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A study in personnel functions: case report personnel departments at Fisher Body and Chevrolet Motor Division of General Motors Corporation--Atlanta, Georgia plants

Robert James Yancy

Atlanta University

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A STUDY IN PERSONNEL FUNCTIONS: CASE REPORT ON PERSONNEL DEPARTMENTS AT FISHER BODY AND CHEVROLET MOTOR DIVISION OF GENERAL MOTORS CORPORATION--ATLANTA, GEORGIA PLANTS

A THESIS
SUBMITTED TO THE FACULTY OF ATLANTA UNIVERSITY
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION

BY

ROBERT JAMES YANCY

DEPARTMENT OF BUSINESS ADMINISTRATION

ATLANTA UNIVERSITY
AUGUST 1966
ACKNOWLEDGEMENTS

The writer wishes to express his sincere gratitude and appreciation to those who were instrumental in helping him complete this study. Specific thanks go to those officials and employees at Fisher Body and Chevrolet Divisions who gave their time and efforts in answering questions and providing information concerning the personnel operations within these plants. Further thanks go to Dr. K. K. Das, who rendered invaluable assistance in his capacity as an advisor. Lastly, the writer wishes to thank Dr. Harding B. Young who provided initial inspiration and assistance, without which this study may never have even been completed.

R. J. Y.
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CHAPTER I

INTRODUCTION

This study is concerned with organization setup and activities of the personnel administration of two of the many operating plants of the General Motors Corporation. The two plants chosen for study are located in Atlanta, and their activities complement each other, inasmuch as they are concerned with two different aspects of automobile manufacturing. But for this complementary function, the two plants are independent more so in organizing their personnel function—whence the significance of this study.

Evolution of the problem.--While working in the Fisher Body plant in Atlanta, the writer was stimulated by observing the different methods of operation of the Fisher Body plant and the neighboring Chevrolet Division, both being of the General Motors Corporation, the foremost automobile manufacturer in the country. Working on the assembly line, the writer was directly experiencing a function of the personnel department of the Fisher Body plant. Since the Chevrolet Division was in the neighborhood, he naturally had to gain knowledge of this plant too. In view of his academic background, the writer was able to freely converse with the whole hierarchy of the personnel in these organizations. Those in the top echelons of the personnel departments of these two plants were often good enough to give time to explain to the writer some of the aspects of their working in answer to his questions and inquiries.
Statement of the problem.--The objective of this study is to develop a comparison of the operating personnel functions of the two Managements. Since they are found to be considerably different of each other, as will be seen later on, the study will, as a sequel, try to explain the "what" and "how" of these differences. In particular, attempts will be made to answer the questions: how far can the differences be explained by the nature of their operations and the renumeration structure of their employees?

Purpose of the study.--The major purpose of this study was to determine the extent to which selected administrative techniques are basic to successful business. More specifically, the purpose of this study was to achieve the following ends:

1. To identify the major departments which are basic to the Divisions' organizations.

2. To identify the title and specific duties of the employees within each department.

3. To determine the extent to which administration is influenced by policies and procedures.

4. To analyze and interpret methods of employee behavior control.

5. To formulate whatever implications for business theory and practice as may be determined by the research purposes.

Limitations of the study.--As in all case studies, the writer was restricted in his presentation and analysis of the functions and procedures of the personnel departments of the Chevrolet and Fisher Body plants by the availability of information of these topics. The reason is obvious.
General Motors and its Divisions, like many other enterprises, was hesitant in giving all the necessary information and data on their methods and procedures holding to personnel policy and practice. The hesitance on their part was understandable. They have their competitors to reckon with. It is not always helpful to one's competitive strength to disclose information about oneself. Besides, there is the labor union to reckon with. With all the best intentions on the part of both the employees and employers, the business relationship is still a matter of high level bargaining. The writer is acutely conscious of the limitations of the study due to lack of data, as also due to what may well be considered as necessities in hardship data that were actually available. What may, however, be added in defense of the study is just this: The whole study was an exhilarating experience, and the writing down of the same with his own reflections was an extremely valuable educative process.

Definition of terms.--Terms used in this study are defined below:

1. "Management-Administration," these are terms which are quite generally agreed to be synonymous. If there is any difference between them, it is that some people think of the administration as being top-level officers charged with both determination of policies and their translation into programs of action. The management, on the other hand, is thought of as being primarily concerned with execution of policy decisions. Since this conceptual distinction appears to be spreading, the word "administration" will be used in preference to "management" whenever it seems feasible. The reader will find that the expressions are often used interchangeably.

