analysis using primarily fiscal data. The result of these efforts to quantitatively express value is difficult. These types of approaches have helped to develop a more quantitative approach and have given insight into the cost, both real and fixed, to these types of operations. They have helped clarify the thinking and stimulated much discussion about types of outcomes other than fiscal benefits to most companies. Benefits are often intangible, even though they have direct links to dollars. New techniques of social auditing may help in this area to relate cost benefits to determine the actual real costs once the social measure of employee serves is found. There needs to be much research focused upon the types of outcomes that are produced from an employee service program so a good bench mark can be obtained to compare it with the costs.

The actual outcomes seem to be based upon two major premises--those that focus upon the company and those that focus on the individual. Throughout history, management has been primarily concerned about profits and organizational outcomes. In some cases, they have been exploitive and this is what gave rise to the union movement because of little concern for individuals and outcomes or benefits to this particular group. The Mouton and Black

Organizational Model or managerial grid is one that seems to best characterize the nature of this interaction and struggle for power between employees and management. This struggle seems to be cyclic and there are fewer examples of cooperative and collaborative efforts so that some blend or mix of each of these goals and outcomes can be achieved through some type of positive environment.

There has been a cycle of struggle for power between union and management, with each assuming a position of power or authority at some point during the cycle. There needs to be some middle ground and a sharing based upon the types of outcomes that both can achieve. The problem is one of communication and greed. Employee services has primarily been a non-negotiated benefit and the element that has shown the individual that the individual has something at stake in their future. The company is not required to give the non-negotiated benefits, but they do. As a result, employee services programs serve as a communication link between management and labor and can be an effective mechanism for both to achieve their objectives in this confrontation.

Employees

It is essential that the needs of all employees are understood, especially in terms of the size of the organization and its ability to provide services to their employees. The assumption is often made that large organizations have the resources to provide the necessary benefits to employees. Employees of medium and small organizations also deserve a full range of benefits similar to those in large organizations. The question is how does an employer provide similar types of benefits when the resources are not available. This is often the dilemma of organizations that wish to provide such benefits. The model for this type of service is best designed in shared responsibility through organizations like the Toledo Industrial Recreation and Employee Services Association which, through the sharing of smaller organizations, helps to provide and spell out benefits for their members. TIRES serves as an umbrella and is a collection of both small and large organizations to negotiate volume pricing, provide services

that cannot be provided through certain types of organizations, especially the smaller ones, and direct links to the service industry.

Approaches

Many employers desire to provide benefits for their employees but do not have the understanding of how to develop the program. How to start and develop an effective employee service program is one of the keys to increasing the number of programs throughout the United States and helping improve relationships between management and labor. For these individuals, it is essential that this desire be translated into skills and greater understanding of employees and that kind of interface or association can be set up to explore mutual programs. It is very important that those who have successful programs be used as examples and resources to help those in their community in this alliance in the formation for the initial starting of programs on sound philosophical bases and those that can be effectively operated. Examples of good programs in communities is essential to this initial effort. There is also a classification of organizations that do not understand benefits of an employee service program. It is very important that an active, aggressive program to sell employee services be established. This sales program must be one that spells out the benefits to both the organization and the individual. The individual must produce compelling information that helps organizations that do not have this type of program to understand the benefits that accrue to effectively operations. Much of the current evidence had been from program testimonials. There needs to be an intense research effort to explore the direct benefits to the organization as well as the employee. Research is desperately needed in this area but, until it can be produced, qualitative methods and techniques must be utilized to articulate the benefits. The growth of the employee service movement directly depends upon this type of sales approach. It is also essential for those organizations that already have employee service programs to do an analysis of benefits that accrue to the organization and the individual. Many organizations have tried to do a cost/benefit analysis and have discovered that the costs are very tangible and the benefits are highly intangible. New methods of social auditing must be applied to better identify the benefits. This new methodology will allow a better auditing process to occur so that the values of employee service programs can be measured and directly related to individuals who do not have a thorough understanding of the

field. It is also necessary to help in making program decisions about how to better effectively design programs for both the organization as well as the employee.

Another key question that is raised by many new as well as old organizations is one of financing. Many organizations choose to pay for the programs directly. However, other organizations shift the burden to the employee and it is more of a self-tax and the program is funded from fees collected by the employees themselves. A third type of financing is one in which the program is financed through indirect means such as vending machines, service industry, etc. There is an assumption, especially in terms of dollars, that it takes a large amount of dollars to operate a program. Efficiency of operation in terms of costs must be one of the primary concerns of any organization. Ability to finance a program and the sources of additional revenues must constantly be searched. Financing of programs must not only be based upon one income source through diversity and the revenue centers, especially those of an indirect nature, but must be directly explored to defray program costs. The other essential ingredient of finance is that the employee has to have some type of involvement as well as the organization because without some type of stake or involvement financially, they will not see the value of these types of programs.

Currently programs are being sold using political devices. One of the top employee service programs in the country was originally sold by directly understanding the recreational interests of the company president. The company president understood his own recreational enjoyment and started a unidimensional program around this particular recreational activity for employees. From there, the program ultimately grew to a multi-phased program. Another strategy that is used to develop programs is that often employees gather and start programs themselves. Common gatherings are picnics, bowling leagues, and retirement dinners. The organization often realizes the benefits to this type of programming and ultimately endorses and sponsors the programs. Whatever political procedures are used to start programs, the point of this is that programs evolve or have evolved and come into existence because of a variety of reasons. It is very important, as these programs evolve, that they have good program advice on

how to develop effective programs and can spell good benefits for both the organization and individual. Many employee service programs have been haphazard. An employee service program needs to be a function of education and planned and nurtured through time to illustrate how to develop effective programs.

C. Industrial Recreation: An Analysis of Benefits and Activities. D. L. Groves. (1981). *Journal of Instructional Psychology*, 8(1), 37-42. (Not full text)

Abstract

The corporate, internal support service with a great potential for growth and development is recreation. Thus, the type of recreation services offered by a company can be an indicator of the company's dedication to the general well being of its employees. Within this general framework the author examines recreation patterns among employees in a large New York organization. Subpopulations surveyed included active employees, non-active employees, and recreation program volunteers. Results indicated that non-participating employees focused recreational activities on personal outcomes. The number of children living at home and distance from work were two important variables. Variables relating to the three categories of respondents are presented and discussed.

Introduction

The potential of recreation as a support service specialty within the industrial field is just beginning to be explored in terms of its contribution to the corporate structure. Recreation is a unique discipline because the individual is engaging in an activity that is expressive of personality and psychological make-up. It is that segment of time in which the individual is less likely to be inhibited and expressive of inner feelings. By definition, it is a time when the individual is free of obligations and has made discretionary choices. These two conditions are the necessary elements for growth and development in a positive, constructive way. When the support services within a corporation are examined, one with a great potential for growth and development is recreation. The distinctive feature is that it is an experience that can add meaning to an employee's life in terms of corporate affiliations. There are very few activities

that can add perspective to an individual's life and to the company. Recreation is a potential starting point for training programs and a possible vehicle in which to approach employees in their own realm and based upon their own style of presentation. The primary focus in this type of framework is isolating potential benefits to the company and to the individual and discovering how these benefits were accrued, through what type of program, and what type of activities have a potential for bringing about these outcomes. The purpose of this study was to investigate benefits associated with an industrial recreation program and what activities stimulate involvement. This type of framework gave an indication of the difference between active and inactive participants and the potential of industrial recreation in the corporate structure.

Methods

This study was conducted with cooperation of Corning Glass Works of Corning, New York. Corning has an employee population of between 8,000 and 10,000. The salary range and working conditions are similar to other industries in the Northeastern United States. The recreation program provided by this company represents the diversity of services and facilities comparable to other companies its size. Recreation services offered illustrate the company's dedication to providing quality recreation activities for its employees and their families. (Comparisons made on the basis of N.I.R.A. Survey.

The questionnaire was designed to obtain: 1) demographic information, 2) explore benefits of industrial recreation to employees and the company, and 3) isolate recreation participation patterns associated with company and sponsored programs and non-work time. Questions relating to the benefits of the industrial recreation program to the individual and the company were open-ended. Open-ended questions were used because of a lack of information on which to develop a typology to characterize data. Converse and Robinson developed the part of the questionnaire concerning recreation patterns. Converse utilized the questionnaire to study the relationship between life satisfaction and recreation patterns.

Three different populations were sampled within the company: active employee participants in company, non-active employee participants (non-active was defined as

individuals who did not take advantage of any program, service or facility offered by the association), and recreation program volunteers. The recreation volunteers were recruited by the recreation professionals based upon their distribution throughout the divisions of the company and their interest and participation in the recreation program. They act as a communication link between the employee and the recreation program and its professionals. Questionnaires were given to recreation program volunteers for distribution. They were asked to randomly distribute one questionnaire to an active participant and one to a non-active participant within their division. The response rate of this questionnaire was 74%. The usable data available for analysis was 99 questionnaires. The excellent response rate was felt by the authors to be a result of the good rapport between the recreation program volunteers and the employees.

The analysis used was a step-wise regression so that those variables that significantly contributed to the explanation of variance could be isolated. A 0.05 probability level was used to determine which variables should be incorporated into the questions. Dummy variables were used to incorporate the dependent variables into the equation (Groves *et al.*, 1978; Groves and Kahalas, 1976). In addition to calculations of significant, Standardized Beta Coefficients were used to obtain an indication about the relative importance of significant variables. There were three equations in the series: (1) active vs. inactive, (2) inactive vs. active, and (3) active vs. coordinators. Significant variables isolated in each regression equation were grouped based upon their frequency of appearance. Ordering of the variables within the classification system was based upon Standardized Beta Coefficients.

Implications

The primary focus of the study was to discriminate between the active and inactive participants and the active participants and the coordinator, so as to suggest programming ideas. There are two distinct results from the study. One is that benefits are a good dimension on which to segment the various audience types. The other discovery is that activity patterns are a good indicator of personality traits. Based upon these two findings, further conceptual analysis was conducted to explore the potential usefulness of this information.

Group Differences

Results suggest that non-program participants focus more on personal outcomes. They must be approached on the basis of their interest. The two factors that were related to participation were: number of children living at home and distance from work. There was no one activity except going to movies that stimulates interest. They had a negative reaction to active sports and indoor games as well as passive outdoor activities.

With the active participants the primary benefit was related to the company with only a minor focus on personal outcomes. The activity patterns of these individuals were diverse and indicates a greater variety in interest. There is the same focus in this group on stimulating interest through hobbies. Television and movies were the media that is utilized most in entertainment. Visitation and going out for entertainment were also a strong media.

There was a strong correlation between active participants and coordinators. Coordinators were more oriented toward the company. They were interested in active outdoor activities. Movies and classes were the primary entertainment media.

There was: (1) a direct relationship between benefits that accrue to the company, (2) greater diversity of interest and moves toward cultural away from physical activities, and (3) a direct relationship between social activities toward growth and development with greater involvement in recreation programs. This study has raised additional questions about the possibility of a recreational, conceptual model as a positive force that brings about company socialization.

Benefit Groups

In the analysis of benefits, there were three types of personal outcomes or proposed outcomes: (1) no outcomes, (2) outcomes related to social or friendship; that is, relating to putting the individual in a proper frame of mind, and (3) outcomes related to personal improvement; that is, growth and development. In the analysis of company benefits there were three groupings: (1) no outcomes, (2) outcomes that involve some type of personal perspective such as increased communication, and (3) outcomes that involve end-product perspectives, such

as job satisfaction or productivity. These categories are not mutually exclusive. Each of these categories tends to be of a multi-dimensional nature. Two open-ended responses or less were used as a low rating for a category. Three or more responses were used as a criteria for a high level of a category. A cross tabulation was completed utilizing the categories of the personal and company benefits. The following are major groups isolated from the cross tabulation:

	Personal	Company
Type 1	No	No
Type 2	Low Social	No
Type 3	High Social	Low Personal Perspective
Type 4	High Social	High Personal Perspective
Type 5	High Social	Low End-Product Perspective
Туре б	Low Growth and Development	High Personal Perspective
Type 7	Low Growth and Development	High End-Product Perspective
Type 8	High Growth and Development	High End-Product Perspective
Type 9	High Growth and Development	High End-Product Perspective
Type 10	High Social and Growth and Development	High End-Product Perspective
Type 11	High Social and Growth and Development	High Personal and End-Product Perspective

The formation of these categories is the beginning of the segmentation of an industrial recreation audience into various outcome audiences. This type of information will be particularly useful in development of program objectives. These categories must be empirically tested using cluster analysis to validate the groups. The variable benefits seem to be an overall major indicator of quality.

Activity Profile

Through the identification of the significant activities for each audience, it was possible to identify patterns of activities that are expressions of personality. The variables identified indicate that they are important and if they are divided into a high-low continuum, a pattern can be established for each individual. As these patterns are identified they tell the story in terms of personality and the psychological make-up. This type of information can be utilized to establish norms for comparison and can be utilized as a basis for counseling to help the individual understand what he wants and develop a plan to better achieve his objectives. Recreation is a vehicle where he can express himself.

Summary

Industrial recreation has the potential to be a positive influence within the company. The primary question is helping the individual to be able to grow and learn. Recreation can bridge the gap between work and leisure. The two essential elements to bring this about are understanding an individual's outcomes from the experience as well as the activities or vehicles to bring this about.

VI. STRUCTURE A. Mel Byers

Organization

How the structure and organization of employee services is formed is most important. Employee services is an interwoven structure of many activities and services which may directly or indirectly be involved or related with other departments of the company. There are certain functions within public relations, labor relations, medical services, accounting, sales, security, retirement, insurance, and other personnel department areas that are involved with employee services and vice versa. This can become a stumbling block for employee services if management has not cleared the procedures. There must be a clear and cooperative understanding of what each does and why they do it. As an example, no employee physical fitness program or sport involvement should be instituted without advice from the medical services, insurance, and legal departments. Some involvement is necessary. The accounting department plays a very important part by assigning one of their employees to teach and act as a custodian of funds for the employee association.

