THE ART AND PRACTICE OF HUMAN RELATIONS

BY RICHARD A. BEAUMONT

Excerpts

INNOVATION RESOURCE CENTER for HUMAN RESOURCES

IRC4HR.ORG

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Industrial Relations Counselors, Inc. (IRC)

d/b/a Innovation Resource Center for Human Resources (IRC4HR®)

Preface

It is rare, especially today, that one person would hold more than four decades of institutional knowledge about a particular organization. And it is especially valuable to have access to that knowledge when an organization and its industry have undergone a wide arc of growth and change.

Recognizing just such an opportunity, the board of Industrial Relations Counselors, Inc. (IRC) asked Board Member Emeritus Richard A. Beaumont to prepare his memoir. The result is *The Art and Practice of Human Relations*, a book that begins with the birth of the organization in 1926 and the early life experiences that led Richard to join in 1958. It goes on to trace the effect on his career and his lifelong interest in, and understanding of, human relations in the workplace. His story serves as the backdrop for an intimate look at the development of both the study of human resources management and the organization that is currently known as Innovation Resource Center for Human Resources (IRC4HR®).

Richard's first major contribution at IRC was taking on the publication of the forward-thinking "Employing the Negro in American Industry," an early study (1957-1958) of management practices in the area of equal employment opportunity. He would go on to pilot numerous initiatives and to lead the organization as it expanded across the globe and evolved from an industrial relations research institution to a broad-based human resources research, data, and consulting firm.

As a leader and a human being, Richard had a strong code of ethics that inspired those around him. A master storyteller, he also had a keen sense of human potential and provided unique development opportunities for the people he hired. Many former employees attribute their successful global business careers to the experiences that Richard provided.

Richard Beaumont died October 3, 2020, at the age of 94. The IRC board of trustees is publishing this book to honor his legacy and to celebrate this organization's remarkable history and impact on the field of human resources management.

— Jodi Starkman, Executive Director

About Richard A. Beaumont

Richard A. Beaumont was an emeritus member of the board of Industrial Relations Counselors, Inc (IRC), having previously been director of research and board chairman. He was founder and managing director of the RAB Group and was formerly president, CEO, and chairman of IRC's for-profit subsidiary, Organization Resources Counselors, Inc. (ORC) (acquired by Mercer in 2010). In almost a half-century of leadership in the field of human resources management, he served as a consultant, facilitator, and advisor to executives and boards of directors of major corporations in the United States and around the globe, and to various branches of federal, state, and local governments.

Richard was also Deputy Undersecretary of the US Navy and senior vice president and member of the board of directors of the Amerada Hess Corporation. For eight years, he served as President of the Board of inlingua, AG, an international language training company based in Switzerland.

Long active as an author, editor, and researcher in management organization and all aspects of human resources, Richard was an editor of *Industrial Relations to Human Resources and Beyond* (M.E. Sharp, 2003), the coauthor of *Management, Automation, and People* (The Book Press, 1964), and wrote numerous articles in the field. He was an emeritus member of the board of the Darden Graduate School of Business of the University of Virginia and was elected to the National Academy of Human Resources (NAHR) in 1993, having also served on its formation committee.

Richard held a bachelor's degree from the University of California and a master's degree from the University of Hawaii.

About This Book

When the IRC board asked me to develop my memoir, it was both to memorialize the long history of my association with IRC and ORC and to preserve another aspect of the operating history of these two unique organizations. I undertake this task with humility and excitement, for IRC and ORC were both organizations that have contributed a great deal over the years to support and advance the development of a sophisticated function to help workers and managers join together to make contributions to the economies of their companies and the countries where we have worked.

—Richard A. Beaumont

2017

Excerpt 1

The Birth of Employee Relations (and the Beginnings of HR)

It may be a surprise to some people that John D. Rockefeller Jr. was a champion of what we now know as the broad field of human resources. They may not know about his views regarding positive management and employee relations. They may think of him only as a capitalist or a man born into wealth. But Rockefeller was so much more than a petroleum industry heir or even an engaged philanthropist who made grants to education, health, and many important fields of human endeavor.

In fact, his most interesting area of influence, at least to me, developed as a result of one of the most unfortunate events in American labor history, a tragedy considered by many to be the beginning of modern human resources management, laying the foundation for improved work relations between managers and their employees for generations to come.

