



THE ROYAL BANK OF CANADA

MONTHLY LETTER

HEAD OFFICE: MONTREAL, JANUARY 1953

THE PERSONNEL DEPARTMENT

SOME years ago the personnel department was regarded as fulfilling its mission if it kept places at work benches and chairs at desks filled. Today, the personnel department is a definite and important function of management. It ranks with sales, engineering, accounting, and other departments which have always been recognized as most important in the success of a business.

No other department is so troubled by advice from experts. There are pollsters and psychiatrists, union people and education people and reformers of all sorts, paying attention to personnel matters. The salvation of the personnel manager is to keep his balance, formulate principles, take advantage of theory when it accords with principles and common sense, and cling closely to the practical.

It is no longer sufficient to have the staff department thoroughly acquainted with the work to be done, its requirements of skill and stamina, and with the statistics telling what production by whom will be profitable. Those who are responsible for personnel recruitment and management need to know also the forces which can be brought into action through the application of sound psychological principles.

It requires imaginative enterprise on the part of personnel departments to replace frustration patterns with a feeling of belonging importantly. No synthetic concoction of plans and techniques will do this job; instead, there needs to be honest, straightforward and interested activity, starting with top management.

Man is a Mystery

It is relatively easy to break down even the most complicated machine into its component parts for analysis, but man is an unsolved mystery, defying accurate measurement. There is no slide rule that will tell whether a prospective employee will be good in such-and-such a job. No astrologer, graphologist or phrenologist can find the right stars, bumps or lines by which to judge.

There are, however, certain basic principles of human nature, application of which by personnel directors will enable workers to make better adjustments to

jobs and progress in them. But these principles are not all universal, and the personnel department applying them may expect to find many limitations and paradoxical contradictions.

What goes on in the mind of the worker—and every worker differs from every other worker—is the mystery factor which refuses to conform to specifications. Engineers, building machines as close to mechanical perfection as is humanly possible, recognize that the production problem is not solved until the human factors have been taken into account.

A man is not two people—one a mechanical performer of acquired skills, and the other a man who lives, loves and walks free under the sun. His emotions are mixed up with his daily work, and his actions often arise from obscure, unrecognized motives.

It is, then, part of the personnel department function to attempt to solve the mystery factor "X" in the equation which states that as a man is to life as a whole, so he will be to his work. His tastes and interests in areas far away from his desk or his bench will influence his job performance, because they colour the ideas he forms of all he does and all that he is asked to do.

What Workers Want

If the personnel department finds it difficult to appraise just what workers need to make and keep them happy in their jobs, it is almost equally difficult for workers to put into words with any degree of certainty and precision what their wants are.

Provision of good tools and good working conditions are taken for granted. The necessity to work in order to earn a living is accepted by all except a scattering of lotus eaters. But beyond these there are certain desires of the workman which he must satisfy: such things as justice, status, opportunity, and security.

Every person has, buried within himself, purposes toward which he is either consciously or unconsciously striving.

There is status even on the assembly line. Walker and Guest say in their newly-published book *The Man*

on the *Assembly Line* that distinctions often overlooked by the observer have a definite bearing on immediate job satisfaction or dissatisfaction. The man who puts a nut on a bolt is different from the man who does five or ten operations, and the difference shows in his attitude toward the job and in other ways.

To maintain self-respect in his work is just as necessary to mental health of the worker as the satisfaction of bodily needs is to his physical health. Says Glen U. Cleeton in his book *Making Work Human*, published by The Antioch Press three years ago: "The provision of physical conditions and the maintenance of work relations which encourage satisfaction in work for work's sake should not be used as a substitute for equitable wages; however, the provision of attractive physical and psychological conditions of work can and should be used as a supplement to the wages paid."

The ideal sought by the personnel department is full job satisfaction on the part of every worker. It must make every job seem significant in order that it may be satisfying. Millions of people earn their living by doing routine, repetitive work, and there are good economic and human reasons why this is true; but there are no reasons why that work should not be dignified as useful, significant, and worth doing well.

At the same time, as is pointed out by Professor Cleeton, the responsibility for work interest and liking one's job is not wholly the employer's. When the employer has done his part, the responsibility devolves upon the employee, who has recourse to at least three avenues of betterment. He may seek work that will be more interesting to him; he may take stock of his personal attitude toward his work, and correct the cause of his dissatisfaction; or he may go outside his daily job to find supplementary satisfaction through some form of self-expression.

Share the Limelight

Business leaders who have given deep study to the problem of industrial relations believe that a vital feature is appreciative recognition.

It is all too easy for managers and supervisors to fall into the habit of ignoring the positive values to be found in the giving of praise. Workers may get a mistaken idea from the policy of some managers whose principle is that so long as things are going all right they will not say anything. Their workers are likely to develop a negative attitude toward management and their work.

Not everyone can be an outstanding workman all of the time. There are many features militating against it, such as personal ability, home disturbances, physical and mental upsets of one sort or another, friction in the office or shop, and many others. This makes it all the more necessary for personnel people to do their utmost to seize opportunities for recognition of good points, special efforts and little successes.