There are other more remote areas that employee services will seek to serve a purpose. It may be some form of customer or sales department functions that employees would serve a valuable purpose. Through employee services' involvement and direction of the employee association, there are ways to aid customer relations and give better service or product attention. As these programs develop, each phase must have a purpose and benefiting element for both the employee and employer. Here we begin to learn how to share responsibilities and cooperate with each other--labor and management. We begin to understand how each of us, through this interaction, can prosper. The range of possible benefits are numerous.

Cooperation

It is not a pie in the sky philosophy as sooner or later both management and its people will become involved in the development of such benefits. In many ways some of this has already begun. As an example, child care for working employees is now being viewed by

society as an industrial and business responsibility. This does not mean that a company is expected to pick up the total cost and we firmly believe costs of activities and services should be shared between management and the employee using the services. The company should not feel that employee benefits and activities are freebies at company expense. A very bad precedent is one that promotes this feeling.

When management becomes too parental it creates spoiled employees. Working and sharing together develops a good family unity that is beneficial to both employer and employee. Therefore, one of the first employee services should be the formation of any employee association. This is the one phase of employee services that can serve many purposes. Regardless of the company size, employees should be encouraged to take part in developing a social, educational, recreational and health program. To take part in its development and growth, management must share in a manner of partnership responsibility. Such an association is structured upon a non-profit, unincorporated organizational pattern. The director or manager of employee services serves as the association's director and a management official is selected to be the association's advisor who provides a direct communicative line to the company. The organization table can be much like most standard social or business associations; however, we believe more would be gained if it were structured much like that of the company. When this is the case, employees serving as officers and committee persons learn more about business organizations, their objectives, and procedures. This educational exposure, through a social and recreational body, can be most rewarding by improved communications with management, and certainly a better understanding of how the company conducts its day-to-day business. It offers management an opportunity to watch leadership develop, which may be useful at some future time in supervision. It is difficult to appraise a new employee hired from outside the company; however, it is quite simple to appraise one from the employee ranks, especially by observations made through the employee association.

The manner in which a person reacts as a leader in the association's activities can be much the same when they become leaders at a management level. Like picking apples and

picking peaches, both require much the same technique. Every employee, from the first day of employment to retirement, is a non-paying member of the association. However, the vast majority of services, events, activities, special interest groups, and clubs receive funds from admission participation fees, membership fees, or use fees.

Financing

The company helps financially through budget allotments that add to the association's own contributions and earnings. Some of the allocations vary in percentages as to employee contributions and company subsidization. Much like business, some areas of operations require more funds to operate than others. It then becomes a decision as to the value and need of the operation whether or not to allocate any funds. The company should have a policy regarding employee association's involvement in property ownership. Capital properties such as buildings, land, long-use facilities and equipment must belong solely to the company. Dispensable equipment, short-term use items, etc. are the association's responsibility and funding. The association does have a separate identity but no matter how it is organized, the public will always consider it one and the same as the company. It behooves every employee services director and association officer to be aware of this interpretation. Some actions, if not advised in advance, can be most embarrassing to the company. Example: engaging in solicitation of funds or donations from community merchants; using competitor's products instead of company products.

The most effective employee association is one that is structured to have representation from all levels of employees, either by divisions, departments, or shifts. The next level of representation should be the special interest groups (leagues, hobby clubs, social clubs, and instructional forums). There can be councils set up that cover this kind of representative assortment. Councils may be as follows: social, athletic, services, and executive. Representatives or elected officers from departments, shifts, etc. will automatically become one of the four councils. The important factor in such organizations is to have a well-rounded representation of all employees. In fact, we like to see ten percent of any work force in officer, manager, or committee positions. When employees realize how important their leadership and

involvement is viewed by management, their motivation to perform increases. There is little difficulty in recruiting volunteers to serve on various programs once management is involved and concerned.

Communication

Throughout all the programs, you can readily see how communication plays an important role. As management personnel share time with employees in programs, it also strengthens the communicative line and provides management a grass roots opinion source along with ways and means to stimulate cooperation. Many other employee services add to this communicative line. As we size up the various employee services, there is an unlimited number from which to choose. Some such services are strictly company managed and others are of an employee/employer relationship or sponsorship. company financing is required for some employee services and employee associations, but both are set on a budgeted allotment procedure. The company may pay all or only a portion of promotional and communications costs.

Company funds may be direct allocations or indirect, such as vending machine profits. The company through the budget process provides some monies for remembrances or memorials covering illnesses, deaths, and retirements. By such an arrangement we have one policy which is fair and equal for all. It avoids many problems and again creates a shared responsibility because the action must start with the employees in its administration, the company, the funds, provision or facility.

As mentioned earlier, the funds provided for communications and promotions may well be the prime essential factor of employee services. Without a strong communicative system operating, none of the programs or services will operate successfully.

B. David Groves

Goals and Objectives

There are three determining factors of structure that are very important to most all employee service programs. One is understanding the purpose of a program in relationship to

the individual as well as the organizational objectives. This, in essence, will determine the type of structure that will best fit the organization to effectively achieve the objective of both of the groups involved. In the past many organizations which have only used employee services as a public relations gesture to manipulate have been willing to give, in terms of employee services benefits, those that represent no cost.

A truly effective employee services program is one in which there is shared responsibility, authority, power, and profits through a participatory management style which allows the objectives of employers and employees to be met. A key element to achieving such a mix is the attitudes of the employees as well as the attitude of the employer. The environment in the interaction process is what fosters these attitudes. These attitudes will not change immediately but it will take a long time in which to develop an understanding and a trust of one another. The most important element is the openness to explore and the sensitivity to each other's needs. Once a common purpose is understood and the proper attitudinal elements are in place, an effective employee program can be started.

The primary question then is, "How do you start an employee service program and where do you start?" Many companies try to start the program before the purpose and goals are established and as a direct result, the program is not on a good foundation and it flounders because of not having the proper direction. The starting place for an employee service program is determining the type of benefits that are essential to the organization.

Size

Understanding the needs of an organization is dependent upon size. Company sizes range from one or two employees to organizations that employ 50,000+. A common size range for companies is 100-200, 201-800, 801-2000, 2001-5000, 5001-8000 and 15,000+. The need for companies under 200 is low-cost programming, hard benefits such as health and life insurance, soft benefits such as discount programs, and some limited recreational programs that involve personal involvement. Companies in the 200-800 range require low-cost programming, hard benefits such as retirement benefits, eye and dental coverage, soft benefits such as

equipment rental, and recreational programs that represent some individual participation, and some organized efforts that are popular, such as softball or bowling. Companies in the 800-2000 range are primarily interested in low-cost programs, hard benefits that include family options, and soft benefits such as company stores, and recreational programs that include diversity of organized sports. Companies of the 2000-5000 range are concerned less about cost, most of the hard benefits should be in place and many of the extras should start being provided, such as stock options and investment programs. Soft benefits should reflect more upon the financial and wide range of services from credit unions to daycare centers, and recreational programs that run the variety of organized sport and complete family programs and may involve camps, etc. The organizations from the 5000-8000 range are concerned less about the cost of hard benefits and more about involvement such as the sharing of profits and the sharing of the power through incentive programs for new ideas, etc., soft benefits that focus on the range of family services such as scholarships for employees, etc., and recreational programs that include individual programming perspective, especially when it may involve services such as travel. Mega companies in the 15,000+ range should be concerned less about cost of hard benefits and more about the complete sharing of money as well as participatory decisions and many good educational incentive programs, soft benefits that are compatible with the hard benefits therein that have an extreme personal touch, and recreational programs should have that highly elite personalized touch. In this case, the company is so large that the personalized touch is the primary element that makes an individual feel they are part of the organizational structure..

The concept that is presented is that there is a spectrum of services that can be provided for small as well as large organizations. Some organizations may choose to organize different benefit mixes than the ones that are listed. This list is presented just to stimulate thinking and to point out that employee services is not only a function of large companies or organizations. The list also assumes the company is paying a living wage and the work environment positively contributes to the workers' well being. Currently, many organizations have employee benefits but they represent less than 5 percent of all organizations in the country. This is also true of

international organizations. Most organizations see employee service as another production cost that increases their prices and makes them less competitive. Organizations at the beginning tend to add only those employee service activities that cost them the least money.

Mix

Those organizations that currently have employee service programs need to continuously review the spectrum of services in an effort to bring the right mix to their organization to achieve the outcomes of the individual as well as the employee. The primary focus should be educational programs to help large and small organizations to initiate or start programs. The initial assumption is that an employee service program is going to be costly. This is not true. The cost depends upon the organization and the initial mix which an organization and the employees want. The assumption that high costs are a necessary part of employee services must be dispelled. The most important element is that the individual as well as the organization buy into the employee service program and have an investment such as time, money, etc. Investment is the key element to involvement and makes the employee service programs work and be effective. The organizational structure of employee services must be one that complements the structure of reorganization. The employee service director must have direct links to upper management and the forms and procedures that are used by the organization must be ones used by the employee service program.

Once the organizational structure is set and patterned after the company, the next question becomes one of financing. There are two methods of financing: direct and indirect. The direct method puts the primary burden upon the organization or the employee. There must be some type of direct financing that involves both the company and employee. If this is not the case, the employee service program will not be valued and will have little impact. The majority of the financing should come from some type of indirect mechanism such as vending machines, monies from cafeteria operation, etc. Programs should begin where there is little or no cost and the service community provides much of the financing. Once a program is established, it can level its independence from the service community as ways of financing are found. It is also

important to have a diversity of financing because if one of the sources of funds ceases, others can be used to balance the program and the program is not dependent upon one source. It also gives the organizers of the employee service program independence and allows them to have a certain degree of autonomy that is necessary for the development of a good program. The organizer must understand the revenue centers well and be able to work the revenue centers on an individual basis. The most important part of a start up program is volunteerism.

Usually the employer will provide some type of resources and volunteers will emerge in the initial stages of organization to help develop the organizational structure. Once an organization is willing, the company usually provides the personnel and these people are usually professional employee service specialists who understand the philosophy and structure of an employee service program. In order for volunteers to start an employee services program, they need the guidance of a consultant or experienced individuals to lay the best foundation possible for the evolution of their organization. Most programs, as pointed out in an earlier chapter, were originally started as the direct result of employees coming together for a common need. The most important outcome of a good structure is that a communication network is established between employer and employee. It also helps establish the proper attitudes and environment and sets the stage for growth and development and close relationships in many areas. It is the glue that holds the structure of the organization together.

C. A Component Analysis of Benefits and Outcomes at Employee Service Programs. D. L. Groves. (1987-1988). World Journal of Psychosynthesis, 28, pp. 11-14. (Not full text) Introduction

The outcomes that emanate from employee service programs are not well understood. There are many studies that raise questions about the basic relationship between employee service and worker productivity. It can be documented intuitively, as well as empirically, that there is a relationship between the quality of employee service programs and employee productivity with an organization. Others have studied the outcomes from programs based upon such factors as employee satisfaction and other types of employee outcomes. There is little doubt that there is a direct relationship between the quality employee service program and employee satisfaction as well as other types of employee outcomes. This can be demonstrated on the intuitive and empirical levels. There are some studies that have explored the symbiotic relationship between individual and organization outcomes from employee services. The results tend to indicate that these outcomes are not mutually complementary phenomena. There are three general types of benefit categories: 1) a perspective that an employee services program benefits the individual only, 2) a perspective that both the company and the individual benefit, and 3) a perspective that only the company benefits. The relationship between individual and organizational outcomes are important links in understanding employee service programs. This type of information is needed to synthesize these two approaches into a theory that causes less polarity and recognizes cooperative relationships and builds bridges as a device to achieve the goals of both the individual and organization.

The next logical step beyond the synthesis theory is to examine the hypothesis that different types of programs lead to different types of outcomes beyond the traditional classification system of job satisfaction and productivity. There are many other types of individual and organizational outcomes. It is important to understand the network of outcomes and their order of producing change in the individual and organization. A social auditing mechanism must be used to understand primary, secondary, and tertiary outcomes in determining

a program's impact upon the individual. There are always stories about how recreation has led to greater leadership development in individuals, better self-concept, and many other types of outcomes. It is important to understand how these outcomes have been produced and with what types of programs. The first question in this type of analysis is: What types of programs produce what types of outcomes and at what individual and organizational levels? The primary hypothesis that needs to be tested is types of outcomes that are associated with particular program types. The basic difference in the approach being advocated is one of a component analysis to find out what part of a program. The basic function of such a component methodology is not justification of programs but help in program redesign. The basic purpose of this study is to examine the hypothesis outlined and determine the feasibility of a component approach in determining program outcomes.

Scope of Study

Before a study site was selected, criteria were established for the purity of the study. These criteria revolved around the selection of an employee service program that already had an established record for providing quality services based upon high employee satisfaction.

A factor that must be controlled in this type of study is that different types of individuals gravitate to different types of activities. Variation in types of individuals is not as great as the difference among types of outcomes. These results suggest that in any analysis basic comparisons among activities and the nature of individuals is an essential part of the program.

The study site selected was Cooper Tire in Findlay, Ohio. The Cooper program is under the direction of Mr. Alfred Hofer. This program has won several regional and national awards and is recognized as one of the best in Northwest Ohio. This recognition comes from other employee service directors that were contacted before the study site was selected. They have a diversity of programs that they provide for their employees in the form of retirement programs, fishing clubs, etc. There is also a wide range of services provided through the advice of Mr. Hofer. The basic factor that determines overall quality of the program is employee

satisfaction. Employee satisfaction with this program is high as indicated by employees' evaluation.

Instrumentation

The basic instrument was designed after the IFI/IGI questionnaire and is an outcome assessment in relation to program goals and objectives. The scale is a quality rating of 1 through 5 in terms of where a program is and where it should be. These statements were developed from a study completed at Cooper Tire. This type of instrument gives the individual a chance to not only assess outcomes from programs but their potential importance and impact upon a program from where it is to where it should be for maximum program effectiveness.