2. "Salaried Employees," employees who received a fixed income. These consist of supervisors, administrators, and their staffs.

3. "Hourly Employees," employees who are paid on an hourly basis. These consist of the production workers (Note: Hourly employees will also be referred to as "employees," "workers," and "labor" throughout this paper).
4. "National Agreement," Labor-Management contract as ratified on October 5, 1964 (Labor" refers to the collective bargaining unit of the plant employees. The formal name for this unit is United Automobile, Aerospace, and Agricultural Implement Workers of America, affiliated with the AFL-CIO.)


Locale and period of study.--This study was conducted at the School of Business Administration, Atlanta University, Atlanta, Georgia, during the summer of 1965.

Method of research.--Research activities consisted of interviews with officers and employees of the two plants and surveys of related literature in the area of Personnel Administration and Industrial Relations.

Procedures.--The procedural steps pertinent to the problem of this study are as follows:

1. Personal interviews with the heads of the departments of Industrial Relations and Salaried Administration at the Chevrolet and Fisher Body plants. Pamphlets and other corporation literature were used for information and collection of data.

2. Manuals on the Divisions' Organizations were read to note the degree of Corporation influence or lack of it.

3. Plants' Rules and Regulations were reviewed in an effort to determine if similar problems may have formed the bases of their origins.
Genesis of personnel administration.--It was not until about the beginning of the present century that personnel management as a field of specialization began to receive attention.

Prior to the 1900's, the functions of personnel management were limited to hiring, firing, and timekeeping. These functions were handled by each supervisor as part of his job. With improvements in production techniques, and subsequent popularity and growth of the large-scale enterprise, the supervisor's work load so increased that his responsibility regarding keeping of time and payroll records was often assigned to a clerk. This initial record-keeping was later expanded to include responsibilities for hiring and eventually to include other related functions. This, in turn, required upgrading of this function in the scheme of the organization of an enterprise. This was the beginning of the Personnel Department as a distinct unit in the organizational structure. It is interesting to note that, with the exception of this clerical aspect--the keeping of records of time worked and pay earned--as just mentioned, there are no references to personnel administration, per se, as a specialized field.

Viewing the emergence of personnel management as a distinct managerial function, history shows that there are two converging strands in the American economic life which provide the sources of modern personnel
management. One is the Scientific Management movement, and the other has been designated "welfare work."

The beginning of the twentieth century saw increased concern regarding elimination of those factors which contributed to waste. Though those factors were primarily regarded in terms of material, structure, machine, and process, it ultimately became evident that the human factor itself, represented a significant source of waste. The essential premise here was that waste represented a cost. What was new was the emphasis on this hidden waste, not simply explicit, out of pocket expenses. These costs were the result of inadequate and inferior methods of personnel management.¹ It was Frederick Taylor and his disciples who concluded that workers needed to be won over and led by management. He, further, found that they needed careful instruction, assistance and cooperation, and incentives to maintain productivity; and needed standardized apparatus and working conditions to perform satisfactorily. Being conscious of the sizeable differences among laborers, these Scientific Management engineers, following through, favored careful selection of employees in an effort to weed out all but the first-class operators. It is, however, interesting to note that in Taylor's scheme there was no specific reference to the personnel department. However, he did suggest the idea of an employment bureau for the proper selection and hiring and for record keeping about them. Following this route, the Scientific Management protagonists arrived

¹Frederick Taylor, Principles of Scientific Management (New York, 1911), pp. 89-90.
at the borders of specific and concretely delineated personnel administration, comprising many of the functions now considered integral parts of the personnel department.¹

While the advocates of Scientific Management were making overtures toward the area of employee relations, religion and philanthropy were also becoming active in the area. Welfare work, as it was called, was a movement aimed at improving the general tenor of American living. They were particularly concerned with the poor and the unfortunate and they attempted to achieve improvements in the homes and working lives of these people. In essence, welfare work sought to ameliorate the hard working life of the day and to elevate the employees of business. Toward this end, businesses were encouraged to make available certain facilities, such as libraries and recreational premises, to offer financial assistance for education, home improvement, to provide medical care, and to institute hygienic measures, such as clean, sanitary toilets and washroom facilities.