In 1913, miners at the Colorado Fuel & Iron Company, which had a major mine facility in Ludlow, Colorado, went on strike. Evicted from their company housing, some 1,200 mining families moved to union-provided housing—tents on platforms with storage underneath where residents would take cover when company guards would come through, randomly shooting at the makeshift residences. This tent colony became the site of a mass murder on April 20, 1914, when company security joined forces with the Colorado National Guard in a major attack on the tent colony, killing 21 men, women, and children.

It was this strike and the deaths of women and children that sparked the young Rockefeller to take a more positive and active role in setting the right management tone for improving the relationship between managers and workers, and for understanding their need to work in concert in the workplace. He became aware that in the weeks leading up to the strike, local management had poor communication with workers and almost no communication with their superiors in New York, and in particular, with the Rockefellers, who had a major investment in the company.

It is difficult to imagine this young member of the Rockefeller family leaving his office in New York City and traveling three-quarters of the way across the United States to Ludlow, Colorado, to interview workers and managers to come to understand what, to him, must have been bizarre and un-business-like behavior that led to this tragedy. The event at Ludlow had repercussions throughout the country and, as a result, Rockefeller was involved in many public meetings on the subject. He used these occasions to urge government, businesspeople, and the public generally to consider his growing sense that change was needed in situations where local management might not understand their labor relations responsibilities.

Many people believe Rockefeller's personal endorsement of "representation," his commitment to sound and effective management and communications at the local level, and his own interest in better work relations overall, gave birth to the labor relations and employee relations movements. This is certainly my view.

While there can be little debate that Rockefeller drew on many advisors, it was clear that he understood not only the issues and problems at Ludlow, but also the fact that communications had been broken between local managers and their superiors in New York, as well as between local managers and the workers in Ludlow. In pursuit of a solution, he turned to William Mackenzie King, the former Canadian minister of labor (who would later become prime minister). King's book *Industry and Humanity* championed workers' rights to be represented by other employees. Could this relatively radical approach make a difference in places like Ludlow? Rockefeller saw the possibility of changing the nature of the work relationship at Ludlow and, ultimately, other workplaces, whether Rockefeller companies or elsewhere.

Many people believe Rockefeller's personal endorsement of "representation," his commitment to sound and effective management and communications at the local level, and his own interest in better work relations overall gave birth to the labor relations and employee relations movements. This is certainly my view, especially considering his many actions in the field over the years. Rockefeller's ideas and beliefs regarding many issues fundamental to positive employee relations formed the basis for the philosophy, plans, and programs pursued by IRC in its work over the years.

Excerpt 2

The Champion of Work Relations

In preparation for IRC's 75th anniversary in 2001, I spent many hours in the Rockefeller Library in Pocantico Hills, New York, in an attempt to better understand our founder, John D. Rockefeller Jr., and his accomplishments. I was amazed at the notes and speeches filed there—with audiences ranging from small church groups to great gatherings of politicians and scholars. Throughout the nation, Rockefeller sought to enlist others' interest in the discovery of the importance of work relations.

Of course, neither John D. Rockefeller Jr. nor the organizations he sponsored had a magic formula to solve work-related problems. But what he did advance was the idea that systematic studies of issues between management and workers could lead to the development of better work relations.

Among Rockefeller's many actions was the establishment in 1926 of Industrial Relations Counselors, Inc.—renamed Innovation Resource Center for Human Resources (IRC4HR®) in 2015 —as a nonprofit research and educational organization to "advance the knowledge and practice of human relations" in the workplace. He also established six university-based Industrial Relations Centers—first at Princeton, and later at MIT, University of Michigan, Stanford, and Cal Tech in the United States and at Queens University in Canada. Some years later, IRC, based on its own resources, established a graduate scholarship program at each of these six centers; the C.J. Hicks Scholarships support graduate studies by qualifying students, named for Rockefeller's longtime human resources aide who also served as chairperson for the IRC board of trustees.

Of course, neither John D. Rockefeller Jr. nor the organizations he sponsored had a magic formula to solve work-related problems. But what he did advance was the idea that systematic studies of issues between management and workers could lead to the development of better work relations. This memoir is dedicated to the work of IRC, the organization I led over a 40-year period, where our staff did everything possible to follow the path that Rockefeller laid out.

Following Rockefeller's example, IRC (and Organization Resources Counselors, Inc. [ORC], when it was formed in 1970) was guided by six principles to ensure that positive and progressive employee relations would emerge from its research and advisory activities:

1. Management should demonstrate dedication to the long-term development and maintenance of positive relationships based on effective organizational strategies, as well as sound human resource and employee relations policies and practices.
2. Management decision-making should not be based on authority but on clear business needs and interests enabling workers and managers to join together to achieve operating goals.
3. Decision-making should be based on facts critical to the operational and behavioral character of the organization.
4. Management should use confidential interviews with employees at all levels to gain a full and complete understanding of each organization's operating profile and human relationship issues.
5. Management should have an understanding at the outset of the need for top management to demonstrate its full support for the conduct of the research.
6. Management should provide confidence that IRC/ORC staff assigned to company research are people with the highest competence and discretion.