In this initial pilot study, two different programming clubs were used: 1) the fishing club, and 2) the golf club. A third audience type was used for comparison of outcomes. This was someone not actively involved in the employee service program. Individuals were contacted and asked to participate in the study by the employee service director. There were three groups included in the analysis: 1) non-participants, 2) those who exclusively participated in the fishing club, and 3) those who exclusively participated in the golf club. Individuals in the study were asked to participate at random and over 90 percent of the individuals in each club participated. Sampling was, therefore, not a problem as the individuals in the study were closer a population than a sample. An inquiry was made about those that did not participants. Results suggest that the only difference between these two groups was time and not having a willingness or commitment to follow through.

The data were analyzed using an analysis of variance framework to ascertain the differences among the three groups in relation to two types of category outcomes: individual and organizational. There are three types of personal outcomes: 1) no outcomes, 2) outcomes related to social or friendship; that is, relating to putting the individual in the proper frame of mind, and 3) outcomes related to personal improvement; that is, growth and development. There are three types of organizational outcomes: 1) no outcomes, 2) outcomes involving personal

perspective such as increased communication, and 3) outcomes that involve end product perspective such as productivity. Three types of indexes were used: personal, organization, and total outcomes. In addition, each of the items were analyzed on a comparative basis to obtain some type of indication about the nature of outcomes by group. Each of the group's scores on the questionnaire were also clustered to determine the outcome patterns for each group; that is, individualistic, organizational, or some type of cooperative or collaborative structure.

Results

<u>Non-participant</u>. The initial comparisons using the analysis of variance framework among the groups suggested that there were significant differences among outcome types. A 0.05 probability level was used to determine significance. Comparisons between the "is" and "should be" scores indicated a significant difference between where the individual perceived the <u>total program</u> "is" and where it "should be." The mean score for the "is" statement was 3.25 and the mean for the "should be" statement was 4.1. When the "is" and the "should be" scores for the <u>individualistic index</u> were compared, it was found that there was a disparity between the scores. The mean score for the "is" was 2.8 and the "should be" was 4.2. Comparisons of <u>organizational</u> outcomes indicated less of a disparity than the "individualistic" outcomes. The mean score for the "is" component was 3.7 and the "should be" was 4.1. These results indicated that those not involved with the employee service programs tend to see the program as one that perpetuates more organizational outcomes.

These individuals tended to be female and younger and used public/community facilities. There was also a strong relationship between private clubs and middle-age individuals.

Results from the <u>free time survey</u> indicated that individuals in this group participated more in passive types of recreation pursuits, especially of entertainment variety and the hobbies and social types of activities for the middle-aged.

In the analysis of the <u>individualistic</u> index, results indicate that the "is" statements were oriented toward high social and low growth and development. The <u>organizational</u> "is" scores were high on personal perspectives and low on end product. The "should be" scores on the

<u>individualistic</u> outcomes were high on social and low growth and development. This pattern mirrored the results of "is" portion of the questionnaire. "Should be" scores on the <u>organizational outcomes</u> were high on both the personal and end product perspectives. The primary difference when compared with the "is" portion of the questionnaire was the high endproduct perspective. This indicates that the non-participant wants the company to add more types of social programs and this may help them become more end product oriented.

<u>Fishing</u>. The fishing component of the survey was analyzed on the basis of feelings toward the <u>general</u> and <u>fishing</u> programs. When the overall "is/should be" were analyzed, the mean was 3.8 for the "is" scores and a 4.3 for "should be." On the <u>fishing index</u>, the mean "is" score was 3.4 and the "should be" was 3.8. In the analysis of the <u>individualistic outcomes</u> toward the <u>overall program</u>, the mean "is" score was 3.9 and the "should be" was 4.3. In the analysis of the <u>fishing component</u>, the mean "is" score was 3.1 and the "should be" was 3.7. In the analysis of the <u>organizational outcomes</u> the mean "is" score was 3.1 and the "should be" was 3.5 for the <u>overall program</u>. On the <u>fishing index</u>, the mean "is" score was 2.9 and the "should be" was 3.2. Results indicate a very positive feeling toward the overall program and its current condition and somewhat less satisfaction with the fishing program. The "is/should be" outcomes suggest that the fishing club members are more individualistic oriented. There is also a trend that the overall program should be more organizationally oriented and the fishing program more individualistic oriented.

Individuals in the fishing club were males, over the age of 44, married, and employed by the company more than 10 years. The majority of recreational participation is a product of seeking a quality of experience.

When <u>participation styles</u> were analyzed, watching television, reading books, participating in activities such as boating, swimming, picnicking, pleasure driving, etc., gardening, working around the yard, and making and fixing things around the house were the important activities. There was a trend toward outdoor activities. There was also a trend toward participating in activities that involve some type of dexterity.

When the data were analyzed for the <u>overall program</u> based upon specific <u>personal</u> <u>outcomes</u>, there was low social and growth and development mean scores. There was a high personal and low end-product perspective on the <u>organizational</u> outcomes. When the <u>fishing</u> <u>indexes</u> were analyzed, there was a high social and low growth and development (<u>individualistic</u>) and high personal perspective and high end-product perspective (<u>organizational</u>). There is a definite problem in regard to the employee seeing the value of the fishing program in relation to other types of outcomes, especially the overall program. This author is generally at a loss t o explain the differences in the lower scores of the individual feelings about the fishing program. These results do not seem to be consistent with the feeling that the program is generally lacking in quality.

<u>Golf.</u> When the golfers' feelings toward the <u>overall program</u> were analyzed, the mean "is" score was 3.5 and the mean "should be" score was 4.2. When the <u>golfers' index</u> was analyzed, the mean "is" score was 3.7 and the "should be" was 4.2. When the <u>individualistic</u> outcomes were analyzed for the <u>overall program</u>, the "is" score was 3.8 and the "should be" score was 4.2. The mean <u>individualistic</u> score for the <u>golfers</u> was 3.4 for the "is" and 3.9 for the "should be." For the <u>organizational</u> outcomes on the <u>overall program</u>, the mean "is" score was 3.8 and the "should be" was 4.2. The mean "is" score on the <u>organizational</u> outcomes index for the <u>golfing</u> program was 3.8 and the "should be" was 4.2. Golfers had strong feelings toward individual outcomes but a stronger orientation toward organizational outcomes, especially toward golfing program.

Golfers tended to be males, under the age of 44, and married. They had been employed by the company between 10 and 18 years, and their primary participation is through public and private facilities. The public and private facilities share equally in the providing of quality for the recreation pursuits.

In the free time survey, the strongest participation pattern was those involving reading, watching television and active sports. Ancillary interests were visiting with relatives, neighbors,

and friends, and working on hobbies. The primary interest that segregates this group from others is the interest in active sports.

<u>Golfers</u> scored high on the social and low on the growth and development <u>personal</u> outcomes and low on the personal perspective and high on the end-product perspective for <u>organizational</u> outcomes for <u>overall</u> program. In an analysis of the <u>golf</u> program, the individuals scored high on the social and high on the growth and development for the <u>personal</u> outcomes and high on the personal perspective and low on the end-product perspective for the <u>organizational</u> outcomes. The general trend is toward a high end-product perspective in the golf program when compared with the overall program. Individuals were organizational and individualistically outcome oriented. There was not the reversal in scores as with the fishing individuals and a lack of perspective in understanding how a particular program fit into the overall program.

Implications

These results suggest that different types of outcomes can be anticipated from different types of programs. There was a difference in outcomes at both the individual and organizational levels. The implication is that overall impact is important but it is extremely important to understand outcomes of the program and how it contributes to both the individual and the organization. This will help programs become more receptive for both the individual and organization. Programs such as fishing are related to self-development that is an indirect mechanism that benefits the organization. In a program like golf, outcomes are more direct because the individual can see the relationship between the program and himself/herself and how he/she will grow in relation to their organizational contribution. The common core of both programs is social but fishing is more of an individualistic development as opposed to golf that is more end product perspective.

The next type of study that must be completed is a component analysis of an individual's day in relation with comparative outcomes of an employee service program and other parts of a worker's day as well as the non-work component. This type of information is needed to better isolate or identify where the individual draws meaning in life and what is important to the

individual and how an employee service program can enhance the development of the individual, thus, enhance the developmental program of a corporation. Individual development is directly related to the organizational development. This is a preliminary study and results are only suggestive and must be checked against the total program so the basic features can be fitted together into the initial outcomes studies.

A basic assumption has been proven that employee services are valuable and the question is what kind of value, not in terms of dollars and cents but in terms of intangible outcomes. This type of social auditing is needed because most of the outcomes associated with recreation are based upon intangible factors, not direct factors such as dollars and cents. Social auditing is a technique that must be learned and used by most employee services directors because program justification must depend upon this type of methodology. Employee service directors are doing a good job of illustrating tangible outcomes such as employee absences, improved health, and lower insurance premiums.

VII. PROGRAM

A. Mel Byers

Type

The content of employee services can vary depending on what services each company feels they can support. The most important one is the formation of an employee organization that employee services can work through and with. In their following importance we list:

- 1. Communications--bulletin boards, newsletters, employee newspaper, PA system, meetings, and counseling.
- 2. Employee education--seminars, college assistance, special business courses, and business education through employee association.
- Service awards and recognition--years of service, community service, and suggestions.
- 4. Suggestion system--all types of suggestions and patents.
- 5. Savings and loans--credit unions, banks, financial counseling, and emergency loans.
- 6. Employee aid and comforts--restrooms, lockers, lounges, parking, transportation, childcare, food and vending, and counseling.
- Company and customer product or services--sales stores coupons, mail orders, and dealer purchases.
- Community services--Red Cross, Blood Bank, United Way, communitysponsored programs, some organization like YMCA, YWCA, scouts, Junior Achievement, etc.
- 9. Discount and special priced programs--amusement parks, theaters, merchants, trips and tours, vacation offers, etc.
- 10. Employee security and safety.

As the employee association provides many services such as physical fitness, health and nutrition, hobbies and crafts, sports, social and cultural interests, , employee services works closely with them to assure a benefiting program or service is provided.

Size

Offering all these services depends on the size of the company and how they want the program to develop. For small companies, the program should be streamlined and begin slowly with the most important first--gradually building up the department over a long period of time. The larger companies can provide more staff to enable the program to escalate more rapidly.

As facilities can also vary from one company to another, this too is due to what management feels it can support. It is possible to operate employee services with limited facilities. We find the employee associations have wants for considerable facilities, and some companies have provided much of what was requested. Again, it is possible to have a successful employee association without any or just a limited number of facilities. As the company always is the owner of facilities on their properties, it is possible for some outsider facilities to rent or use free.

Maintaining control over programs, services, and facilities requires careful scheduling and planning. There are never too many services or programs offered. Too many similar programs attracting the same people can hurt. Programs and services that cater to different interests can be scheduled at the same time or close to one another. Facility scheduling is one that requires care so as not to hamper or hurt a program. Facilities should be used by employees first, then employees and families, and after that employees' families and limited number of guests. It is wise to provide some facility use as well as some programs that are open to guests of employees. The guests' reaction to their host builds stronger ties for the employer-employee relationships. This is noted in the community's reaction to the company by remarks such as "(blank company) is the best place to work. They do so much for their people," etc. Little do they know how much has been shared by both employeer and employee in the costs or volunteer help.

Location

The employee services sector or department should be located within the personnel department area. It makes sense to locate all employee use services together. The best location for these offices is near the entrance of the building or in a separate building. With medical, banking, employment, training, testing, and company store in one area, the personnel department has closer daily contacts with employees.

Because some services such as physical fitness and recreation have accidents occurring, the company's insurance policy should cover them. Again, the employee association should be involved and instructed on how to serve in these situations. When handled properly there seldom are legal problems. Any employee injured in the program is given immediate attention and a written report is made containing witnesses' names, place, time, how it occurred, and what action was taken. Non-employee injuries should be covered in the same manner and covered by the company's normal liability insurance.

B. David L. Groves

Culture

Most programs in the industrial setting have a particular theme and focus upon some of the programs oriented toward fitness, social activities, discounts, card benefits, etc. There are a few programs that have balance in which the program is balanced and the themes of particular programs are diversity. The content of most programs is a direct reflection of the tradition that exists within each company. Employees often stimulate new programs. Often another primary element of change within programs is the sharing of ideas from company to company, especially those that have been successful. The nature of content depends upon the company and the organizational culture that it represents. The primary outcome is one of development of employee skills for the company in a training development mode and for the individual, it is in the area of benefits that add to their income, their life satisfaction level, etc.

The major program development is often a direct result of the nature of the company volunteers and how well they are trained in the execution of organization and leadership abilities.

Often the employee service staff is very limited and the organization as well as the execution of programs is a direct function of interest groups within a company. It is very important that the employee service director has some type of training program available to help in the development of leadership abilities so that the various units or interest groups will function smoothly and, indeed, help in the execution of a particular program. Many times the programs of employee services are not done in-house and as a result this benefit to the company of teaching the employees leadership skills through involvement is often lost. The act of the development of the program is as important as the actual execution. It is this act in which employees buy into the company with not only their talents but their attitudes and values toward the future development of the organizational culture. It is through this input that the employee has a direct influence upon the program and controls the destiny of the development of the content within the program.

