

OFFICE OF PRODUCTION MANAGEMENT

Labor Division
“Training Within Industry”

Bulletin #4

STRENGTHENING THE MANAGERIAL ORGANIZATION

Helping managerial personnel to meet its operating responsibilities is the key to the success of an organization. It is also the key to the training of new workers and to the upgrading of present workers. Always it is the key to the maintenance of high morale throughout the workforce, which represents the very foundation of the industrial defense program.

The recommended practices outlined herein represent successful programs in many companies throughout the country.

C. R. Dooley, Director
Training Within Industry

UNDERLYING POLICY

Planned development is the key point in considering the building of a strong executive and supervisory force. In such planning, many companies stress one or two features and feel that these will build a strong managerial group. Some maintain a favorable salary scale; others have a liberal retirement plan; some stress periodic rating; others pursue excellent training programs; still others emphasize the close personal relationship between upper and lower levels of supervision.

Individually these features are sound, of course, but no one or two of them are sufficient. The full range of factors affecting supervisors and executives must be given attention and action if a company is to be assured of a strong, energetic, and cooperative managerial force.

Typical of the many examples showing the necessity of attention to all aspects of this problem are the following:

Foremen are not likely to do their best work in meeting schedules and reducing costs if they are held responsible for delays and costs over which they have no control.

A foreman finds it difficult to be genuinely helpful to a worker who has a wage question if he has a question regarding his own compensation.

Any executive or supervisor is not likely to keep close touch with his group if he is able to see his own superior but once or twice a month.

Many an executive or supervisor stays with his company because the salary is satisfactory, but uses a portion of his real capacity because his area of responsibility is not clear, his relationship with his boss is not cordial, or he is a victim of internal policies.

Examples such as the foregoing illustrate why sound and farsighted management policy is so important, and why such policy, even when it has been formulated, does not serve its intended purpose unless all members of the managerial group understand it and know their specific responsibility in carrying it out.

SOUND PRACTICES

The following fundamentals—already well known—represent some of the principal practices which build a strong managerial force.

Selection

1. Select executives and supervisors on a basis of leadership qualities, and not only on job knowledge and job skills.

An important aid at the time of selection is the preparation of a written position description, setting forth clearly the duties and results expected of the incumbent.

Training

2. Prepare a chart of the whole organization. Discuss it with all executives and supervisors. See that each man understands the functions and relationships of the various units and particularly his own place and function within the organization.
3. See that all members of the executive and supervisory group understand the company's policies, particularly, industrial relations policies.

A growing number of companies are reducing to writing their basic policies, both to clarify just what the policies are, and to assure that everyone in the company understands them.

4. See that each executive and supervisor is given sufficient authority to carry out the responsibility assigned to him.
5. Give such organized aid and training to the executive and supervisory force as is appropriate and will be helpful on current problems.

This is an important point representing a program in itself. Bulletin 4-B is devoted specifically to how much aid and training may be given. It is important to note that a well-rounded plan for strengthening the managerial organization requires attention to the twelve points mentioned herein, plus the amplification of this section in Bulletin 4-B.

6. Plan transfers and rotations as well as promotions. Some companies make transfers and rotations for the express purpose of developing and rounding out individual executives and supervisors and not solely to fill positions after a need has arisen. They find that competent men in widely differing fields can “trade jobs,” not only without impairment to operations, but with distinct profit to the men and to the jobs. Fresh and unprejudiced points of view toward the new jobs usually result in outstanding improvements. It is not uncommon for executives with 25 years of service to have had ten to fifteen different positions. The resultant competence, breadth of knowledge, and judgment is a major factor in the success of companies pursuing this plan.
7. Encourage professional development. Membership in engineering, management, accounting, sales, and other professional societies, and appropriate participation therein, is encouraged by many companies. Foremanship too, is a field of growing professional interest.

Status and Pay

8. Give supervisors all the privileges of salaried employees, plus whatever additional privileges are appropriate in each local situation, i.e., parking space, desk equipment, lockers, and other symbols of status.
9. See that supervisors, particularly foreman, are “in the know,” i.e., trust them, give them actual departmental profit and loss figures, not just man-hour reports. Have them review (solicit their suggestions when appropriate) and see that they understand any plan that involves them such as:

Job classification	Change in cost reports
Wage payment plans	New inspection plan
Contemplated purchase of new equipment	New layout of department.
Rating plan concerning themselves or their workers	Union agreement, grievance procedure, grievance settlement
Plans for upgrading workers and supervisors	New production or quality standards

And above all, see that foremen are informed as to any new general company policy or provision BEFORE such information is released to workers. Examples: new plant rules; sick pay plan; provisions relating to military training and service; new union contract, agreement or procedure; new defense contract received; wage and hour law ruling.

10. Pay supervisors not only the going salary rate, but also a rate appropriately above those supervised.
11. Pay all supervisors on a salary basis, i.e., all who give their full time to directing the work of others. (Lead men, working foremen, or those whose supervisory function deals only with assigning work and helping maintain production schedules, may be exceptions.)
12. Give appropriate salary increases based upon performance. Avoid being influenced by the many personal relationships that develop in every organization.

In many companies it is the accepted policy that the development of a foreman, superintendent, or works manager is just as important as the development of a product, plant, or policy. Just as much attention is given to planning the one as to the other. In planning the development of managerial personnel, a great many factors are considered. They embrace all the day-to-day practices and influences in the company which make for sound growth, development, and prudent management.

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