In 1967, I was elected to lead both of these organizations. These six principles directly and indirectly guided all of our work and served us well in studies at every level of client organizations, from relations at the board level to the plant floor. They required us to develop many scenarios when working for company managers so that we communicated the importance of how we operated and how that ensured we could give management, and often its employees, meaningful and actionable suggestions and reports to improve and guide their relationships.

Excerpt 3

Appreciating Diversity, Experiencing Inclusion

In thinking about my career in human resources, I found myself looking back to my school years in New York City in the early 1930s, where I was exposed to schoolmates from almost every background imaginable. My friends were from diverse religious beliefs, national backgrounds, race, and economic circumstances. We were all from families that came from more or less limited economic situations, especially because of the Great Depression that rolled through the United States in the late 1920s and through most of the 1930s. Yet it was a period, even in grammar school, when discipline was respected and wearing a shirt and tie was common for boys, regardless of their backgrounds and/or economic circumstances.

I had not only my two Black friends, but also Jewish, Italian, Irish, and Polish friends. And even as a young person, I started to think about all these "friends" as a mélange that contributed to understanding what I thought was the American profile of an integrated society.

While I was a reasonably good student, my so-called grammar school followed what was then called a "progressive curriculum," which became popular in the 1930s and was built upon the notion that children learned best experientially rather than by rote; certain important subjects were not available to me, especially even the most elementary matters related to grammar. Thus, when I was in junior high school, I discovered that my shortcomings in grammar contributed to my failing French. Two other boys also failed French. How well I remember the camaraderie we developed—two Black students and one white. Together, we three failures became close friends in our struggle to pass the four semesters of French required to graduate from high school at that time in New York. We were just three kids trying to succeed, and Mrs. Salowitz, our Russian-Jewish teacher of French, understood our problems and really helped us get those credits. But our neighborhood school was more diverse than just being multiracial: I had not only my two Black friends, but also Jewish, Italian, Irish, and Polish friends. And even as a

young person, I started to think about all these "friends" as a mélange that contributed to understanding what I thought was the American profile of an integrated society. It is true that there was prejudice directed by some toward the Black students in our class, but it wasn't universal.

A few years later, when I was inducted into the Army, I found it extremely difficult to understand all the nuances, anomalies, and outright differences that described other draftees recruited throughout the country. I had grown up in a melting pot and couldn't understand how people from southern Illinois, or sections of the South, for example, could differ so much from New Yorkers in so many ways, and that Black inductees from other regions in that period had such different views about their race and role from those I knew from my two New York Black buddies.

Excerpt 4

Life: A Mix of Serendipity, Opportunity, and Choice

I was drafted into the Army shortly after my 18th birthday and, because of my interest and background in chemistry, the Army decided that Medical Corps basic training was a good fit with my interests. I was sent to Camp Grant, Illinois, and soon discovered that Medical Corps basic training was not for me. It may have sounded like it was science-oriented, but wrapping up a wound or putting a splint on a broken arm or leg was not science to me.

One day I saw a notice on the bulletin board in our barracks asking for volunteers to become involved in chemical warfare developments at Edgewood Arsenal, Maryland. The bulletin made this sound as though I could volunteer for real scientific research, which was closer to my interests. Since the Chemical Warfare Service in Maryland was also nearer to my home in New York City, I jumped at the chance to volunteer. I found myself being dressed in various protective devices and for a short time, I was exposed to some chemical warfare liquids and gases. But the gods smiled favorably on me, and I soon was promoted to be the company's "gofer." Probably for this reason, I seemed to survive all the potential dangers that are now being revealed in the press about these experiments.

This event taught me at an early age that while life has its own way of developing and evolving, one can have some influence on the paths followed by being willing to take a chance. It was an important lesson to be learned, and it served me well over the years, especially later in my business life.