A form of personnel work thus appeared which concerned itself with this provision of cultural, educational, and recreational facilities and with financial, medical, housing, and other assistance. And, more important for this discussion, a sort of specialization made its appearance.²

Modern personnel functions.--Modern personnel management involves a wide range of activities or functions. Typically, the major activities are: (1) the formulation of policy and development of personnel plans; (2) staffing, which includes securing, selecting, and placing manpower;


(3) controlling working conditions in order to develop and effectively utilize the services of personnel on the job; (4) providing various services to employees, seeking to encourage self-improvement and increased efficiency; (5) review and appraisal, including the maintenance of personnel records and personnel research; and (6) labor industrial relations, specifically, management-union relationships.

The basis of effective personnel administration lies in the formation of sound policies. These policies indicate the accepted course or intentions of the enterprise in respect to one facet of the enterprise, that is, the human factor. They shape the development of programs and at the same time, provide yardsticks by which to evaluate them. The development of policies and their creation, communication, and acceptance are essential preliminary steps in manpower management.

A second major function involves the determination of manpower requirements and the discovery, recruitment, selection, and placement of appropriate personnel. The first task in staffing is job analysis to provide a criterion on which to base evaluation of applicants. The discovery of suitable sources of these types of applicants and the development of methods of recruiting follow. Thereafter, it is necessary to introduce or perfect devices facilitating their selection and placement. After new employees have been selected, they must be trained to perform their duties effectively.

Next, working conditions must be effectively controlled to insure employee morale and loyalty. Job satisfaction must continuously be appraised; causes of unrest and of unsatisfactory working conditions must be found and eliminated; uniform promotional and upgrading arrangements
must be made; conditions affecting health and safety must be controlled; fringe benefits must be administered; job interest must be encouraged; necessary discipline must be administered; grievances must be settled; and employment must be stabilized. Services for employees have recently become an important aspect of employee relations. Such services include insurance, loans, housing (in many cases), hospitalization, and such other measures as appear necessary for maintenance of satisfactory working conditions for employees and their families.

Lastly, it is necessary to continuously review and appraise the organizational function of the enterprise. In the appraisal, one seeks to determine if programs are working as intended, if actual practice is in keeping with policy prescriptions, that realized goals are in keeping with those which are intended in the beginning.

The brief elaboration of the nature and scope of personnel function of management poses the questions: What has brought about this change? What, in other words, make for the importance and social significance of the task of management of men in the industrial system? Briefly, the growth of technology, advanced skills on the part of the workers, demanding in turn, careful selection and appraisal of potential workers; the growth of trade unions posing what Galbraith calls "counter-ruling power"; the increasing social standards about the environment and conditions of work, as exemplified by the development of legislation relative to workers, and social security; and, finally, the awareness on the part of modern management that recognition of the factors would be to their ultimate advantage.

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More than ever before in the history of the businessmen, the management has come to deeply appreciate that.

**Personnel department in an enterprise.**—There are three distinct types of over-all organization structures which exist as a result of varying kinds of authority relationships established among units and individuals within the enterprise. Some of these are based upon functional authority, some on line authority, and still others combine line and staff relationships in performance of their business activity.

The functional type of structure, of which Frederick W. Taylor was a strong advocate, is so designed that each manager has authority over all personnel within all departments. This type of set-up provides too many bosses for any practical application in a large-scale business.

The line type of organization structure, which is sometimes called the scalar organization, is the oldest and simplest type of structure. It permits a clear line of authority from the highest to the lowest level within the structure. Each member in the organization is responsible to only one superior. This system is best suited for the intermediate size organization.

Within the larger organization, staff assistance may be provided through the creation of special staff positions. These positions may become necessary either within the certain line departments or as a separate department. The line and staff type of structure that is created through the addition of staff units has characteristics of both the line and functional structures. The line departments that are directly concerned with the accomplishment of organization objectives provide the basic framework of the enterprise. The addition of staff departments permits personnel
from these departments to provide the line managers with specialized assistance in those fields that the line managers do not have time to master. As a result of this assistance, supervisors and managers can confine themselves to their primary duties. The personnel department is such a department. It is generally organized around the needs and conditions of the company that it is to serve. The size of the company, the geographic location of its units, the nature of its operation, the nature of its union relations, the caliber of its work force, and the importance that the higher management attaches to personnel relations constitute some of the factors that delineate the size, scope of activities, and the position of the personnel department in a business enterprise in practice.