Influences

Once a basic curricula or program has been formulated, the question is one of scheduling around work hours and the facilities and equipment to execute the program. Scheduling is a direct result of the work schedule and how it directly impacts each worker. Often the nature of the schedule is one of evenings, Saturdays, and weekends. The basic function of the schedule is not to disrupt the family unit but to enhance it. The nature of the purpose of programming is often to incorporate the family into the program and create a family atmosphere in the work place. Time is one of the most precious items and scheduling is the primary factor influencing this element. It is a question of what is an effective and efficient use of time to achieve the employees' as well as the company's objectives. Another important component of program development is one of facilities and equipment. Many companies become bogged down in facilities, especially given the high cost of utilities and maintenance. This has been a primary problem and must be addressed by each company. Financial planning is extremely important so as to keep these particular costs under control. Many companies do not have their own facilities but use others on a lease or rental basis that, indeed, saves the high cost of facility maintenance

and operation. It is often thought that facilities and equipment are not important but this is not true because it is the atmosphere of participation; it is this environment that often has a very positive or negative impact upon the outcomes of the program. This environment is one that often sets the attitudes of the employee toward the company. Often the facilities are a direct reflection of the company's attitude about the nature of the program. The facilities also are a source of pride for employees and are often a very important recruitment factor to the hiring of quality people. It is not only important to have adequate facilities for employees, but also those of the family to allow comprehensive participation so that the company may be incorporated into the family atmosphere and the family atmosphere into the corporate world.

One of the most critical dimensions influencing the execution of programs everywhere is one of insurance and liability. The nature of insurance has affected the entire society but especially the programs that have some element of risk. It places a limit upon certain activities and the possibility of offering certain activities that, indeed, have impact upon the individual. There is no answer to this particular problem because it is a societal problem. The insurance policies and how they have affected the activities that are essential to providing a broad range of experiences often determine the nature of programs. Employee programs range from bowling tournaments to the musical arts. It is very important that the various program committees consider the nature of risk and develop some type of risk management plan. Often this risk management plan is the key to developing preferred insurance rates for particular activities. The better element to preferred insurance rates is one of reduction of risks.

Often the employee and family members participate outside the employee service program. This is to be encouraged because it does not make a difference where the skills are learned and often these participation patterns are public relations for the company. It is important that the program patterns outside the company are understood and how they can be enhanced and reinforced in terms of company resources to bring effective participation within the community. Every employee has the element of self-determination for participation and it is important that an employee service program service the greatest number of employees and touch

the employees' lives in some way. An employee program will never be complete in terms of providing all the program services that are needed by an employee and the programs external to the company must also be understood and that relationship or contribution to the employee. It is not suggested that these programs be manipulated but just understood how they directly impinge upon the company through the employee.

C. Key Notes: Program Checklist

- I. Goals and Objectives
 - Why do we want an Employee Services (ES) program? (Inside pressure?) Outside pressure?)
 - What are our short-term goals? Long-term goals?
 - What kind of relationship do we want with our employees?
 - What kind of relationship are we seeking in terms of program and outcome(s) achieved?
 - What do we feel are the most important components of this program?
 - How will the program reflect our organizational culture?
 - How will the program impact our organizational culture?

Key words: Productivity, communication, humanization, cultural excellence, entrepreneurship, leadership, innovation, flexibility, opportunities, success, shared values, customer service and satisfaction, recognition, creativity.

II. Getting Started: Organizational Structure/

- What is our timeline for program implementation? Who will be responsible for program implementation? Will we have an ES director?
- What qualifications do we desire?
- Who will this person report to?
- What will be the structure of our ES program? Is there a particular model we want to follow?
- Committees? Officers? President/Chairperson? Treasurer? etc. Elected? Assigned? Volunteers?
- Length of term?
- What duties and responsibilities will each of the above have? How will we introduce program to employees? Management? How will we determine what services/activities to offer?
- What are our employees' needs and interests? New employees? Existing employees?
- Will we use questionnaires, surveys, meetings, personal contacts? What services/activities will we offer internally? Seek outside support/leadership?

- What land of facilities will we need? Will we need new facilities or can we update/modify existing? Can we rent facilities from outside sources? e.g., Y's, churches, commercial, municipal?
- What land of equipment will we need? Do we want to rent? Purchase?
- Who will be responsible for acquisitions? Upkeep?
- What land of records will we keep? Forms will we use?
- Will we rent equipment to employees?
- III. Finances/Funding
 - What is our budget?
 - What are our financial considerations? Salaries? Equipment? Facilities? Special event charges? Start-up costs? Insurance and liability costs?
 - What are our revenue sources?
 - What portion of program, if any, will employee have to pay? Will there be any fees or dues? Admission charges?
 - How will we collect monies? How often? Monthly? Bi-monthly? Yearly? Charge per use? Payroll deduction?
 - How will funds be handled for special events?
 - How will we keep track of costs: revenues and expenditures? Who will be responsible? Who will receive monies?
 - Who will handle purchasing? Cash advances?
 - Will we have any revenue producing activities/events? e.g., profits from concessions, vending machines, cafeteria.
 - Will we seek any contributions or sponsorships from outside organizations?
- IV. Promotion/Publicity
 - How will we promote this program? Individual activities and special events?
 - How will we promote employee participation? Personal contacts? Group meetings? Announcements? Demonstrations? Instructions?
 - What kind of publicity will we use? Newsletters? Bulletin boards? Signs? Displays? Posters? Calendar of events? Films, letters, public address system?
 - How much advance notice will we give to any particular event?
 - What is the appeal of our program and how will we translate it to our employees?
 - How will we keep management abreast of activities? Any advance notice?

- V. Program
 - What will our program content be?
 - What are our goals and objectives for each activity?
 - Who will have organized clubs? Sports? Social events? Special interest groups? Social service groups? What about special events?
 - What rules will govern? Who will be in charge?
 - For whom will these programs be geared? Men? Women? Young or old? Children or the elderly? Families? A combination of each?
 - Will any activities have a condition to participation? e.g., a physical exam? Any eligibility requirements? Safety practices---written consent forms? Open to all ability levels?
 - What kind of instruction will we offer, if any?
 - Will there be a minimum/maximum number of participants for any given activity?
 - Will we require any liability waivers?
 - What will we do in case of an accident? What procedures will we follow?
 - Will we encourage intra/inter company competitions?
 - Will we have any kind of participation incentives? Awards? Trophies or certificates? Other recognition?
 - What will be the process for adding/dropping a particular activity or program? What criteria will we use?
 - When will we initiate a given activity/event?
 - What activities will be seasonal? Continuous?
 - When will they be offered? Any specific time of day or week? What kind of schedule will we follow?
 - Will we seek any outside services/vendors, etc.?
 - Are any permits, deposits, etc. required? Who will approve?
 - What kind of time table are we using for special events?
- VI. Evaluation
 - What kind of evaluation procedures will we have? For activities? For leadership?
 - How will we measure success? Employee satisfaction? Observation? Appraisals? Questionnaires? Interviews?
 - What factors will we evaluate? Leadership? Activities? Time and participation? Areas and facilities? Organization and administration? Finances?
 - How will we respond to those activities/events, or elements of, that are deemed unsatisfactory? What criteria will we use?
 - How often will we perform evaluations?

Possibilities:

Recreation programs, tournaments, sports, special interest groups, discount programs, travel services, recognition and service awards, counseling services, self-improvement courses, smoking cessation/weight reduction/self-health care programs, employee publications, social

functions, children's activities, brown bag lecture series, educational reimbursements, classes, food services equipment rental.

Insurance, medical care, childcare, eldercare, flex-time, part-time, maternity leave, vacation, leaves of absence, personal leave, retirement plan, investment plans.

Training programs, new employee orientation and welcome wagon, incentive programs, workshop retreats, leadership training, effective people skills, stress reduction workshops, sensitivity training.

D. Key Notes: Program Ideas

Programming Recreation for Industry

The first rule of thumb is "something for everyone." The recreation director must shotgun rather than rifle programming. The intent is to involve people, reaching the greatest number through a varied and extensive program. One must take a broad look at recreation and not get caught up on the layman's conception so often referred to as the "ball and bat complex."

One person's type of recreation can be another person's view of work or nonsense. The professional ballplayer certainly considers the games to be work and the ballplayer's recreation could very well be the reading of a book.

As an activity becomes more of a skill and a requirement of training, there is less mass participation. As one analyzes the programs to be offered, we need to take into consideration the element can do, that most people can do, that a fair percentage can do, than what fewer people enjoy.

Keep in mind the director's job is also one of education. More attention should be given to introducing employees to new activities and far less attention to polishing the already polished perfect apple.

Championships may make news and do add incentives for the semi-pro recreator. They create interest in the competitive aspects; however, the drive for perfection may also discourage or eliminate a great number of potential prospects. We must always think about the beginners, the unskilled and those we should try to attract and introduce to a new activity. We should always strive to broaden the base of the recreation program by a greater variety of interests.

Lunch Hour Educational Sessions

According to the *Wall Street Journal*, Champion International Corporation turns its Stamford, Connecticut, cafeteria into a classroom on Fridays. During the lunch period, Fairfield University professors are engaged, at a small fee, to discuss topics ranging from international politics to adolescent psychology.

So many subjects could be covered in these short discussion luncheons: the stock market, coping with stress, consumerism, business ethics, politics, inflation, foreign cultures, and many more subjects too often assumed as general knowledge.

Education may start in the elementary grades, but it never ends. By placing more emphasis on educational programming, business and industry can reap the many benefits of knowledgeable employees.

Events and Parties More Successful when "Themed"

For the professional promoter of public events, the theme or title of the program is of primary importance. The second important requirement is that the program and design be fully carried out according to the theme. From simple announcements to the entire program agenda, promotions and all functional details must be in keeping with the attraction's purpose and its relationship to the theme.

In addition, the promotion expert, publicity chairperson or person responsible for attracting attendance and participation must be carefully selected. Also, all events or parties must have a capable host or hostess who can also serve as the master of ceremonies. Working with the promoter, the M.C. keeps the show on the road and makes sure all details, participants, and spectators are functioning as predetermined.

The larger the event, the more pre-planning and work is required. An outline of work and duties, the formation of the agenda, the selection of those participating or entertaining, and a time schedule for each must have priorities. All of the above must be adapted to the expenses and anticipated incomes, so look for a sharp accountant or financial advisor. Promotional and financial expertise is a business like any other profession, and the more expert they are, the

greater is the project successes they manage.

Medieval Feast

One of Hilton's hotels features a medieval feast for groups of 15 to 30 persons. This clever idea could be one industrial recreation director's might attempt to duplicate. Guests are asked to costume for the occasion or wear smocks bearing a coat of arms. The committee could consist of his "majesty" King Henry VII, his "Queen," the "trumpeters," "ladies-in-waiting," the "court musicians" with "court jester" and the "serving wenches." The King and court would preside over the evening festivities from a platform at the front of the room. Decorate with long tables set with wooden plates, menus on parchment paper, and a souvenir at each place setting. The menu should be announced with fanfare at which time the "serving wenches" would march into the room carrying each course. Several fortunate guests could be knighted and kisses distributed to the ladies. The jester and court pages could then present readings from Shakespeare, English humor and songs from the pubs. Hilton does it for \$10.52 per person and has groups waiting for reservation dates.

One Year is Not Enough

The trend in most organizations is to increase the term of office for elected officers and committee chairpersons and to provide longer standing committees. All of this is being done to ensure greater productivity.

When officers are elected for a one-year term, it usually takes them six months to adjust to the position and fully understand the duties. By the time they become proficient another election takes place.

In most cases, the short-term system proves inadequate. A long-term system allows for more time in adjusting to positions and reaching goals. This is not to say that there are no drawbacks to a long-term system. Sometimes those elected prove to be weak leaders. There are always ways to overcome the inefficiencies of one or two officers; but there is no way to make more time for the elected leader. Many experts agree that a two-year term for elected officers is more productive than a one-year term. They also believe that elected officers should not hold more than one consecutive term. A year's absence from the office provides an opportunity for change and new insight. The absence also ensures opportunities for new leadership from other individuals in the membership.

In most organizations, the consistent guiding element should be the director and staff, not the elected officers. The director and staff, in turn, can be checked by an advisory board to advocate change if documented factors of incompetence prevails.

Employee associations should attempt to acquire a member of top management as an advisor to meet with them regularly. As was emphasized, this manager should not hold the position for more than three years. This outside advisor can prove quite beneficial in a number of ways: top level management can enlighten middle and lower management personnel with their experience; and a direct communicative link can be firmly established with all chains in the corporation's hierarchy.

Program Directors' Unlimited Program Sources

In every community there are dozens of organizations, government agencies and services, talented individuals and schools that welcome the opportunity to present a program for other groups. Most will give of their time and effort at little or no cost; however, we believe all presenters should be given a token gift and/or a contribution toward their organization for providing a service. Look through your telephone book listing organizations, schools, businesses, government agencies, social agencies, and entertainment. "Walking through the Yellow Pages" will most probably provide a long list of prospective program possibilities.

Paperback Book Exchange

Most of us have had our share of encounters with paperback books, which usually consists of stopping at a local bookstore, glancing over the bestseller list, and choosing the book we feel will captivate our interest. But paperbacks, like most consumer goods today, are not getting any cheaper. Most of them, once they have been read, end up at the back of a bookshelf

where another pair of eyes are not likely to read their small black print again. With the rise in book prices has come the tendency to share and recycle books in an effort to save money.

Goodyear in Akron, Ohio, an employer of 13,000, felt it could aid its paperback readers by providing them with a new type of employee service--a paperback book exchange. Bernie Watts, Director of Employee Activities, and Judy Hale, librarian and manager of business services established the service just a few months ago.

A similar service has been in operation for a few years in Goodyear's research department. The idea to establish another exchange evolved from an employee request to see a similar program adopted at corporate headquarters for the use of all employees. Located in a portion of Goodyear's business library, the exchange is set up on an honor system and run on a voluntary basis. The paperback library is divided into two categories: historical and fictional novels. "We want our collection to hold only leisure-type books," comments Watts, pointing out that the business library specializes in more serious subjects.

The paperback book exchange has proven to be a popular employee service for Goodyear's employees due to its wide appeal and ease of operation. Currently 3,000 paperback books are in the library, but this figure is expected to grow as a result of the publicity the service is receiving through its company newsletter, publications, and bulletin board system.

