THE WORKER AND PRODUCTIVITY**

I. GENERAL DISCUSSIONS


The authors undertake a critical review of relevant studies concerned with the design of jobs, the distribution of control and patterns of compensation. Part One presents a summary and discussion of findings with implications for policy-makers. Part Two, Research Report, describes the methodology and framework, summarizes the survey of beliefs about productivity held by executives and labor union officials, and reports in detail on the findings with examples of system-wide changes undertaken by three companies. Included also is an extensive bibliography.


The author postulates a microeconomic theory of intra-firm behavior which emphasizes the importance of the individual. The key elements in his theory of X-efficiency is "the decision effort, the reward arrangements . . . , and the degree to which a reward-effort nexus exists." The application of his theory leads the author to conclude that firms do not minimize costs or maximize profits and that actual productivity is not optimal.


Using data obtained from the Survey of Economic Opportunity, the author links the socioeconomic characteristics of individuals with the detailed skill and job characteristics of various occupations. He presents a cross-sectional analysis of types of work performed by population classes in the United States.

*Prepared by Helen Fairbanks, Librarian, Industrial Relations Library.

** Items from this list should be ordered directly from the publisher. Addresses are given in connection with each reference.

The purpose of this study was to identify the major factors which influence worker productivity and to examine the interactions of these factors. The authors construct a model of the factors and compare the model with the findings of case studies of organizations known for significant productivity improvements and of firms with repetitive worker-machine jobs. They find that increasing worker productivity is exceedingly complex, requiring much more than selecting one program or factor.

2. **Financial Incentives**


This is a comprehensive and well integrated book, dealing with all aspects of compensation, from various perspectives in industry. The author makes extensive and balanced use of studies, especially by economists and psychologists, in analyzing not only money rewards but also employee benefits and various forms of nonfinancial compensation.


An overview of twenty-five years of research into the principles and application of the Scanlon plan which is based on the belief that all members of an organization must participate in improving productivity and in the rewards of increased productivity.


This book focuses on psychological theory and research findings to assess the impact of pay administration policies on individual and organizational effectiveness. The author examines the role of pay as a motivating force in job performance and job attendance, and considers the determinants of pay satisfaction and the consequences of pay dissatisfaction.


This report focuses on the experience of one company with the Scanlon Plan, a form of management-labor cooperation designed to increase
productivity and employee participation. Both production and job satisfaction increased in the company studied. The report summarizes available knowledge on the requirements for successfully installing and operating such a plan.

3. Organizational Influences


Based on a comparison of case histories, both in the United States and in other countries, the author finds five necessary components for successful participation. These are: sharing of management level information; guaranteed individual rights; an independent appeals system; a participatory/democratic consciousness; and a guaranteed economic return on surplus produced over the employee's regular wage.


Using data from 50 studies conducted over the last 10 years, the authors examine the relation of organizational structure to employees' attitudes and behavior. Among the characteristics studied are: the vertical level of the member; nature of authority and the distribution of decision-making power across the organization; the number of levels of authority in the organization; the size of the subunit and the size of the total organization; the span of control.


This review of the literature on job satisfaction, industrial organization, and productivity identifies three kinds of knowledge necessary to formulate an effective strategy for change. First, it is necessary to know what the action levers are—what aspects of an organization can be changed. Secondly, the manager must be able to identify the contingencies that affect the success of the action levers and, thirdly, the strategy to use in initiating change.


The authors expand on the contingency theory of organizations developed earlier by Paul R. Lawrence and Lorsch which emphasized that
the key to organizational effectiveness depended on the interdependent relationship of internal organizational characteristics and the nature of the organization's work. They believe that to understand the complexity of organizations, the psychological and personal characteristics of the employees and the characteristics and the environment of the organization must be considered. They find that there is no necessary conflict between the goals of organizational effectiveness and the individual's personal fulfillment.

4. Employee Morale and Work Satisfaction


The 16 papers presented here were given at a symposium marking the 50th anniversary of the beginning of the Hawthorne studies and reflect on the impact of the Hawthorne experiments on contemporary thought and practice in industrial management. Of particular interest are the papers by Paul L. Lawrence on the character of work; J. Richard Hackman on the successes and failures of job enrichment; and Edward E. Lawler on the effectiveness of incentive systems.


Based on a survey of job enrichment case histories and studies, the author concludes that job redesign does not reduce worker alienation because the primary concerns of the blue-collar worker are pay, job security, and the rules of his work place.


The author reviews the current major psychological theories of work motivation and through his emphasis on research and practice shows how job design, leadership style and pay and management systems affect motivation.


Examples of measures developed by management or labor to improve productivity which cover areas such as retraining programs, work rules settlements, methods of adjusting to technological change, manpower planning, union-management cooperation, incentive plans, job redesign, and absenteeism and hours of work.