The size of the personnel department and the organization of its activities usually are contingent upon the number of persons ordinarily on the payroll of the company, the scope of the personnel program, and the importance that is attached to certain personnel functions. For example, if a company must engage in extensive hiring and training, the training staff may become sufficiently large to be organized as a separate subdivision of the personnel department. Similarly, if a company must maintain programs relating to such functions as safety, fringe benefits, wage administration, or labor relations, the establishment of separate divisions may be necessary in order to properly administer the programs for these functions.

When a company has multi-plant operations, a personnel department is usually established at each plant in addition to the company personnel department located at the main office of the organization. With this arrangement, the personnel manager in each plant is primarily responsible
directly to the plant manager of which he is a part. The company personnel department, however, under these conditions, generally is concerned with the coordination of personnel policies and practices, the maintenance of centralized records, and the administration of that portion of the program that concerns the company as a whole, but at the same time, he has allegiance to the personnel department at home.

It is needless to mention that organizational practice does always strictly follow theoretical precepts. Accordingly, it is interesting to ask, what are the varieties which today's personnel departments are invariably concerned with? Based on case studies of 92 companies, the National Conference Board laid down the following:

1. Industrial Relations Policy - Except where the collective bargaining agreement is involved and the union initiates changes, suggestions for introducing or altering industrial relations policies most commonly originate in the industrial relations department.¹

2. Hiring and Promotion - . . . Line officers decide who is to be hired, promoted, transferred, laid-off, and retired. The (personnel) staff provides advice and services, service in the way or recruiting, interviewing, testing and keeping records.²

3. Discipline and Discharge - . . . Basic authority is usually held by the line, with the staff providing a policy framework and consultative assistance. But the personnel staff has much more actual decision making authority than in hiring, promotion and transfer.³

4. Employee Training - . . . Common practice is for the line to make the final decision as to whether an employee training program would or would not be used, with the personnel staff

²Ibid., p. 116.
³Ibid.
customarily training the trainers and helping to decide course context and teaching procedures. . . .

5. Management - . . . The industrial relations director frequently makes decisions as to whether to establish a supervisory training or management development program.

6. Safety Programs - While the day-to-day enforcement of safety is the responsibility of the first-line supervision, the staff has considerable authority.

7. Wages and Salaries - In compensation matters personnel staffs operate in two basically different ways. After a formal wage and salary program has been introduced, personnel tends to have rather complete authority in its administration. . . . By contract, in the assignment of individual pay rates the line tends to maintain a higher degree of control.

8. The Control Function - In a majority of cases, the personnel department is responsible for "policing" personnel policies.

9. Labor Relations Negotiations - The majority of industrial or labor relations directors in our study are involved in the contract negotiations process, either as principal or alternate spokesmen.

10. Interpreting the Agreement - The common practice is for the industrial or labor relations department to interpret the agreement on a decision-making rather than a purely advisory basis.

11. Processing Grievances - In a majority of cases the line processes grievances through the first and second steps. Customarily, the advice of the labor relations unit is sought and in a number of instances that order becomes an order. In a majority of companies, the labor relations direction is listed at the third stage of the grievance

1 Ibid., p. 117.
2 Ibid.
3 Ibid.
4 Ibid., p. 118.
5 Ibid.
6 Ibid.
7 Ibid., p. 119.
procedure ... (And) clearance with higher line authority is required (before he can negotiate a settlement).\(^1\)

12. Contract Enforcement - This involves problems analogous to those involved in enforcing personnel policies ... \(^2\)

If labor relations, within or without the personnel function, is considered as one sub-category, then the other sub-functions listed above would fall logically into five broad areas, each of which would probably become a separate unit in a fully developed personnel department:

(a) Advice and service relation to selection, placement transfers, and termination ...
(b) Advice and statistical controls for such operating functions as safety and compensation ...
(c) Advice, organization, and in some cases administration of in-company educational activities ...
(d) Administration, for the rest of the organizations, of the insurance, medical, credit union, retirement, profit-sharing and other employee programs ...
(e) Personnel research ... \(^3\)

Yet another similar survey (through interviews) of 34 firms (of which 24 were manufacturing concerns as are Fisher Body and Chevrolet), reveals the following as the domain of activities of the personnel department:

The roles of the industrial relations departments are generally agreed to consist of the following:
- Staffing and Organization
- Induction, Training, Education and Discipline
- Wage and Salary Administration
- Time Records and Work Changes
- Rating Employees and Managers
- Safety
- Patent Agreements
- Time Off with Pay
- Medical Examinations and Employee Health
- Workman's Compensation