With paperbacks selling at prices hard covers demanded just a few years ago, there is no question that a paperback book exchange would be a hit with almost any employee group today.

Employee Remembrances, Gifts, and Recognition

One of the most common practices within homogeneous groups is acknowledgments and remembrances for personal concerns and special events. There a few organizations that don't have some kind of policy concerning the welfare needs of its members. Industrial and business groups are no different and usually the company, employee association, department or union assumes this responsibility. The fairest and most effective manner for serving these needs is to have a set policy and procedure for administration of these services. For this reason, most well established personnel departments work together with employee and management

representatives to develop a mutual assistance program with funds specifically earmarked for this purpose. The funds are usually then administered by the employee services department, personnel, or a specially designated committee. Common situations calling for remembrances include the following:

- employee birthdays--remembered with a card, note or small gift
- career advancements or promotions of employees
- the arrival of a new baby in an employee's immediate family
- hospitalized employees
- · disabled employees confined to their homes due to illness or accident
- employee hardship brought on by such disasters as floods, fires, tornadoes, etc. (In these situations, the employee might be offered an emergency loan, housing, food or some other personal assistance.)
- death of an employee or immediate member of an employee's family

Recreation Equipment Loan Service

Some recreational and employee services departments are offering family picnic kits, sports equipment kits, camping equipment, etc. on a deposit and low loan fee basis. For the employee entertaining at home, such items as a family reunion kit could be offered,, this would provide a service that may save money.

Movie Programs - A Majority Benefit

In an interview conducted among one factory group, a mother of four children, the sole support of her family, said that the movie program offered by the employee association provided her with the first regular opportunity to include her children in an activity she could afford. In fact, none of her children had ever seen a movie except on TV until the plant started its family movie night. Retirees praised the low admission fee and excellent choice of features. A film program will attract a high percentage of your employees, plus their families and friends. Whether free to employees or covered by a small admission charge, a film program offers entertainment for many that have neither the time nor the money to engage in other activities. Feature film productions may be selected for the time of year or current interest to create a fullhouse attendance. Brown-bag lunch hour programs held on company property can make use of serialized movies. Film programs may be combined with other events – from slides of former recreation events to employee choral shows or presentations by the industrial relations department.

Services

The following list – basic but not comprehensive – mentions service that are being offered in many companies:

Company Products	In-house instruction including languages, leadership, speaking
Merchandise discounts	Refresher courses including English, math, business
Auto license place services	Equipment for loan including convalescent items, tools
Hunting, fishing license services	Notary service
Volunteer community services	Parking lot, services including towing Emergency relief and jumping
Blood banks	Reference libraries
Income tax service	On-site sports instruction
Medicare and Medicaid counseling	Social Security help and information

Services such as these make the difference between one place of employment and another. They bring such unsolicited comments in the community as, "Now there is a good place to work. They do so much for their employees."

A Christmas Greeting Assist

With the high cost of postage and printing, more and more people are finding ways to cut down on Christmas card mailings. One recreation association made a study of the cards exchanged between employees and came up with a splendid idea. A large (4 x 6 foot) Christmas card was displayed in the main lobby. Any employee could have his or her name added to the card for \$.50. The greeting stated that the money received would go to a community fund for

food and clothing of the needy. The response was great and the money received was greatly appreciated by the charitable agencies.

Another company offered a similar program. Its employee services department accepted unlimited donations, each earmarked for employees' favorite charities, and printed all contributors' names in a Holiday Greetings card in the company newspaper. The following issue of the newspaper printed letters of thanks from the charities that received the donations.

More Than Fun and Games

Your industrial recreation association brings warmth and cordiality to the job. It may prove to be the important factor in creating an enthusiastic, cooperative work force. Those companies whose management people support employee associations benefit in numerous ways, as do the employees who enjoy the recreational and service opportunities provided for them and their families. Such benefits have lightened the day-to-day routine of labor. The employee cannot avoid crediting the company for these unnegotiated benefits. Although it may prove difficult to accurately measure the effectiveness of your contribution to good human relations, many employees know, as should management, that your services are largely responsible for employees' goodwill toward the company.

Las Vegas Party is a Sure Bet

One of the most popular adult activities you can promote is a "Monte Carlo Nite" or "Las Vegas Party." The party is staged as a gambling casino where play money in thousand dollar denominations is sold or given to each participant to play blackjack, roulette, craps, horse race, big ten wheel, dice wheel, bingo and other games of chance. Committees versed in the operations should operate all of the games.

House persons travel from game to game relieving them of surplus money and refurbishing the bank when needed. At a stated closing time for the games, an area providing a hock shop and an auction is open for exchanging play money for things in the hock shop or participating in the auction for larger or more costly items. Often a jail cell is erected in the center of the room and two or three Keystone cops circulate among the participants arresting various members for gambling, disturbing the peace, swearing, and so on. A clown judge or justice of the peace stationed near the cell tries each violator and sets the fine and court costs before release.

In larger cities, concession suppliers may provide games, instructions and supplies on a rental basis. Some suppliers will operate games and conduct the auction for a percentage of the sales or admissions. Las Vegas Parties almost always attract a great attendance and usually prove to be moneymakers for the employee organization.

Why Discounts

The producer or merchant offering discounts on tickets or merchandise to your employee membership is getting many times more for the discount than any other form of advertising. Be sure the discount can be evaluated based upon your time, ad space, and cost of posting, printing, etc.

A discount offer promoted within your organization covers a captive audience. Each bulletin board has some dollar advertising value. A board exposed to one hundred people for a one-week period has a minimum ad value of \$25.00, or \$5.00 a day. The plant newspaper has a per-column ad rate depending upon the circulation. The price of person-to-person announcements over the P.A. or in meetings is most difficult to estimate, but it definitely is worth more than the printed word.

Next time you talk discounts, make sure you take into account the promotional benefits you are giving the merchant. It takes larger or more sales for a trifling 10% discount to come near the costs you have in promotion of an offer.

Programs to Ponder Over

Birthday Party Wine Tasting Party How-to Clinics Ice Skating Party Family Roller Skate Bike Hike Fish and Chips Dinner Bun and Beef Blast Awards Banquet Flea Market Auction Cross Country Hike Bosses' Night Anniversary Party Election Party Wilderness Hikes Card Playing Clinic Happy Hour Get-together Las Vegas Night Poolside Party Parents' Night Sock Hop Fashion Show Turkey Shoot A Night at the Races Crafts Show Cooking School Weekend Brunch Farm Hands Ho Down Zoo Day Museum Tours Haunted House Tour Easter Egg Hunt Children's Christmas Party Appreciation Banquet One Day Vacations Photo Safari Country Fair Dinner Dance Party Country Music Jamboree Oktoberfest Western Round-up Gay Nineties Party Sports Night Harvest Dance Party Concerts New England Clam Bake Sleigh Ride Rodeo Round-up Bingo Party Ski Outing Jazz Bust Hawaijan Luau

A Young People's Job Clinic for Employees' Children

One service that might be greatly appreciated by both parents and teenagers is a young people's job clinic sponsored by the company or employee association. All it requires is a published monthly listing of names, phone numbers, and jobs wanted by teenagers of employees only.

Among the listings that could appear in the monthly publication include:

Services for shut-ins Car washing and maintenance	Assistance in organizing, coordinating parties and banquets
Yard work/landscaping service	Outdoor grill and barbecue services
Garage/Basement cleaning and maintenance	Holiday decorating services
Snow removal	Boat cleaning and maintenance
Painting services	Crafts-for-Sale
Babysitting services	Toys/Appliance/Equipment repairs
House cleaning services	Trash collection
In-house laundry services	Typing and letter writing services
Delivering daily newspapers, handbills, etc.	Car parking
Furniture refinishing	

There are so many jobs teenagers can perform; a little imagination can make the list even longer. Starting early to learn how to work and be aggressive is one of the most valuable educational experiences for any youth.

Music Participation

Some of the group activities most popular with employees are choruses, concert bands and orchestras. The secret of their success and sustained interest may well be attributed to the choice of a director. Like other employee activities offered, the director's objective should be one of involving many participants with less attention directed toward perfection. The program should first be considered for its recreational appeal and secondly, for its educational value.

Educating Employees

The impact of visuals on learning cannot be denied, and what better way to educate employees than through films and video cassettes. Universities and libraries have large assortments of visual educational aids that can be rented for employee viewing. A recent glance at one university's rental films list revealed such titles as "Business--What it's all About," "Communicating Effectively," "A Computer Glossary," "Consumer Power: Credit," "English on the Job; Reading Skills," "How to Conduct a Meeting," "Insurance--What it's all About," "Many Hear--Some Listen," "Office Practice: Your Attitude," "People in Management," "Reporting and Briefing," and "A Call for Success."

VIII. INTEGRATION INTO COMPANY

A. Mel Byers

Perspective

As more and more employees become involved in the services offered a natural integration takes place. Employees become more interested in the company's profits and losses, understand the business world better, and become more cooperative. They also begin to show greater concern and respect for one another and truly a working family relationship results. If these results are not achieved, the program has flaws that need correction.

Companies that have succeeded in the services offered also obtain and retain the better employees. As services relate to benefits received, the employee can see the contrast between theirs and other employers'. It is well established that money alone is not the primary concern of most employees. The most productive employee is one who enjoys his or her work and feels they are appreciated. This feeling contributes to a loyalty that makes for long service employees. Less turnover in employment amounts to a considerable management operational cost reduction.

Employees should be encouraged to improve their minds as well as their bodies. A program offered should not only contain the physical aspects such as sports and fitness, but cultural and business learning experiences. This rounds out a person's educational and physical interests, which can be a most advantageous mutual benefit. It also helps the long service employees since more education and a variety of learned interests not only carry over into retirement but also condition the employee to look forward to retirement. We find where such programs are not offered, many employees resent leaving their employment and often become hostile as the time approaches.

Because we make use of most employee services as training and development instruments, new supervisory talent is discovered; therefore, one can credit the services to greater job satisfaction, higher degree of quality workmanship, more profits for the company which reflects in steady employment and satisfactory wages. When recognition is given through a profit sharing program, it further enhances the employee-employer relationship.

B. David Groves

<u>Style</u>

There are two basic types of companies--those that focus on production and those that focus on service. Those that are production oriented have, in the past, lacked the necessary people skills in their management frame of reference. Those that are service oriented have usually lacked the management skills necessary to effectively manage operations. Many organizations already have a people-oriented management system. The primary model that has been used by the employee service industry has been the establishment of an employee service department that would slowly integrate a people management philosophy into the organization. This particular approach has been used to varying degrees of success. The degree of the success of the adoption of a people management philosophy into the organization directly depends upon how effectively employee service programs have been designed to integrate into the company. The employee service program must be seen as a microcosm of the organization and should be structured by company policy. The employee service program is, indeed, a leadership-training program in which employees can be developed to improve skills. Individuals can learn budgeting skills by the handling of money through clubs, motivational techniques, and how to motivate individuals into action through supervisory positions in clubs, etc. It is better than most training and development programs because it is "learning by doing" in a setting that has a high motivational value. The people are learning in a format that they enjoy. The employee service program is also an excellent place to be able to identify and recruit leaders that have potential for the company. As the individual moves and holds various positions of responsibility within the organization, they can be observed and screened and placed in the appropriate position based upon their talents and skills.

For program integration to be effective the company must have accepted the employee service program as an instrument to help in recruitment, training and development, and as a vital element of the organization that helps in the people management aspect of the organization. The organization must be interested in fostering some aspect of people management. Those

organizations that have been service oriented will have managers that are more people oriented and have developed an overall system to foster the people aspect of management and the employee service model has worked within the system to be the lubricant of the people management and a mover within the organization.

The three primary conditions of people management are to allow the individuals to advance to their highest level of leadership, emphasize job satisfaction and responsibility, and the sharing of power in those decisions and profits. The environment created by management is the primary element that will determine whether an employee service program is just a public relations element or an actual effective element of management that has been integrated effectively into the organization and is positively contributing to the effective management style relating to people.

Procedures

One of the important elements to integration is the selective recruitment process. Each organization must actively recruit individuals who best represent their organization culture. They must find indices to screen and place in the organization only those that will be reflective of the position. This is a difficult process but is important to the development of a work force that has common goals and objectives and can work toward a purpose. Another major element is insuring that each of the employees is placed based upon their abilities and mix into the proper positions. This is extremely crucial to the organization or company as well as the individual. The individual must not be placed in a position beyond his/her ability level but must be placed so that strengths can be utilized and the individual can feel successful in his/her accomplishments. Employee service programs can help identify the strengths and weaknesses of the individual because they can be observed in the "doing situation" and observed based upon what skills the individual has in an organizational setting similar to the company. Talents can be tested and observed so that they can be utilized in the company. In regard to training and development, the primary purpose is to strengthen, to train on the basis of weakness and to selectively train so that the individuals can better perform. Many training programs do not know the weaknesses of the

individual and train and develop on the basis of a generalized program. Most of these are classroom training and do not involve a type of doing. Employee service programs allow the individual to work on weaknesses at their own pace in a setting that involves reinforcement through some type of doing process. This allows them to practice their skills and develop on an incremental basis at their own pace. It also allows the development in a consistent pattern with the organizational philosophy and goals. Another essential element to the well being of the individual is advancement. Advancement within the organization is critical because the individual must feel that there are opportunities for advancement. Many times organizations bring in individuals from the outside without knowing their skills. There must be some kind of consistent measure of internal promotions to allow for the development of a consistent policy so that the employees can see the nature of their future. The nature of this advancement must be tied to the development of weaknesses and strengths to allow for the advancement. Employee service programs must be seen as an integral part to the success of the individual. They must know that involvement with the program helps in the development and becomes an element of upward mobility within the organization or company. The other essential ingredient is the idea of getting the individual to buy into the company, but the company must also be willing to buy into the individual and their future long-term. This long-term commitment must include a sharing of both power and money to benefit the individual as well as the company. This allows the individual to have a productive present, as well as a bright future. This must extend all the way to the post-retirement period so that the individual can see that the responsibility as well as the concern is for them. An employee service program represents the concern for the employee and to represent auxiliary services even through retirement. It is very important how the senior work force is treated and employees are treated after retirement. This represents the long-term and final stage of commitment of a company. The program must be diverse and give the benefits directly back to the individual in some type of thorough development of diversity.