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Excerpt 5

An Ongoing Interest in Recognizing and Bridging Difference

Trying to understand and deal with the many subsets of people we encounter in school, work, and social interactions called for more imagination and effort and experience in life than I at first realized it would as a young man. I was beginning to learn that people are different, and interacting with all the differences is not always an easy and simple matter. In fact, the world itself was starting to look different to me from the world I knew as a high school teenager. I began to realize that rights, beliefs, and behaviors were abridged by the many realities and complexities of the economic, social, and other structures shaping our lives in a country as broad and diverse as ours. The result was that I wanted to learn and understand why there were so many differences and how they affected all of us in our work and interactions with others, especially in a country as large, complex, and diverse as the United States.

I began to realize that rights, beliefs, and behaviors were abridged by the complexities of the economic, social, and other structures shaping our lives. I wanted to understand why there were so many differences and how they affected all of us in our work and interactions with others, especially in a country as large, complex, and diverse as the United States.

What was becoming clear to me was that these many thoughts swirling around and developing in my head were not going to be fully rationalized by my experience in the Army. But I knew that at the end of my military service, I would need to find ways to learn to understand our world better than I did, and that my earlier focus on science was not the path to understanding. Thus, I planned to try to take college courses that would open up the world for me. In general, my less than 24 months in the Army was not particularly noteworthy. However, having volunteered for the Chemical Warfare Service, I earned/qualified for extra "points" for an early discharge. I was also lucky enough to have the G.I. Bill of Rights available, which eventually became my passport to gaining access to college.

The G.I. Bill allowed me to fund my personal quest to broaden my understanding of the world and what I should do in the pursuit of a college education, to be followed by meaningful work. Nonetheless, the G.I. Bill did not excuse me from having to take on one part-time job after another—from working as a bank teller to developing a profitable pet food delivery business with five young people doing the deliveries to our clients. Eventually, I would attend the University of Southern California before transferring to and graduating from University of California Los Angeles.

Prior to matriculating at a university as a full-time student, I spent some time in New York and took a few courses in philosophy at Columbia University, which I thought would be interesting and helpful, and which would allow me to spend some time with my family. But as a result of taking these courses, I was shocked to begin to understand the importance of how ethics related to behavior, social rights, and fairness in all dimensions of human affairs. It didn't take long to realize, however, that there are many tensions in almost all aspects of life that develop as a result of the pull between the left and the right on politics, on social issues, and religion as well as on the rights and behaviors of citizens and their perceived or actual social standing and wealth. There were also biases based on religion and race, as well as a myriad of personal factors.

Excerpt 6

In Search of a Framework for Understanding People and Organizations

One of the courses I took in college was a survey of various philosophers and their views on life, ethics, and other related matters. I will never forget the lesson taught by the one-question final exam for one of my philosophy classes, which involved a picture, probably from a magazine, of a woman who appeared to be quite ill and lying in a hospital bed and could have been dying. Sitting beside her in a chair was a man, and the caption under the picture was, "John, you have been faithful, haven't you?" The professor's test had only one word and it was, "Discuss."

For me, people not only made the world far more complex but also far more interesting than science; this meant that I was slowly drifting away from science and more and more toward the social sciences. My emphasis at college clearly became centered on political science and economics.

This test brought home to me the need to consider from the perspective of each philosopher studied how John would have reacted to what was presumably his wife's pointed question at a time she was passing away. So, from John Locke to Arthur Schopenhauer, I covered all the ways philosophers we studied might have guided the presumed husband's response. That exercise demonstrated for me how looking at the same incident from different points of view becomes important, especially in my future as a researcher and consultant.

I also recognized the fact that for me people not only made the world far more complex but also far more interesting than science; this meant that I was slowly drifting away from science and more and more toward the social sciences. My emphasis at college clearly became centered on political science and economics.

All this was an introduction to (or is it right to say fodder for?) my later role in serving organizations and their leaders! What do you tell a CEO about how the troops really feel about him/her, or how they feel about the vision the CEO has of the conditions among employees and their response to the character of management? It is neither easy to always tell the truth nor to

lie or even to motivate an executive to change behavior. The more I thought about this conundrum, I began to realize the importance of trying to learn how organizations work, and the need to develop an understanding about the why's and how's of organizational performance and advancing the state of the art in improving organizations largely through theories of motivation, organizational strategy, and human resource management. How I got to this corner of the socioeconomic field and management structure and process may not be revolutionary, but it was not a straight or planned road.