\(^1\)Ibid.
\(^2\)Ibid.
\(^3\)Peterson, et.al. Business Organization and Management (Homewood, Ill., 1953), p. 270.
Labor Relations
Group Insurance and Sick Leave Pay
Military Leave
Absence and Turnover
Employee Services and Special Activities
Pensions and Thrift Plans
Audits and Reports to Management

CHAPTER III

GENERAL MOTORS CORPORATION: A PROFILE

General Motors Corporation consists of 35 divisions which operate both within the United States and in countries abroad. The corporation is a major producer of diesels, aircraft engines and electrical equipment. Its principal product, however, is automobile production. It was this area which accounted for over 90 per cent of the company's domestic sales in 1964.

Though broad operational policies are formulated by the home office of the corporation, the responsibilities for specific programs of operation are passed on to the various decentralized divisions, and ultimately to the many geographically dispersed plants themselves. Alfred Sloan describes this organizational setup as being "decentralized with coordinated control."\(^1\)

General Motors is governed by the stockholders through the board of directors and its chairman. The president, who represents the active management of the Corporation, is subject to control of the Executive and Finance Committees, both of which are composed of directors of the company. The central responsibility of the Finance Committee is that of formulating the financial affairs. It has authority over all capital appropriations.

and over entrance into any new line of business. It reviews and approves pricing policies and procedures as formulated by the Executive Committee. It has the responsibility to see that the corporation has satisfactory return on its investment.

Operation Policy is determined by the Executive Committee. In this respect, it must review and approve appropriation requests for capital expenditures before they are passed on to the Finance Committee for final consideration.

As indicated in the organization chart, which follows, the operations within the corporation are divided into six major groups: Car and Truck Group; Body and Assembly Divisions Group; Accessory Group; Dayton, Household Appliances and Engine Group; Overseas and Canadian Group; and, Finance and Insurance Group. Each of these groups is under the direction of a vice-president who acts as group chief. The groups are further sub-divided into divisions which actually perform the production operations. These divisions are headed by General Managers. These General Managers are the individuals who are responsible for the success or failure of the operations of the divisions. For example, all Fisher Body plants are sub-divisions of Fisher Body Division. The plant managers of these plants are responsible to the General Manager of the Division, and the General Manager is responsible to the Vice-President of the Body and Assembly Divisions Group (as shown in the chart which follows).

Each General Manager, though he is responsible for operations within his division, may request, and receive aid and assistance from the "policy groups" which are staff functions on the top-executive level.
These groups, themselves, have no authority over the divisions, but inasmuch as they are composed of principal officers of the corporation, policy-group recommendations usually are adopted by the division seeking assistance.¹

The divisions of General Motors are, on the whole, multi-plant operations. These plants bear a relation to their respective divisions which is similar to that which the division bears to the corporation. That is, the operation of each plant is "decentralized with coordinated control."

To further understand this relation between broad policy as formulated by the corporation on the top-executive level, and operational policy on the local level, one may consider the case of contract negotiations within the automotive and parts divisions. Such contracts are two-fold--representing international and local agreements. The international agreements cover broad topics, such as retirement plans, Supplementary Unemployment Benefits, cost of living increments and other aspects for which there must be uniformity throughout the entire corporation.

Local agreements, on the other hand, cover local wage agreements, assembly-line speed, and those factors which are peculiar to local conditions.

The reader will note the absence of a personnel department within the major "corporation" organization. This absence does not indicate a major break with generally accepted theory of organization as discussed in the preceding chapter. It does, however, indicate the degree and extent

¹Ibid.
of decentralization and autonomy among the divisions and their operations. In line with this autonomy and decentralization, there are only "policy groups" which advise within broad, long-range perspectives instead of an entire department to regulate the operations of the personnel departments of the divisions. The latter would be the case within a more closely controlled organization.

Since this study is concerned with the plants of two specific divisions of General Motors, a discussion of these Divisions—Chevrolet and Fisher Body—is to follow.

Chevrolet Division of General Motors.—The Chevrolet Motor Division of General Motors Corporation was acquired in May, 1918, through the acquisition of the assets and business of the Chevrolet Motors Company, a small automobile company which was directed by Louis Chevrolet.