C. Key Notes: How to Integrate Your Program

Unnegotiated Benefits

Industrial recreation and employee services are one of a few remaining management prerogatives. They are the unnegotiated benefits that set one company apart from another. Properly administered, there is no equal or even a close comparison to reaching the employee and developing a cooperative, understanding attitude. There is no better communicative media known than the person-to-person relationship, especially when it becomes a free exchange and communicative flow upward and downward in the organization or business.

The efforts put forth to build harmony and consideration are far more profitable than that of battle line strategies and war maneuvering. The successful history of companies providing excellent employee service programs prove the values through fewer confrontations between employer and employee, more pleasant and harmonious relationships, and a greater employee interest and concern for the product and company. The results invariably result in more profits, higher stock averages and lower administrative costs. If you do not have this element of profit building--do your own survey. The findings will be convincing. The key to employee services is an employee organization (recreation club, athletic association, or employee services organization).

The Bonus You Cannot Negotiate

Supervisors and managers are eternally disappointed to see that high wages and attractive negotiated benefits do not automatically elicit good work and loyal employees. It is not uncommon to find that the company paying the highest wages is plagued with the most personnel trouble. What more do employees want?

The cardinal principle of personnel management is simple: people will do good work when they believe it is in their interest to do good work, and they will be happy on the job when the working atmosphere is enjoyable. When we find ways of making the workplace more pleasant, we offer rewards that no labor contract can guarantee. When we show our appreciation for work well done, we reward employees for their efforts and, at the same time, teach them that

loyalty is worthwhile. Any labor organizer will tell you that the most important factor in employee discontent is poor communications between workers and their supervisors. Management can encourage good communication between various levels of employees by supporting activities that bring them together socially. The friendship and understanding generated by recreational activities inevitably carries over to the job itself. It is the personal bonds between employees and the positive light they shed on the company that elicits that extra measure of loyalty that no paycheck alone can buy.

Oiling the Human Machine

The value of an employee recreation organization is difficult, if not impossible, to estimate in dollars and cents. Studies have been done on its effectiveness in reducing absenteeism, developing job interest, and increasing production. Although there is a relationship between recreation and these factors, no absolute proof of total work force attitude improvement or motivation has been established. Like a machine, a business needs but one part, one phase, to malfunction for efficient operation to be impaired. An employee organization, under management guidance, may be one of the main bearings sustaining a satisfactory operation level. If the oil of good human relations is not administered, however, the bearing soon burns out and disintegrates. Likewise, many elements of our working conditions and practices are involved in a smooth business operation. The absence of even one can make a disastrous difference.

One of the unwritten responsibilities of a personnel department to keep people in management aware of the human side of business is aware that the human factor calls for a share of management's time and a special measure of its understanding. Sometimes this is an uphill task. We live in an age in which the major emphasis of many businesses is placed on technology. The foundations of modern business seem to be impersonal, however efficient or profitable. Our progress toward human understanding has been meager. The employer/employee recreation and services organizations can be a tremendous asset to management when coupled with good personnel administrative practices. It can do much toward lubricating the total business machine.

Meeting Employee Needs

When a company meets the basic desires of the majority of employees, it can count on a faithful and productive workforce. The employee services and recreation manager through a carefully planned program can satisfy most of these desires, aside from wages and most negotiated benefits. Overall, any employee services and recreation program should include programs that attempt to deliver the following to employees:

- Improved health--both physical and mental
- Recreational outlets--for employees, their families and guests
- Recognition--of employee accomplishments and years of service
- Savings--on goods and services from the company or community; or savings plans offered by the company
- Information--on company, community, and employee benefit information
- Education and Training--for employees to better themselves financially, mentally, physically, socially; to reach higher career and personal goals
- Confidential personal and family counseling and assistance--covering such areas as retirement, legal issues, tax assistance, home and family problems, financial planning, medical needs and insurance options
- Working Comforts and Conveniences--such as clean facilities and lounge areas, safe working conditions and an atmosphere of cooperation and friendliness
- Representation--through an employee association with management support

The Leadership Discovery Technique

Is leadership ability a learned or natural quality? No one knows for sure; however, when any group of people gets together for work or leisure, only a small percentage surface as leaders and innovators. The job, however, may not allow employees to manifest their talents. Working on a machine or engaging in routine office work may not present the employee with opportunities to display leadership and organizational skills. Yet in the activities sector of employee services, especially when employees are involved as an officer or organizer in an association team, league or club, one is quick to spot leaders and potential leaders. The secretary of the bowling league, for example, can very well emerge as one of management's supervisors of tomorrow.

When the program is professionally administered, the director is alert to making such discoveries and then acting upon them. Under close observation, leadership strengths and weaknesses are quickly detected. A conscientious director will counsel these prospective leaders, help those needing guidance, and suggest improvements to perfect their natural abilities. Management, too, must see this avenue of future supervisory recruitment. Much is left up to the director in shedding this light on the subject of management.

Thousands of dollars are spent annually by business and industry on recruiting people with the knack of working with followers and obtaining results. Courses are provided to improve and develop leadership techniques, but too often the recruitment process fails to select the right people.

We talk about the benefits employee services can render its employees, but we must also include the benefits employee services can render the company. There are many, but one that greatly effects productivity is putting proven leaders in motion for management. When the employee activities are managed like a business and parallel a company's procedures of budgeting, purchasing, producing profits or profitable results, advertising or promotion, management policies, banking, financing, organization and personnel administration; the entire function becomes a valuable training exercise.

Reaping Benefits from Employee Training

Employee services managers should be constantly seeking educational programs to offer employees in addition to the customary training sessions provided by management. Every educational program, which broadens the scope of leisure activities and business and general knowledge, has rewards that represent a benefit to the company in some manner. Among those benefits which employee education can render the company are:

- · Improved communication and cooperation between management and its people
- Discovery of potential leadership and promotable prospects among employees

- Educational development applied to related assignments at the workplace
- Credibility for the company through employee involvement in community relations
- Possible savings by improved worker mental and physical health with the new interests acquired by employees
- An effective recruitment and retainment tool
- Comradeship between all levels of employees who learn together outside the workplace, a situation which will undoubtedly promote an atmosphere of harmony and concern within the office or on the assembly line The Humanizing Difference

"In many industrial jobs there are forces at work that go against the grain of human nature," noted Harold Mayfield. "Some of these are probably inseparable from work itself, such as physical effort and monotony." In industry these irritants are compounded. The mere act of setting one man or woman above another in large organizations is inevitable but carries in it seeds of conflict. Pressure is an irritant, whether created by competition, the machine, the supervisor, or some device invented by management to spur production. Simplification of tasks and specialization of function may take away pride in accomplishment. It has been abundantly demonstrated that a mechanical view of the human being at work brings far-reaching consequences rarely suspected by the efficiency seeker. Whatever the origin of these irritants, their consequences are hostility, cynicism, and apathy--not often, be it noted, traced to their real sources.

What then are the antidotes management has to combat these forces? Few, indeed. One of them of particular interest and affect (a noble experiment, if you please) is the industrial recreation and services operation. Here is the company's encouragement for its employees to cooperate in activities for their own pleasure and benefit. Its main purpose, in a word, is to <u>humanize</u> the workplace, to bring to the work situation some of the friendliness, warmth, and enjoyment admittedly lacking on the job.

So often, this human touch is lacking significantly in the relationship between employees and management. Yet, it is outside working hours, away from job pressure with authority laid aside, that people who work together can most easily reveal themselves in a human light. It is one of life's ironies that the supervisor who needs this is the one most likely to avail himself or herself of it. And conversely, the man in upper management who is insensitive to the human aspects of leadership is most likely to consider it a pure waste of time to show an interest, attend an employee activity, or allow the very chance to mingle informally with his people.

This statement, by a man who has spent a lifetime studying the administering humanities in the business world, should be the basis, if not the policy, of employee services and recreation in its goal toward employee cooperation and loyalty resulting in the profits of any company-regardless of its size or composition.

No Price Tag for Employee Services

Some years ago, a university researcher stated that \$15 per employee should be considered the standard annual amount allocated per person to employee services programs. When published, this statement created considerable problems for recreation administrators in business, industry, and government. For a select few, the research resulted in increases in company funding of services programs not yet developed. The majority of well-developed programs, however, suffered considerable loss of much-needed funds because the finding was published as validated research.

The question has been frequently raised in the field of employee services and recreation: What is the basis for budgeting such allocations and is there an average figure established to base per capital costs? The answer to this question is not clear-cut--there is no way to determine an average per capital amount for all programs, nor should such a figure be set.

Like the various phases of management, the operation of programs should be determined by what is offered, the objectives set, the facilities available, maintenance fees, salaries, communication and promotion expenses and other essential expenditures. Each total employee services program in business, industry, and government varies to these specifications. Therefore,

only individual companies can determine what is profitable and right for them when setting the employee services and recreation budget.

The program administrator, much like any other departmental supervisor, must prepare budget requests based upon sound reasoning that meets the objectives of the program. In times of economic trouble, sound reasoning is even more critical. When cutbacks threaten the very existence of employee services and recreation, the director must be ready to evaluate the services that can and cannot be eliminated or reduced. If reasoning cannot be backed up with results pertaining to morale, employment, productivity, community relations and employee benefits, the programs can be severely reduced or eliminated.

The non-negotiated benefits provided by management are always an indication of its concern for employee relations, which, in turn, should directly or indirectly effect the bottom line profits for a company. If they do not increase, then the programs and services have missed their goals. However, this damaging situation can be avoided with professional guidance and careful budget preparation.

Industrial Recreation: A Dollar Saver

According to recent studies, the average employee's family will spend between \$20 and \$29 a month for recreation. These figures indicate a great need for the supplemental recreation benefits now offered employees and their families through industry. Through industrial recreation and employee services programs, employees and their families can more than double their recreation benefits without additional expenses. Employee recreation programs in business and industry are actually offering services the average wage earner could not afford in these times.

Twelve Steps to Successful Organization Administration

- 1. Evaluate past performances and study the strengths and weaknesses to determine their impact upon the successes or failures encountered.
- 2. Generate new approaches but let past experiences serve as guidelines.
- 3. Consider repeating operations in a like manner if successful or reconstruct them to appear as a new look.

- 4. Involve many people, participants, supporters, staff, officers and well wishers then create as many tasks, jobs and opportunities for these people as is possible.
- 5. Remain flexible. Take a more positive attitude toward new ideas, approaches and policies.
- 6. Work for simplification of procedures, methods and assignments.
- 7. Maintain a closely-knit communicative link with all officers, chairpersons and committees.
- 8. Plan activities based upon the four common denominators of recreation--observation, simple movement, eating and drinking, chance or win.
- 9. All ideas, all philosophies and all involvement must be solid. Promotion and persuasion are necessary factors for successful operations.
- 10. Consider every organization and assignment as a business experience and a learning opportunity and plan to operate accordingly.
- 11. Set long- and short-term goals to be accomplished but be sure each can be substantiated by sound management objectives.
- 12. Outline job requirements and purposes and build enthusiasm for accomplishment through training, recognition, and rewards.

Employee Benefits -- Two Categories

The scope of employee benefits has broadened tremendously in the past 40 years. Two categories have developed, side by side, during that time: negotiated benefits and non-negotiated benefits. The original packages, for the most part, included negotiated benefits such as wages, insurance, hospital and medical care, sick leave, vacations and holidays, pensions, seniority rights and working conditions. Non-negotiated benefits encompassed recreation programs and facilities, employee services, gift matching, emergency loans, special insurance, income tax assistance, savings and stock plans, credit unions, suggestion systems, profit sharing, educational loans and paid tuition, plus many employee conveniences such as food services. These non-negotiated benefits are still considered management's prerogative and, hopefully, they will remain so. Some companies provide many non-negotiated benefits as a means of keeping the benefit package an attractive management offer without any outside agent's influence or control.

Employers that maintain a competitive benefits package without negotiations often succeed in keeping their plants free of outside bargaining agents.

Middle Management Support is Crucial

Employee recreation, fitness and services programs live or die by the interest and support of management. Top management's endorsement, although important, means very little to the success of the program, if middle management does not understand its supportive role. Unless all management personnel are on the same wavelength, there is little hope that the employee organization can develop as a benefit to the company or its employees. When the value of employee programs is stressed during supervisory training, the program truly gains the top-tobottom support it requires to achieve success.

Judging the Company by its Owner

You may not be able to judge a book by its cover, but you can certainly learn much about an organization by observing its outward appearance.

For instance:

- An automobile factory with many company products parked in the employees' parking lot represents a strong employee support of the "fruits of their labor." Similarly, a watch manufacturing plant which houses many employees who wear their company's brand of watches reveals much about the employees' belief in their product.
- Employees who display a friendly attitude convey job satisfaction; while those who appear brusque and unconcerned indicate displeasure or apathy.
- Employees who appear more relaxed and comfortable generally keep a higher level of morale.
- Employees with neat and well-kept appearances usually are those who take great pride in their work and their company.
- A clean and attractive work place, with well-landscaped grounds, indicates that good housekeeping is a concern of management. Almost always, this attitude is further evidenced by a high quality of employees and products. (Eye-pleasing bulletin boards, newsletters and magazines; well-cared-for displays, void of old and outdated postings; clean aisleways; and attractive rest areas also convey this message.)
- Company memos and messages written in simple language speaks for the attitude of equality which management embodies.

• And finally, the presence of employee services, activities or recreational facilities demonstrates management's utmost concern for their employees.