Excerpt 7

A Job: Defining the Core Element of Work and Organizations

I entered law school after college, and a friend from law school invited me to join him in his native Hawaii to work on a consulting project to assist the Territorial Government of Hawaii make the transition to statehood. I began to understand public personnel administration based on studies I participated in for the personnel systems of the City and County of Honolulu and the Territorial Government, as well as studies for the Trust Territories of the Pacific and American Samoa. It was interesting work. It was in that role that I learned about two things that shaped my development and informed my career to come: The first was what a "job" is. I had never really thought much about this before, but I learned that the standard definition was that a job is a bundle of duties and responsibilities and is the building block of every work organization. I learned that describing a job and its relationship to other jobs was something of a science and was essential to the development of effective organizations and to departmental structures in larger organizations. It was also a means of arriving at a sensible compensation system. In my work with him, it was a critical part of determining how organizations in the then Territory of Hawaii might be restructured to be more cost-effective and rational in terms of services that various governmental agencies should be designed to offer.

I learned that describing a job and its relationship to other jobs was something of a science and was essential to the development of effective organizations and to departmental structures in larger organizations. It was also a means of arriving at a sensible compensation system.

In the job evaluation process, we not only considered duties and responsibilities, but more obscure characteristics about motivation, training and developing staff, and other matters that clearly were important to getting work done. In those days, organization theory focused more

on issues related to structure than "human" relations matters. Neither my friend nor I returned to law school. The world of human resources proved too interesting.

One of the principal books of organizational theory for that era was one by Luther Gulick and Lyndall Urwick. From this book, I learned that the key functions an organization and its management were responsible for were planning, organizing, directing, staffing, coordinating, reporting, and budgeting. To this list, the team I had joined believed that motivating staff and teams was a crucial part of any management job. That early exposure was a great prelude to my later consulting in organizations for it was where I first began to understand the chain of command, the need for clarity about organization structure, the importance of organizational goals and imbuing employees with an understanding of goals, and so on.

Excerpt 8

A Major Project Leads to a Life-Changing Opportunity

In early 1953, the International Longshore and Warehouse Union announced that in forthcoming negotiations with the sugar industry, it would seek a contract to include a demand for a private unemployment insurance system for its member agricultural workers. So far as we knew, nowhere were agricultural workers included in any state's unemployment insurance system. Nevertheless, to be certain, I was given the project to investigate if there were any public or private plans anywhere in the United States that provided such benefits. Although I traveled across the country and visited most state capitals where agriculture was important, I could find no state that covered agricultural workers in their unemployment insurance plans.

When I returned to Hawaii and reported my findings, I was asked to develop a concept for the sugar companies to consider regarding what the union might demand and how we could deal with their expectations. Note that while the companies were not overjoyed with the notion of such a plan being introduced—given that it would be costly during a time when the industry was struggling a bit—the industry was willing to consider something that was rational if it would smooth forthcoming negotiations.

Essentially, I proposed that we develop a database containing information for each of 27,000 sugar workers employed in the sugar companies along with data on their family members who might be covered by any plan that might be agreed to in negotiations. My proposal was that such data on age, service, earnings, dependents, and so on would be recorded on individual IBM punch cards for each worker. This approach would have enabled us to calculate the cost of any proposals that might be considered. The plan was that when labor and management negotiators came up with a tentative plan, we could cost out the plan under the assumption that all employees would get a certain number of weeks of company-funded private unemployment insurance. Because so many variables were involved in the costing, it was always difficult to get even an idea of whether one plan or another would cost more or less.

Therefore, it was necessary to do actual calculations to understand and evaluate the relative costs of any plan that might come under consideration.

At one point, one of the sugar company CEOs raised the question of whether "this kid," meaning me, was proposing something that was more elaborate than was actually needed. The CEOs agreed to ask some organization in New York, which I had never heard of, called Industrial Relations Counselors, Inc. (IRC), to send one of its key people to Honolulu to see whether my proposal was realistic. At the time, IRC was a leader in research and design of pension and unemployment insurance systems. While I had never heard of IRC, I assumed that any reasonable critic would agree with my proposal. Howard S. Kaltenborn, who I later learned was the sole IRC vice president, arrived in Honolulu almost a week later. He immediately spent a long, grueling 10-hour day going over my plan and the logic and details behind it in preparation for a meeting scheduled for the next day with the sugar company executives. Based on the intensity of his many questions, I worried that he might undermine my proposal or maybe even steal my ideas.

Two years later, I was offered a job in the research side of IRC. This was when I started to learn about IRC's importance not only because of its history, but also because of what it stood for in the development of the field, sharing important views and holding activities related to enhancing management, organization, and human resources.

I was stunned at the meeting when he was asked his reactions to the plan, which by that time had taken on the name of "Beaumont's Proposal," and he said something like, "Dick and I spent all of yesterday on his proposal and I think it's great, and it is probably the only way to come to a rational conclusion on what can be a very sticky negotiating matter."