From this humble beginning, with a total production of 2,999 units in 1912, Chevrolet has risen to a position of leadership in the automobile field, having produced more than two and a quarter million passenger cars and trucks during the 1964 model year.¹ Today, Chevrolet is the largest of General Motors' five motor divisions. Its twelve plants are responsible for the production of Chevrolet, Chevelle, Chevy II, Corvair, and the Corvette passenger cars, and Chevrolet trucks.

Fisher Body Division of General Motors.—Fisher Body Division of General Motors Corporation was acquired through purchase similar to that of Chevrolet, when in 1918, the Corporation purchased the assets and business of Fisher Body Company—a small automobile shop then directed by the Fisher

¹General Motors Corporation, The Chevrolet Story, A Pamphlet prepared by the General Motors Corporation (1965), p. 3.
brothers. For years prior to this taking over, this company had been under contract with General Motors to furnish finished bodies for General Motors' automobiles.

Today, the Fisher Body Division designs, fabricates, and assembles the bodies for all of General Motors' motor divisions. It consists of 22 assembly plants and 17 fabrication plants. With the exception of the Flint, Michigan-Buick, and Flint, Michigan-Fleetwood-Fisher Body plants, all body assembly plants are designed so as to be adjacent to a motor division assembly plant, in order to facilitate economical transportation of the body to the chassis. This is how the Fisher Body plant and Chevrolet Motors, under study, happen to be in Atlanta and in close proximity of each other.

Relationship of Chevrolet to Fisher Body.—Both Chevrolet and Fisher Body are operating divisions of the General Motors Corporation, thus sharing common ownership, have plants and facilities in strategic geographical areas throughout the United States, and generally in the same neighborhood. The Fisher Body and Chevrolet plants in Atlanta, Georgia, are geared for production of Chevrolet and Chevelle automobiles and Chevrolet trucks for the entire Southeastern United States market.

Another relationship which exists between Fisher Body and Chevrolet is that of complementarity. Chevrolet-Atlanta receives orders from Chevrolet automobile dealers throughout the southeast. In accordance with these orders which it receives, Chevrolet plans and schedules production of the automobiles. Having completed this scheduling, Chevrolet orders the desired number of bodies required on different dates, being determined as
Chevrolet's schedule warrants. In accordance with the orders which it receives, Fisher Body plans and schedules its production. In this sense, both Chevrolet and Fisher Body are interdependent upon each other for the production of automobiles. Neither can do without the other—in a large measure, the production schedule of one determines the schedule of the other.

In addition to this complementary function, Chevrolet and Fisher Body-Atlanta are related through proximity of geographical location. This is to say that the main assembly activities of both are carried on under the same roof. The production operations, however, are segregated by a strategically located railway spur line which runs near the middle of the physical plant.

The operations of the two plants are further linked by a conveyer which transports the finished bodies from Fisher Body to Chevrolet for attachment to the chassis and drive components which are assembled there.

Both Fisher Body-Atlanta, and Chevrolet-Atlanta, though sharing common ownership, complementary functions, and proximity of geographical locations, are organized differently in terms of the organization of personnel functions. These differences constitute the subject matter of this study. Speaking of each of the plants generally, what, then, are the differences?

Basically, each of the two plants is separately organized with regard to administrative setup. There is no one-to-one correspondence or identity of departments within each of the units of organization. Instead, the organization within each plant exhibits the creativeness of the top-level administrators. The organizational hierarchy of the respective
organizations appear to be set up in terms of the organizational purposes and objectives. To make the point specifically and relative to the scope of this study, the personnel departments of the two plants have different names, duties, and responsibilities, of which more will be said further on within the study.

This idea of autonomous organization and operation has been a policy of the General Motors Corporation since its becoming a multi-plant company. Compelled by the patterns of growth, the company found that such a policy would encourage local or individual creativeness in accomplishing overall company objectives.

The desire to express creativeness, however, is not sufficient explanation for the organizational setup of these plants. Another, more important one, then, is the differences in natures of the products being manufactured. Chevrolet is engaged in the assembly of chassis and drive-train components for passenger cars and trucks. In their operations, the allowed tolerances for errors are small and rigid inspection requirements must be enforced. As a result, close supervision must be maintained on the work being done. This entails the employment of a large number of line supervisors to oversee the operating work force. Along with them comes the need for more advisory and staff personnel to offer services to the line. Such elaboration of staff services, in turn, call forth more personnel than would otherwise be necessary. In other words, Chevrolet Motors Division is generally characterized by a higher supervisory ratio as compared to the Fisher Body Division. In the nature of things, it also has a larger component of salaried personnel.
The number of salaried employees at Chevrolet may be more thoroughly comprehended when compared to that of Fisher Body. Of the nearly 2,350 employees there (Chevrolet) 450 are salaried. This means a ratio of .20 salaries for each hourly employee (or in broader terms, 20 for every 100). Fisher Body, on the other hand, has only 250 salaried employees for nearly the same number of hourly rated employees. This results in a ratio of 11 for every 100.