Change and Progress

Employee services directors and recreation managers in industry are seeing a number of changes taking place within their field. Presently, there is much more management attention focused on the area of employee services and recreation. Also, the scope of expected duties, the closer ties with the total personnel profession and a more positive proof of beneficial results to be obtained has placed considerable responsibility upon this sector of employee relations. The transition of employee services and recreation from merely a fringe benefit of uncertain profitability to one of profitable certainties has granted this field increased credibility.

Today, many companies and businesses are studying this sector of employee relations and understanding its demands; chiefly the need for professionalism. It is becoming more difficult to locate personnel capable of assuming the administrative role required for a position that demands a wider exposure of the total concept expected. Within the employee services orbit of activities, we are beginning to see placements of specialists to the administrator's staff such as physical therapists, journalists and promotion experts, specialized industrial recreators, qualified accountants and personnel technicians.

Over the years, the entire employee services operation has taken on a wide variety of technical performances. Among those community functions performed include: United Way campaigns, blood drives, savings bonds promotions, voter registration efforts, continuing education, emergency relief activities and the establishment of ties with social and civic organizations and agencies. At the in-house level, communications and employee information, a most essential factor, are intensifying. Non-negotiated benefits, the extension of services and programs to employees' families and numerous opportunities for employee training and leadership development are other new ventures undertaken.

Because all programs, including the off-job recreational activities, play a part in mutual benefits for both employee and employer, employee services and recreation is receiving

considerable in-depth consideration from management today. No longer is it possible for the administrator to have a singular interest and background. This individual must cope with a variety of services and benefits that become more than "nice gestures from management." They are, instead, practical functions objectively programmed to receive beneficial returns affecting the profits of the company directly or indirectly. This belief and commitment demands professional administrators who will be able to communicate and work with their superiors.

How Much are Your Services Contributing?

Every function of the employee services sector of the personnel department should contribute to the business success of their company or organization. Employee services and recreation directors should constantly reach for ways to contribute even more in the direction of increased productivity and improved morale through their close relationships with both employees and management.

Every function, every contact, and every plan of action should have a bearing upon these objectives. Classifying events as recreational or cultural does not isolate them from contributing to the company's success. People involved in employee services must, above all, understand how programs and activities benefit not only the employee, but the company as well. These goals should not remain a mystery to employee services professionals, employees, or the management--behind all planning must be a purpose.

Too often, the question is asked, "Why are we doing these things?" And without good answers, the ballgame belongs to too many quarterbacks.

The Formula for Success

Any formula for programming successful services and activities involves considerable innovation and drive. Following are some key factors for managers to keep in mind when developing and coordinating an employee services and recreation program.

• Endeavor to generate new approaches or styles for activities and programs currently offered.

- Try to motivate people to become involved in the planning process as well as participating in the actual program. The creation of more job assignments and tasks will assure greater general interest and more participation in the final product.
- Remain flexible. Consider new ideas and suggestions even if they differ from your own. Avoid reacting negatively to different opinions or employee suggestions will be permanently discouraged.
- Use every available method to publicize the activity or service. Give considerable thought to making the project desired and salable. Look for ways to incorporate promotional sales gimmicks in the actual program, such as contests, discounts, awards and added attractions. Study your market and tailor your marketing mix to them.
- Use feedback to adjust the service or activity so as to include more employees in the future.

Keeping Employees Informed

A file of information for use in preparing news releases, letters, bulletins,

announcements, or speeches can be invaluable to any business professional. Listed below are

some newsworthy items that can be passed along to employees:

- From the Institute of Human Nutrition comes the warning that obesity caused by excess calories is a major national problem. If you are 20 pounds overweight, your life expectancy will be cut by two years; 50 pounds will take eight years from your life. The prescription is "eat less and live longer".
- Is your home insured for enough money to replace it if it is destroyed? For a free copy of Home Insurance Basics, send a legal-sized self-addressed, stamped envelope to: Insurance Information Institute, 110 William Street, New York, NY 10038.
- If you own a dog you can save money on medical expenses. For a free pet test, send a stamped, self-addressed envelope to: Cycle Canine Fitness Center, Box 9068, Kankakee, IL 60902.
- If you plan to buy a new car, the Insurance Institute for Highway Safety reports that American made automobiles are safer than Japanese made cars. Government records on fatal auto crashes show that of 17 cars with the worst accidents, 13 are Japanese made.
- If you own a home computer, video recorder or other electronic gadgets, buy a small plug-in device called a surge protector. It can stop a lightening strike or power overload from wiping out a computer program or shorting the recorder's transistors.

Working with Volunteers

Obtaining good volunteer help is important to any employee program, yet retaining volunteers is even more crucial. While it is not wise to keep the same volunteers in the same position so that there is little opportunity for others to serve, individuals can always be elevated to the position of committee advisor which leaves the door open for new leadership of that committee. New members of any group need to be placed as quickly as possible on some committee assignment. Volunteers will drop out of an activity or an assignment if they are not informed of their tasks and held responsible for its function. Following are some steps that may be taken to strengthen volunteer participation:

- Each committee should adopt guidelines of duties and a copy of past committee accomplishments, recommendations, budgets, purchases, timing, locations, etc.
- Committees should be as large as possible for the event or service assigned. Each committee member should have some specific function or functions to perform.
- A follow-up list of assignments should be maintained by the chairperson with a copy to the director, president, or staff person assisting the committee.
- Involvement of staff personnel is required, but caution must be exercised in the manner they serve. Too much involvement may intimidate a newcomer.

The Spice of an Employee Services and Recreation Professional's Working Life

Variety is the one essential ingredient to any employee services and recreation recipe. It is difficult, if not impossible, to offer any one type of program that appeals to everyone. Most activities and services have a limited potential participation rate. Shopping tours typically attract more female employees; intramural football attracts more male employees; and contemporary dance activities draw a younger crowd.

Similarly, services offered to employees do not have universal appeal. Factors such as cost, previous experience, individual needs and interests all affect a service's acceptance. Therefore, the secret is to include as many varied services and activities in your total program as possible. Some activities should include guests of employees, for those who enjoy the company of their close friends. Some activities should appeal to the sports enthusiasts, providing there are enough of them. Other activities should be of an educational nature, for those interested in broadening their intellectual scope.

The list of possible activities and services is virtually endless. Introducing new programs can fill gaps but it can also be costly. One way to find out what kind of a variety is needed to please a majority of employees is to survey the population and uncover their areas of interest.

Employee Services Complaints

The employee services sector of a company will almost always be among the first to receive the employees' complaints and criticisms. These may result in a misunderstanding of company policies, difference of opinion, employee organizational problems, poor working conditions, or a lack of communication.

The position of the employee services and recreation director may require effective personnel skills as well as practical interpersonal skills, such as listening. Most people voicing a complaint are seeking a form of recognition and consideration, though not directly. An astute manager should be able to perceive this and act as a confidant and friend in order to assure the effectiveness of the services his company offers its employees.

Strange as it may seem, professional employee services and recreation directors are not always classified in the same terms as the rest of management. Just as strange, management does not always regard the director in the same light as other supervisors. Once this is recognized, the employee services and recreation manager should capitalize on his/her status as liaison between management and employees.

Employee Communications

The lack of communication between management and employees is a basic reason for poor employee relations, and it has many detrimental effects upon morale, loyalty, and productivity. Communication takes on many avenues of approach and means. It is not a oneway street, nor is it confined to a limit of exposure. Employee activities must be part and parcel of the total communication system. Likened to any other medium of promotion, it becomes an element of attraction and anticipation that stimulates and ties in various information items and interest. When used professionally, the system proves its effectiveness by benefiting both management and employees. Every idea and proposal, regardless of its nature, must be handled as a sales approach. This requires expert technical handling, as does a product sale and customer relations operation. Employers should view their employees in a similar light and use this knowledge of salesmanship in producing results that are profitable in their endeavors of "people products." All employees in the corporate structure are internal products for productivity and profits, and employers have much to learn and relate in educational matters in order to accomplish their goals. Newsletters, bulletin boards, displays, meetings, internal newspapers, public address systems, mail to the homes, promotional tie-ins with other media sources, and employer/employee associations or clubs are basic communication sources to carefully apply and use to your best advantage. The greater your contacts become, through employee activities and personal relationships, the quicker you will begin to see results.

First Line Communications

One of our greatest personnel relations problems today is inability to communicate, listen, consider, learn, and then take action. We may think we are doing a satisfactory job of communicating, but the truth of the matter is that a high percentage of our communications are either vague, devious, overly technical, too complicated, or confusing. Worse, still, they may fall upon disinterested, unconcerned and deaf ears.

In our positions as recreation administrators, we cannot let this happen. No one in business or industry comes into contact with more employees, knows more about their

personalities, and maintains a less threatening relationship with employees than the officers of the employee organization, especially its director and staff. It is essential that these people gain and maintain the employees' trust. If the company is fortunate enough to have a professional director, he or she should have sufficient administrative personnel knowledge to make his or her role in employee communications most valuable to the company and a tremendous benefit to the employees. The employee services or recreation administrators and staff must approach the employees in an honest, sincere manner. They must not reveal confidences entrusted to them, nor allow themselves to be pressured by management into betraying these confidences. Neither should they communicate attitudes or information to employees that they could not discuss honestly with management. The administrator/communicator must know the objectives of professional ethics and trust. The non-professional usually is insecure, has little real knowledge of his or her profession and is prone to play the self-interest political game at any price and at any disadvantage or harm to others. This will inevitably damage communications and, eventually, the administrator's effectiveness.

A Little Praise and Thank You Goes A Long Way

"So as you sow, so shall you reap."

Often a few words of praise, a thank you, or just a pat on the back means more than anything in providing workers with some form of reward for their endeavors does. If nothing else, you will begin to feel much better. Although we all know people whose temperaments are somewhat sour, they too are not immune to the sweetness of a compliment or a thank you.

Employee Recognition Most Important

Every opportunity to give employees a pat on the back for their efforts and interests in improving the image of the company, and productivity is essential to good business. According to an item in <u>Westinghouse News</u>, a Westinghouse Order of Merit Award has been initiated. The award, in the form of a distinguished service plaque, was recently given to one employee for his contribution of technical expertise, foresight and judgment which led to achievements that were major factors in establishing the Westinghouse Aerospace Electrical Division as the world leader

in electrical power systems for aircraft. The award is one that is based upon a rigid performance evaluation. The last such award was given in 1973.

Awards such as these are cherished and important only when they become difficult to obtain. Westinghouse makes such occasions of presentations a special event that further adds to the value and respect the award portrays. This type of employee service recognition is just another step toward building a more cooperative and appreciative work force.

Building the Industrial Family Circle

The recreation and employee services sector of Personnel is probably the only source by which a comradeship between all levels of employees can be developed within industry.

In industry everyone answers to someone else; therefore, everyone, including management personnel, must accept the fact that they are employees and have obligations. So often those of us in the management-employee category spend so much time quarreling with other employees that we fail to hear what they have to say.

Youth Programs Increase Employee Interests

The way to an adult's support of your recreation program is accomplished quickly through his child's participation in an industrial program--junior bowling, rookie softball, family swims, junior golf--all excellent employee family programs. The recreation director would find a volunteer youth coordinator a great help in building a program.

Retired Employees in the Work Force

Many firms offer a variety of services and programs for their retirees and in most larger companies a personnel coordinator is assigned for retirees as a special unit of employee services. Company retiree clubs are quite common among these companies. Retirees of Disney World belong to the Golden Ears Club, Sun Oil has Sun Oil Retiree Clubs, Owens-Illinois has the Golden Emblem Clubs, and Bell Telephone has Pioneers Clubs. These are but a few of the many industrial retiree organizations popular in the business world today.

Many companies offer their retirees special assignments and temporary jobs filling in for vacation periods of regular employees. Retired executives often serve as on-call consultants.

Some retirees are asked to represent management at civic functions or speaking engagements. Those who have had special training and experience in retirement benefits, taxes, public relations, job placement, and so on are often asked to serve as advisors to their retirement groups. Both the company and retirees benefit by keeping in close contact with each other through various means all of which can be generated through employee services.

Learning Opportunities

Of all the services employee services and recreation professionals provide, perhaps the most rewarding are those that offer a learning experience. So often the majority of activities and services offered are directed and planned for those who already have the know-how to participate.

The opportunities for providing education on virtually any subject are numerous. We can offer much information through various channels of communication such as newsletters and bulletin board postings. We can provide a number of instructional sessions covering a wide gamut of subjects. We also can promote adult education at both the workplace and the public schools and universities.

Learning need not be boring. It can be entertaining as well as interesting. For example, travel programs can be recreational while providing education through the exposure of new sites and locations and through the opportunities of socializing, living and sharing with others.

Our employee associations or clubs can be leadership opportunities, if we design them to accomplish this purpose. Our employee newsletters, bulletins and newspapers can be entertaining as well as educational and informative. We can do even more educating through personal counseling and guidance programs.

Just as we consider it important to children, so is the quest for knowledge important to adults. There seems to be no end to the possibilities of injecting education into adults--after all, learning has no age barrier.

Executives Say Business Meetings are "A Waste of Time"

Executives are attending more business meetings than ever before, but enjoying them less, according to a study conducted by Communispond, Inc. of 471 top level employees from some of the nation's leading corporations. More than 70 percent of the respondents said that business meetings are "a waste of time" and 89 percent noted that meetings frequently fail because of a "lack of advance planning and organization."

Ted Fuller, Communispond's Senior Vice President, made the following suggestions for making meetings more effective and productive:

- Set a time limit. "It could just be a drawing of a clock face saying above it, 'This meeting ends at 11:00.'"
- Make somebody chairman. People want to know why they are at the meeting. The chairman should tell them and be in charge of making sure that discussions do not get out of control.
- Prepare an agenda. If the meeting does not involve formal presentation, hand out an agenda.
- Prepare visuals. This can greatly reduce the amount of time necessary for a presentation. It can also greatly increase production.
- Record the meeting. Have someone take notes and prepare a summary.