After observing him during the sugar negotiations, I found IRC Vice President Howard S. Kaltenborn to be an inspiration, and I wanted to know more about his organization. Finding out about IRC was no easy matter. It was 1953. We had no Internet or Google. I finally found some material on IRC buried in some corner of the Hawaii Employment Commission research library files. That was the first time I read of the history of the Ludlow Massacre and Rockefeller's role in charting a new course for management and industrial relations. To me it was an amazing story that captivated my imagination and thinking about employee and labor relations. It also

underscored the dynamics that were at work in enabling Rockefeller to not only take an interest in this matter but also take the opportunity to marshal the resources to change the course of history with respect to the field of industrial relations by developing IR centers in six universities and founding IRC to conduct research in this field.

Learning about this special organization with such renown in research and consulting was stunning and more than sparked my interest as a possible career development opportunity.

I was thrilled with Kaltenborn's saying that he would keep in touch with me, especially when he learned that I was interested in moving back to the Mainland. Ultimately, I was invited to IRC to meet the professionals in their operation in New York City. Two years later, I was offered a job in the research side of IRC. This was when I started to learn about IRC's importance not only because of its history, but also because of what it stood for in the development of the field, sharing important views and holding activities related to enhancing management, organization, and human resources.

Excerpt 9

Good Management, Employee Representation

During IRC's early years, staff would probably have urged companies to develop some form of employee involvement in one form of communications process or another. In fact, Rockefeller himself had essentially proposed an employee representation plan in Ludlow. Some people would consider it an "internal union." But IRC dropped most of these employee relations efforts after the enactment of the National Labor Relations Act (NLRA) in 1935.

As a matter of policy, IRC has never encouraged employers or employees to unionize or not to unionize. IRC's mission has always been to promote sound management and employee relations and to help companies be smart in managing their employee relations responsibilities. Obviously, good management might cause employees to reject unionization.

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If, however, a company ended up with a union, IRC staff considered this was a result of poor management, insufficient training and development of supervisors, weak emphasis on good employee relations, or some exogenous factor(s) that influenced employee choice in any employee vote on this matter.

It is true, however, that a small but significant number of companies on the IRC client list had company unions that were developed with local employees and based on the advice of local labor council. Later, many of these became independent unions as the NLRA of 1935 caused company unions to be judged illegal under the act.

Excerpt 10

Diversity, Circa 1955

Sometime around 1955, the IRC staff developed a proposal for the Ford Foundation and the National Urban League, asking for company contributions from several companies (DuPont, IBM, Standard Oil Company of California, Standard Oil Company of New Jersey, and Westinghouse Electric Corp.) to study the employment of African Americans in industry. This report had the working title "The Negro Study." The study focused on Black employees in a broad sample of major companies and how they were affected by local/national economics, by company policies, and by unions that represented them as members in segregated, as well as integrated, work units. Reviewing the draft report was one of my first tasks at IRC.

Maud Patten, IRC's chief editor, was trying to bring this project to a conclusion. She asked me to read the draft. I agreed it was appalling. I was uncertain about raising my concerns with her but finally decided to do so, and she sighed with relief, for my conclusions coincided with hers.

Maud was at the time over 65 years old and had delayed retirement to finish editing "The Negro Study." She was originally from Jamaica and was a phenomenal editor and grammarian. She reported to the president, but she didn't feel she had the clout to tell him of her impressions. I suggested that we tell him jointly.

The president was never a big fan of research because he had trouble in seeing how research could financially support any organization. He could only see research as a cost. He was apoplectic over the news of the problems with the research report being in such a mess, for he understood how important it was in the minds of the companies and organizations that funded it. In the end, he saw the importance of getting it right, and he assigned me to help Maud rewrite it.

I am neither a writer nor a grammarian—those were Maud's talents—but I understood research and research reports. I also understood by this time the importance of getting a completed report out to its sponsors and also whatever IRC's future in research might be. I ended up writing more of that report than anyone had planned for me, but my name was never shown as an author. In 1959, we published the report, "Employing the Negro in American Industry." The study was one of the earlier research papers on the subject of equal employment opportunities. And it even had a preface written by then Vice President Richard M. Nixon.

In 1960, we proposed that we set up a peer network for HR/IR people. Company staff would benefit more if they began to understand their role in bringing Black employees into all aspects of their businesses.