It is not monotony alone that makes workers unhappy. It is loss of interest, loss of the feeling of satisfaction in accomplishment. For thousands of years farmers

have plowed furrow after furrow, and have done the same chores day after day. There is monotony—a sense of sameness—in such a life, but always the farmer has known that his tasks are part of the work of raising a crop which he will harvest.

Part of the answer to the problem of restoring contentment lies within the power of personnel directors. Routine, repetitive work can be made satisfactory if the worker can be assured that someone in authority recognizes the importance of his work when it is well done. It may be advisable, on occasion, to give even more credit than is due, and to take notice of good intentions as well as of good performance.

Right Man—Right Place

Basic to progress in developing workers is to have the right men in the right places. This prompted Northcliffe to declare: "We are even particular about hiring our office boys, who may eventually become department managers."

This is one of the most interesting aspects of personnel work: picking the right man for the right job. Ineffective selection results in excessive cost for training, and, because of heavy turnover, for training of replacements.

The corporation that is successful in selecting and assigning workers acquires the raw material for a superior staff. It will have a steady flow of workers into supervision and management.

The worker must have capacity for the job, or he will fail. On the other hand, if his capacity exceeds the requirements of the job, he will become maladjusted, and unhappy, and will leave it. This double-barrelled danger means that personnel departments need to analyse every position so as to understand its requirements and opportunities clearly. This is just as important in its outcome in job performance as to know the candidate's ability, personality, education, character and health.

A worthwhile contribution to the clear thinking of both personnel departments and workers has been made by Professor Morgan D. Parmenter, Lecturer in Guidance and Director of the Vocational Guidance Centre, Ontario College of Education, University of Toronto. Some of his workbooks, of 50 or 60 pages each, are entitled: *You and Your Future; Exploring Occupations; Success in the World of Work; Your Further Education.*

The Employee's Responsibility

Work is what we make it within our capacity. It can be worthy and satisfying, says Professor Cleeton, whether it be digging a ditch, putting nuts on bolts, building a house, managing an enterprise, painting a portrait, conducting research, or rendering professional service.

But we must give it our interest and strive for accomplishment.

Having sought and found work for which we have ability, acquired the needed skills, accepted the need for rules and regulations, and determined to do the

job with the best that is in us, something more is needed for our peace of mind. We need to look upon the job as one in which we shall find that our greatest satisfaction comes from the work itself.

The employee who envies and resents is standing in his own light. Instead, he needs to seek out the qualities in men ahead of him which put them where they are, approach his desire for advancement in a reasonable, analytical manner, and plan to reach the top by steps he will build out of study, experience and common sense.

It is fatal to a worker's happiness to cultivate a criticizing discontent. It gets him nowhere to pull down, to nag at rules, to deprecate authority, to pass judgment on policies of his firm. By and by, when he has progressed some steps, he will be in a position to contribute his thinking on his new level of knowledge and his new level of attainment.

Management's Responsibility

Management needs to concern itself not only with what it does, but also with the impressions workers gather of management personally. Failure to do so may be blamed in some cases for the decline and fall of once great institutions. They were built from the ground up by the initiative, co-operation and hard work of understanding men, but when business reached a certain elevation these virtues gave place to inertia, dictatorship, and lassitude, and decay set in. This is a state of affairs to be avoided, because as Hannah More wrote so truly in her essay on *Genius* 180 years ago: "It is a less formidable undertaking to refine barbarity than to stop decay."

Management does not assure sound industrial relations by appointing a personnel officer and turning him loose, no matter how efficient he may be. The top executive always remains responsible for the kind of employee relations and work performance to be found. He cannot divest himself of this responsibility, though indeed he must delegate some of the responsibility to others as far down as the least responsible foreman or department head in his organization.

Sincerity is essential on both sides. False attitudes will be spotted quickly, with resulting loss of faith. And faith once lost is difficult to re-establish.

Pronouncements and statements by management are not enough. It doesn't do much good if the top executive says that any employee has the right to discuss a grievance with his supervisor or manager unless the top executive sees to it that his supervisory people play their part without discrimination.

Management can help workers to gain status by sharing with them directly the information which should make them understand the economic and business problems faced by the enterprise. This matter was dealt with fully in our Monthly Letter entitled *Informing Employees*, in July 1951.

Promotion and Discipline

To keep happy the aggressive and progressive staff we have built up, we need to provide opportunities for advancement. Promotions must take place within an organization if it is not to stagnate.

It is one of the top-drawer problems of management, and solving it depends not so much upon creation by management of new departments and positions as upon the encouragement of workers. If workers are trained well, and educated into a keen sense of responsibility, and infected with an aggressive and progressive spirit, they will to a large extent create the opportunities for their own promotion.

Many firms believe in the principle of collective judgment in selecting supervisory staff. A selection board could be set up, within or outside but including the personnel department, and furnished with all employment, medical and personal data of the person being considered, together with the most complete information about the job requirements and the environmental factors.

Such a collective judgment is a guarantee of neutrality and fair play, particularly in the realm of the intangibles and factors which are subject to individual bias.