Business Administration Education Indispensable for Employee Services Directors

Because the functions of employee services are closely related to the objectives and purposes of personnel administration, it is imperative that business methods and procedures be understood. As employee services encompasses numerous employee benefits, employee relations and the benefits derived by management must also be learned. The diversification of personnel activities assigned employee services sectors of the personnel department go beyond any specialty or fragment of personnel administration. In fact, some assignments mesh closely with other business operations and departments. Depending upon the scope of activities a director may be supervising, a broader educational and experience background may be required to perform the job successfully.

Give-Away Programs Detrimental to Industrial Recreation

Today's trend seems to be for employee and employer both to suffer from a give-away program. The better programs have a portion of both employee and employer contributions to provide the activity. Every program should show both management and employee participation. The partnership concept builds a fine relationship. A give-away program either by the employees club or the company can have a deteriorating effect upon the total program and create problems for all involved.

IX. EXTERNAL RELATIONSHIPS

A. Mel Byers

Increase Sales

As stated, community or public relations can consider employee services as a major development factor. This is true especially in businesses and industries that depend upon community consumer sales. A friendly, pleasant, and caring employee, created through this philosophy, can not help but create more sales. In a company with national markets, it can also be affected by the manner in which employees react toward customer contacts and communications. It shows up in improved products or services because the employees can more readily relate their input. Because employees are now beginning to understand business methods and procedures, every phase of their work has an economic impact that spells mutual benefits.

Small and large corporations can join together in offering some employee services. It's possible to organize a management employee services association in any community. Various savings through discounts and other benefits can be negotiated through the organization. Management can choose what benefits they wish to offer. The only cost to management in most instances is promotion of the offer. When employee services is involved in handling the sales there should be a better benefit provided. In all the areas of employee services the staff must consider the employees as the sales staff considers the customers. There should never be any room for kickbacks, commissions, special favors or gifts given by merchants or other contacts being promoted through the services. It is not wise to enter into a commission arrangement even for the employee association. If commissions such as vending machines are received, it should be given to the company and the company allocating it to their employee association.

Programs

Listed below are some programs, events, and services that companies can be offering in out reach programs:

<u>Sports</u>: golf leagues, basketball teams, water sports, bowling leagues, volleyball teams, mountain climbing, softball teams, tennis leagues, ice skating, baseball teams, handball teams, roller skating.

<u>Physical Fitness</u>: exercises, health improvement sessions, aerobic dancing, swimming for exercise, nutrition courses, walking groups, reducing classes, track and bicycle events.

<u>Educational</u>: crafts and hobby groups, management courses, business letter writing, finance and investments, business machines and computer courses, government involvement sessions, public speaking, sewing classes, home repairs and maintenance, community services.

<u>Assistance</u>: child care, legal help, refreshments and food, vacation offers, trips and tours, parking tags, transportation pools, emergency assistance, classified ads for bulletin boards or newsletters, newspapers, various licenses--auto, fishing, etc., notary public service, income tax service, equipment loan service, meeting conducting courses, language courses, English courses, retirement preparation, retirement complexes, retirement business opportunities, family forums, company products sales, stores or service, new employee assistance programs.

B. David Groves

New Ideas

An organization often becomes part of the change process external to the corporation. Many individuals think of the corporation as an entity that responds to the conditions that exist external to the organization. An effective organizational entity becomes a very important part of the team's process within the community or the society that it exists. Obviously, the organization will have a direct impact upon the society or community through delivery of quality products and services and staying competitive through research and development to improve its product line. A research and development unit is probably one of the most important components of an organization because the future is directly tied to keeping up with trends within the society. An organization has a life span--a birth, growth, and death. It travels through an evolutionary process and responds to external pressures. Many organizations have outgrown their usefulness in terms of their response to society. If the research and development department does not

develop innovative products and services, the organization may be by passed by society when the product or service's usefulness has been outlived. If the organization, through new products or services, indeed becomes a part of the change process, it will remain viable and continues to have new births and growths as it continues through the various cycles in society.

Another very important part of the external relations of an organization is the employees as they will tend to directly reflect the philosophy of the organization. They will carry the organization's image to the community. This representation of a philosophy is primarily the most important element because these employees are representative of the company or organization in the community. This is one of the important elements from which the image of the company comes directly. Employees who are disgruntled can cause a tremendous amount of damage to the image of the corporation and employees who have a positive image of the corporation can enhance it, even to the point of helping an individual to understand the nature of the product and the desire to be employed by the company. They, in essence, are sales agents for the corporation as well as the product.

The public relations element of a company or corporation is critical. This is where the image is projected through the product as well as through the actions of the corporation. Many times the public relations function is isolated from that of marketing and sales. For the image projection of a corporation, marketing and sales and public relations must be in concert, moving in one direction. Plant tours, funding of community projects, etc. must be perceived as a social responsible nature of the corporation to present the same image as the sales and marketing department. Public relations must not be seen as a way to manipulate but a way to inform the true image of the corporation come out and sell the nature of the corporation and its relationship to the community. The payback is in terms of sales where the clients can seen the social responsible nature of the corporation and its impact and influence upon the community. Its primary purpose is to develop and identify with the corporation, not only in terms of buying the product but returning intangible benefits to the corporation such as a desire for employment with that corporation and willingness to join with the corporation in telethons. Public relations also is

where many indirect benefits come because often times they do not directly interface with the public. This does not diminish its role as a contributor because it is often in the secondary benefits area that the true nature of a corporation can best be expressed.

Images

The sales and marketing is the direct benefit area and is where the primary product of the image is directly reinforced. The product has an image of its own when first purchased but it takes on another dimension in terms of quality after it is used. It is important that the initial image and the quality be correlated to present a very consistent thought of the product. The primary sales and marketing approach, of course, is satisfaction and client retention, especially those that relate to suggestion of the product by word of mouth or in terms of a testimonial to other clients. Most corporations that do not have an aggressive sales or marketing department are not reaching their true potential in terms of their profit line. The other scenario also exists where there is an aggressive sales and marketing department and the product does not live up to its potential. The client retention then becomes a severe problem and the product sales looks like a seesaw in terms of where there is an aggressive sales or marketing campaign. The product eventually fails because of the clients and the word eventually gets around on the basic quality of the product.

One of the ultimate impacts is in the area of community development and its impact of the corporation upon the community. In many communities, a large corporation is the prime mover and shaker in terms of the progressive nature or stagnation of a community. This happens in smaller areas where the company is obviously the prime employer and influences policy. In this particular case the corporation has a higher responsibility to the community and may, in fact, be in a manipulative position within the community. The corporation, at this point in time, must realize that it has a social responsibility to the community because it is the prime mover and shaker within that particular community. If these particular community relations or community development issues are not handled correctly, the image of the company may suffer severely even if they move to a new location and a new community. This is not suggesting that the nature

of a company should be limited by community policy, only that the company must act responsibly because of its position to lose or have image problems. When a corporation or company is in a smaller community and it is seen as the prime element for an employer within that community, many times the employee services programs are community programs and the corporation's philanthropic efforts are a very important part of establishing good community relations and fostering relations to keep the benefits from the community flowing in a positive direction back into the development of the community and the corporation. In today's society the focus is definitely upon community development and the impact that a corporation has upon a community even though they may be in a large metropolitan area and may not be a primary influence.

Development

Another element that is associated with community development is economic impact. In stable times, the nature of the economic impact of the corporation in terms of its payroll is an important dimension to be considered in most corporate decisions. The corporation has a position of stimulating economic development through the paying of salaries that have a two or three-time rollover in the community. It also has the ability to purchase goods and services which also stimulates the community. When these two processes are combined the economic impact of the corporation upon a community is substantial. There are primary, secondary, and tertiary business interests that focus around the corporation into providing of services which increases the financial base of a community. When a corporation leaves a community, there must be some kind of a responsible disengagement policy or transition for the individual employees as well as the community. Many times the employees have bought the corporation themselves and many times that the employees are transferred to another community and other such actions help reduce the direct impact upon the individuals as well as the community involved.

The community also has a responsibility to develop a favorable environment for corporations and companies to develop and profit. This is a symbiotic relationship that must be

advocated and developed through the stimulation of both. The objectives of the community, as well as the company, can often be met economically as well as socially if there is positive development in the area. Companies' influences far extend beyond the economic impact and are directly related to prestige, community cohesiveness, etc. These impacts are just as important as the economic impact because they have a lasting and permanent effect upon the community. Ways must be found to stimulate this symbiotic relationship between the companies and the community as well as other quasi-public institutions within the larger community. It does not make a difference about size because even though they may be in a larger context and can be absorbed, the nature of the impact of a corporation can be felt because there is usually more than one trend in a community that is moving in the same direction that will have a larger impact upon the community because many of the same problems exist by companies themselves.

C. Key Notes: How to Market Program to Community

Value

<u>No Great Value in Product Advertising</u> is gained through industrial recreation, teams or leagues, say many firms. They feel the funds provided for team sponsorship and tournaments would result in more sales through other time-tested advertising media. Perhaps recreation directors would do better using the employee relations value, therapeutic and health features and balanced programming approach to obtain funds.

Conditioning Your Audience

It is easy to spot an event staged by a professional promoter. The audience is influenced by a series of emotional techniques. Starting with advertising there is design and purpose for every expenditure and moment of time spent. Fanfare, band music, group singing, enthusiastic M.C.'s, stimulation of performers or players, cheers and applause, clever visuals, lighting and awesome decorations are involved. The next time you watch TV, look for the televised broadcasts that have these building blocks of audience acceptance. Some professionals can start with a skeptical and apathetic group and expertly change their attitudes within minutes.

Our Services as PR--Both Inside and Outside the Company

Under the auspices of your recreation association, employee services can flourish and grow to provide a growing variety of employee benefits. Services attract more personnel than most single recreational events and often cost less to provide. The need for one, however, goes hand-in-hand with the other--recreation and services are inseparable.

Services such as discounts, sports and recreational tickets, merchandise, travel packages, educational activities, vacation bargains, and involvement in community projects not only stretch the employee's dollar, but expose him or her to new interests and skills. Often, a service instigates an activity new to the recreation program. In one company, for example, discount season tickets were offered for a community little theatre and soon after a theatre guild was started. When the recreation association handles such services, the company is not committing itself to guarantees or obligations. The members assist in handling a number of the services on their own time at little or no expense to the company. Those services, which do require paid company time from your staff also, provide the personal contact with many employees which is so essential to good personnel administration. The recreation association also provides an excellent opportunity for management to involve the employees in community drives and interests. This gives a real assist to public relations with enthusiastic results.

Add to Your Communication--and Public Service

The Advertising Council, Inc., 25 West 45th Street, New York, New York 10036, provides free quarterly promotional packages, covering a variety of public services. Recent projects have covered such subjects as blood donations, safety belts, forest fire prevention, aid to colleges, energy conservation, and "Keep America Beautiful." The packets contain display material for bulletin boards, newspapers, and newsletters. This is a great service and one every member organization should be delighted to use. Write the Ad Council today and join others in promoting the ideas that help make America great.

Industry and the Community

States and National Research Bureau, Inc., "Community involvement is becoming an 'in' thing for private industry and the conscience of business is changing accordingly. But, while the trend shows evidence of a sincere interest in community betterment on the part of many companies, the controlling factor appears to be public relations and any community program considered potentially controversial is avoided."

We believe employee organizations involved in community activity do a far better job and get greater results for their efforts than the public relations departments donations and their requests for management representatives to associate with the project. Public relations and industrial relations are seeking the same ends--one is geared to the public, the other to employees. As a rule, the two are at opposite ends of the communicative techniques scale and seldom share with each other, each believing their knowledge of their involvement final and complete. Rank and file employees are more inclined to be enthusiastic and dedicated in community projects and can carry this work through their recreation association with less direct reflection on management, involvement, or commitments.

Community Relations and Employees

All municipal agencies, particularly local governments, constantly seek people of outstanding leadership abilities. Social agencies find it difficult to acquire good board members and committee chairpersons. School boards have difficulty in selecting aggressive leaders who are interested in contributing their knowledge of business and organization talents. Many of these assignments require little time and effort for men and women from the industrial ranks, where supervision, meeting techniques and personnel handling has been learned through their business training. Helping to place these people in such positions is not only a benefit for the participant but also a credit for the company's community interest in improving community activities and business procedures in such organizations.

Improved community relations with employees may also have a direct bearing on job performance. Development of leadership capabilities outside of the nine-to-five schedule is

bound to reflect in employees' daily job assignments and career attitude. Extra-career involvement is especially helpful when employees approach retirement and seek worthwhile activities to continue business contacts and receive recognition and prestige for their efforts.

Directors can obtain information regarding these offers available from hundreds of agencies and organizations most anxious to become more involved with business establishments. Employees involved in such activities were to educate their fellow workers on the importance and value of community relations as well as educate themselves regarding interpersonal relationships and their individual habits.

X. SUMMARY

The following is a summary of an employee services philosophy that has been stressed through this manuscript:

The Plan

In the beginning was The Plan, And then came the assumptions, And the assumptions were with form, And The Plan was complete with substance from employee input, And light was upon the faces of the workers. And they spoke unto their group heads, saying: The Plan will create a good working environment.

And the group heads went to their section heads and said: It is a Plan that will promote cooperation.

And the section heads went unto their managers and said: It is a Plan that will create solidarity among employees.

And the managers went unto their director and said: It is a Plan that will strengthen employee morale and increase productivity.

And the director went unto the executive director and said: It contains that which aids growth and is very strong.

And the executive director went unto the vice president and said: It promotes growth and is a very powerful stimulant to organizational development.

And the vice president went unto the president and said: The new powerful Plan will actively promote the growth and efficiency of the departments.

And the president looked upon The Plan and saw that it was good for the individual and the organization and The Plan became policy.

Anonymous

MEL BYERS

FRIEND

INNOVATOR

TEACHER

MENTOR

LEADER

FREE THINKER

TREND SETTER