In retrospect, my own view of this study and the ensuing book is that they were both good but certainly not "barn burners." I felt that at some point there might be ways to capitalize on the research ideas for the overall benefit of IRC, although it was several years before I had the chance to make good on this plan. I believed that companies should pay more attention to the employment of African Americans in the corporate world and to recognize the talents they had. It wasn't until 1960 that we proposed that either IRC or IRCS (IRC Services, our consulting business subsidiary, which would later be called ORC) should set up a peer network for HR/IR people to discuss the successes and failures of recruiting and managing this minority group, but we insisted that we would try to emphasize the successes. We reasoned that company staff would benefit more if they began to understand their role in how to bring Black employees into all aspects of their business operations, especially where their talents would fit and/or could be developed and become a positive force in organizations.

Excerpt 11

The IRC Culture: Everyone Had a Voice

At IRC, everyone mattered, and everyone felt that our mission mattered. We were all a team. The interesting thing I learned about the hiring of a staff person in IRC was that regardless of the person's job level, he or she went through the same interview process. All candidates were interviewed by as many of the professional staff as possible; and all interviewers had "something" of a right to have an opinion on all job candidates, regardless of their level. One member of the staff observed that joining IRC was like joining the priesthood. Every candidate had to meet almost the entire "brotherhood." It was believed that this would contribute to cohesion within our small organization especially because in our work there was significant reliance on the talents of others. Moreover, being tied together professionally and intellectually was invaluable to us because our work frequently not only required collaboration, but meeting impossible deadlines and finding truly creative solutions to client needs, which could only emerge in debates and discussions between as many of the staff who could possibly make a contribution to our client as possible.

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Excerpt 12

IRC: Research and Education

In the late 1960s, IRC got a five-year research support commitment from Chevron, DuPont, Exxon, General Electric, General Motors, Gulf Oil, Procter & Gamble, Westinghouse, Western Electric, and Standard Oil of Indiana. What was most interesting to me at the time was that the only criticism of our suggested research program was the absence of any research on the training and development of first-line supervisors. DuPont was well known for its work in this area and believed that the absence of focus on supervisory development had a great deal to do with the spread of unionization in many companies. Moreover, it was DuPont's experience that the first-line supervisor could have a very strong influence on employee attitudes and could represent management interest in employee welfare matters more effectively than most other corporate officials. Later, in other research, we repeatedly found support for the views that the DuPont representative expressed.

We had success with our peer network programs, offering value to participants while also adding to our knowledge of human interaction. For example, we observed a willingness to accept debate and challenges from one's "equal," but not from an employee from another company who was not at the same level.

Around this time, we began our Symposia Series, which were two-to-three-day invitational meetings built around new academic research in human resource issues. The impetus for this plan was not only the work beginning to come out of academia but the publicizing of work being done in companies.

We also revamped our Management Course in Human Resources, which was a unique seven-day program for midlevel employee relations staff developed as a training session in the field during World War II, when there was a shortage of trained employee relations staff needed, especially by companies heavily involved in building their organizations for the war effort. The revised program was designed to challenge younger and midlevel company HR staff members who were sent to the course to learn of new developments and work on specific HR

issues in ad hoc and competitive teams. Many *Fortune* 500 companies used the IRC Management Course as part of their training.

And we had success with our peer network programs, offering value to the participants while also adding to our knowledge of human interaction. One interesting group dynamic we discovered was that when a group of peers met, they had the capability as peers to speak frankly and openly. Peers tended to sort out their disagreements with more ease than did executives from different levels meeting together while representing their respective organizations. Peers attending a meeting always seemed to bring weight to the discussions and there was a willingness to accept debate and challenges from one's "equal," but not from an employee from another company who was not at the same level. Obviously, a good discussion leader was also invaluable in keeping the dialogue challenging and having interesting issues come before the group. Both IRC and ORC became extremely successful in developing a large number of peer meeting groups for major companies in the same, similar, or even different industries.

Excerpt 13

Automation and Human Resources

During the early 1960s, Roy Helfgott (a labor economist on the IRC staff), proposed that we seek a grant from one of the major foundations to study the extent to which organizations were modifying manufacturing operations and adopting new automation technologies. We were successful in getting a major grant from the Ford Foundation and supplemented these funds with money from some 30 companies, which allowed Helfgott and me to visit 36 plant operations and review automation in practice. This work resulted in the book, *Management, Automation, and People,* published in 1964.