It is interesting to note that every promotion within this bank is the occasion for a full-dress discussion not only from the viewpoint of the bank but for the best welfare of the officer concerned.

When we come to discuss discipline, we meet once more factors which have no direct relationship with the mechanics of jobs. The mystery of "X", the human being, again intrudes.

It has been found, says Professor Cleeton in his book, that less intelligent or less skilful persons improve more rapidly in their work when praised, and they are easily discouraged by criticism. Intelligent, able, and skilful persons are spurred on to greater effort by a mixture of praise and criticism.

There are many forms of discipline. It may be administered as a reprimand or in the form of helpful suggestions; it may be imposed arbitrarily, or the justification for it may be made clearly evident to the worker; it may be a demonstration of power which inflates the supervisor's ego, or a co-operative effort to inspire the worker to better effort.

Power can never be used without caution. The day of "bawling out" personnel is long past. It never was a sign of true executive power, but rather of weakness and perhaps fear. It may persist, to some extent, on the straw-boss level, or in the ranks of men "dressed in a little brief authority."

Personnel departments find a challenge in the handling of grievances. They know that a grievance is merely a symptom. There may be something wrong with the worker, with his environment, with the way his immediate superior handles him, or with the firm's policy. What is needed is a clinical examination, without prejudice or penalty, and remedial attention when

it is justified, given quickly and thoroughly. In some cases it may be good management policy to pass down the line an effective statement of the grievance and what was done to meet it.

Department Heads

Upon the manager, supervisor or foreman of a department rests the responsibility of getting jobs done. He is the immediate guardian of plant morale and the link between executive and workers.

The man in charge of a department is important to the personnel department. Production may demand that he be a specially skilful worker, but the personnel department requires much more if it is to avoid the headaches caused by personality clashes, frustration, absenteeism, labour turnover, and all the other ills which accompany dissatisfaction among working people.

In addition to having qualities which win the trust and confidence of management, these department heads must be trusted and relied upon by their subordinates. They must, too, have the capacity to co-operate among themselves. Every department has a function to perform, some highly specialized. Unless there is a give-and-take as well as a spirit of emulation between departments, we cannot achieve that smooth and efficient and profitable functioning of the whole business we so much desire.

The department head needs emotional stability, so that he may pull through the big and little stresses of daily work. He has to be a man who sees the individuals in his department, and at the same time keeps his eye fixed upon the goal to be achieved by group effort.

These qualities are, above all, needed in the personnel department. Its head needs to know what is going on both inside and outside his company in his field of work; to have and to hold the confidence of employees and their representatives; to keep himself and his department up-to-date in the use of techniques and practices; to work in harmony with supervisors and foremen in maintaining good employee relations; to recommend to management the healthiest methods and the soundest policies for the recruitment and training of staff, and for the maintenance of morale.

The personnel department cannot protect its firm against every staff contingency, but by an approach to its work which combines realism and imagination it can build an environment in which fewer trying contingencies will occur. Its task is constructive, not merely remedial.

It is a big job, even were personnel departments working in a perfect environment with perfectly amenable characters. That they are not is one of the crosses they have to bear, but the diligent and devoted personnel man finds that the unknown factors make the job of staff management a fascinating study. The man who concludes that he has succeeded in reducing the problem of man-management to a few simple rules is treading on dangerous and slippery ground.

Morale

All the virtues of personnel management that have been mentioned enter into the building and preservation of morale.

Morale is a difficult word to define. It involves pride in the job, pride in the product, pride in oneself as a worker, pride in the institution and pride in the community. In a business where morale is high there is a spirit of "working with" rather than "working for" the company. There is mutual loyalty and a spirit of give and take in advice and assistance.

The feelings of drudgery and boredom are less likely to raise their heads in an organization where morale is high. Probably the tasks we have, of whatever nature, seem endless and dull at times for everyone. We should be unwise and immature to demand that every moment of every day yield us experiences that are stimulating and eventful.

Personnel departments are involved in this matter because, strangely enough, the more competent the worker the more likely he is to fall victim to boredom. When his full capacities are not demanded by the job he becomes emotionally fatigued and his work descends to a wearisome sameness.

Public Relations

Morale is an important factor in the public relations of the business, because the attitude of workers toward their jobs, their boss, their union, their factory, and the whole economic system has a profound effect upon community opinion.

It is impossible to promote public goodwill for a firm that has not won the respect of its employees. Contacts with the public are made at bank counters, on the sales floors, at the adjustment desks, in the buyers' offices, and on the telephone, but no less at the bridge table, in lunch rooms, on street cars—everywhere that workers go.

If the employees who meet the public in these places are convinced that management is making a sincere effort to be fair, they become a potent force in creating public admiration for the company that employs them.

To apply the high morale we have built within our plants to public relations, the personnel department has a definite part to play. When a meeting of minds is desired, nothing is so important as to explain. Provide facts and information about the business so that workers can do a competent, confident and enthusiastic job of selling the company to the public. Facts form the basis of good public relations publicity, and the more facts supplied to workers the better job they can do of making their high morale infectious throughout the community.

Workers will welcome leadership that is dignified, sincere and forward-looking. The personnel department has a significant part to play in providing it.