This study disclosed the quiet revolution that was starting to remake manufacturing in many industries. At the time it was revolutionary to see automobiles being assembled with very few human workers in sight on an assembly line. While there are differences, a look back at the automation taking place in the early 1960s might reveal that it was very similar to what is now the early days of robotization taking place in industry. In our preface to that earlier study, my then colleague and I wrote, "At this very moment, technological change is taking place within every progressive economic entity in the United States. Where this change is dramatic, it is referred to as 'automation.' In these situations, computers and other advanced electronic systems are installed to regulate workday processes. They methodize the mixing of batter and the shaping of crackers and biscuits in large modern bakeries, the many involved operations within petrochemical plants, the processing of steel in highly integrated mills, and the myriad recording and accounting transactions of banks and insurance companies."

That study and others are essential if we are to keep up with the changes that will continue in the future. Managers and workers must understand that new technology not only changes how work is done but how a company can remain profitable in dealing with

Rockefeller's IRC charter spoke to advancing the art and practice of human relations in the world of work, and as that world absorbs more and more technology, there is a need to move apace with those changes. It is critically important to remember where we have been and where we may need to go in the future, for change persists. And for the future, it is hard to believe that artificial intelligence will not follow a similar path as automation's, but with a greater impact on economics and also on work.

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Excerpt 14

Dividing IRC: Consulting and Research Interests

At the time I joined IRC, the profit-making work and the nonprofit work were done by a single staff, assigned project by project to either arm of the organization. In the early 1950s, our new president allowed our research interests to diminish. Therefore, the research side of the operation became less well developed than it had been in the two decades after Rockefeller founded the company. Nonetheless, it was interesting that IRC staff pointed with pride to the "shelves of black books" that represented the research done in the organization's early years, when its budget was directly supplemented by funds from Rockefeller to develop these major studies. These reports targeted groundbreaking material, especially on pensions and unemployment insurance systems in nations that already had them. They were important because the United States had not as yet developed such systems that covered and protected workers for the loss of income for various reasons including age, health, unemployment, and so forth.

Bryce Stewart had been IRC's director of research for many years, and it was largely his interest and skills in research and in studies of employment-related matters that shaped the areas of study for which IRC was known in its early years. Unfortunately, I never met Stewart, but it is clear that he was a singular researcher who, by proposing and conducting studies in important areas, advanced the fame of the organization that Rockefeller founded. His work added much creative thinking in the study and development of systems to protect workers who naturally experienced the loss of pay because of retirement, unemployment/economics, and health issues.

Obviously, by the early 1930s unemployment and retirement issues took the forefront as important matters for the nation as it entered the period of the Great Depression. With the election of Franklin Delano Roosevelt and his strong Democratic Party support in Congress, issues of employment and retirement security became paramount. IRC staff was seconded by the then new administration to aid in the development of concepts and proposed legislation in

these areas, but with special emphasis on the contribution they could make to issues related to retirement and the Social Security Act.

When Rockefeller set up the original company in 1926, it was possible to be a nonprofit and do work that was adjunct to the nonprofit mission as well as to a "profit-making activity." During its early years, the company was known as Industrial Relations Counselors, Inc. (IRC). Later, in the 1950s, then-president Carroll E. French believed it would be good business to split the organization into a nonprofit that would retain the IRC name designator and a similar name for a company with the word "service" added to it. This company, Industrial Relations Counselors Services, Inc. (IRCS) was to be the one offering services for a fee. This second company, IRCS, was incorporated as a wholly owned subsidiary of IRC, which was the nonprofit.

Years later, these reports were all bound in leather and were displayed in our conference room behind locked glass doors to be a constant reminder of the ripe history of our organization. They were evidence of 80 years of progress in the research and consulting work of our organization and visibly and dramatically reinforced our continuity of service to our clients and their employees.

Staff more experienced in business were busy in what became the practical side of IRC's areas of professional practice, conducting research within leading companies in all major industries in the country. We studied their employee relations and how effective management responsibilities in this area were or were not discharged. These studies were exhaustive reviews of practices and experience based on personal interviews with all levels of management and frequently first-level supervisors and workers as well. The studies were further supplemented by detailed reviews of data gleaned from company records on employment, compensation, grievances, and safety and health, all patterned as a result of the early work done at the Colorado Fuel & Iron Company. The studies led to specific recommendations for management action in such areas as personnel and industrial relations practices and policies, matters concerning worker health and safety, supervisory training and development, communications and policy development, as well as compensation and benefits.

The exhaustive data collected helped the staff develop incisive and detailed reports for management, with precise action steps for management consideration and action. The purpose

was to help general managers and HR/ER staff to understand both the strengths and weaknesses of their own management and to motivate them to make positive changes. Corporate management and even members of the boards of many companies also were briefed on these studies and management responses to them.

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