Having many salaried personnel, Chevrolet is able to delineate and specify duties and responsibilities in more precise language than would be the case with a smaller number. As a result, one finds, for example, that its Industrial Relations Department, as the personnel administration is called, is sub-divided seven times. Owing to the smaller staff of salaried employees at Fisher Body, the organization there is more spread out. The Industrial Relations Department, for example, has only five sub-divisions. To put these organizational differences in the language of organizational theory, the management slope of the Fisher Body is much less than that of Chevrolet, and levels of organization of the one are less than those of the other.

The smaller organization of Fisher Body, if it may be so described, may be the result of two factors. First, the manufacturing operation at Fisher Body involves fitting together body components for passenger automobiles. While close tolerances are enforced and inspection processes are thorough, the need for the degrees of precision and close supervision as exists at Chevrolet is not as acute. Necessarily, closer supervision requires a greater number of supervisors.
The second factor is related to marketing and distribution.
Because Chevrolet handles orders regarding production from dealers throughout the Southeast, the staff there is larger than that at Fisher Body who only receives orders from Chevrolet.
CHAPTER IV

PERSONNEL ORGANIZATION AND FUNCTION AT FISHER BODY

The Industrial Relations Department, at Fisher Body-Atlanta, as the personnel department is called, consists of five departments and is headed by the Industrial Relations Director. These sub-divisions are (1) Employment Department, (2) Labor Relations Department, (3) Salaries Department, (4) Plant Protection Department, and (5) Medical Department. The organizational chart of the Department is given in Exhibit 2.

The Director of Industrial Relations is the head of the department, which has a similar function as the parent organization. In this regard, he must maintain a staff of specialized assistants and clerks. He also advises and assists in the formulation and implementation of industrial relations policies and procedures, and interprets and appraises them through consultation with line, and other staff officials. Also, he must exercise general supervision over the administration of the entire industrial relations program--for the success or failure of which he must give account to the plant manager.

The overall purpose of the department is that of coordinating and organizing the work forces of this plant so as to realize the full benefits of their productive efforts.

Industrial Relations representatives have no functional or line authority over other departments or over the workers themselves, except in
cases involving discipline. Their position, then, is that of the staff who makes available their services and knowledge in the area of manpower coordination to the line supervisors and administrator whose positions require intercourse with the workers.

Because of the nature of their relationship to each other, and to other departments within the plant, the Industrial Relations Department at Fisher Body is highly coordinated, in terms of specialized functions. This coordination makes for greater efficiency in performance of the functions assigned to them.

**Employment Department.**--The employment department at Fisher Body is headed by the superintendent of employment. Under him is a staff of clerks. These clerks must carry on the functions of his unit.

The functions of the employment department are many and varied. They include the hiring of the employee, handling insurance forms, maintaining performance records, maintaining up-to-date seniority records, dismissal of employees, and administration of unemployment compensation.

Job applications are accepted by the employment department of Fisher Body at any time during the year. Whether or not there is an available opening, an individual may come in and fill out an application for a job. This application remains on file for a period of six months, and if the applicant is not hired during this period it is discarded.

When a position does become available, an employment clerk screens the applications until he finds one whom he feels to be the most suitable for the position. He calls this man in and interviews him. If it is thought that he will fill the position, he is sent to the medical department for a physical examination, and, if he passes, is subsequently hired.
There are several reasons for which new men may be hired. Vacancies may appear as a result of leave of absence, caused by illness or injury, or for other reasons, dismissal or lay-off of employees, or an increase in assembly line speed. Whenever one or more of these circumstances occur, the labor standards department, which sets the standards of production, which each employee must come up to, is notified by the line supervisor or foreman of the deficient department. Whenever necessary, this supervisor specifies the desirable physical attributes which the new man should have in order to satisfactorily perform the operation. The labor standards department then sends a requisition to the employment department specifying the number of men wanted. The clerk in the employment department then checks to ascertain whether there are any eligible men who have been laid-off in a former manpower reduction. If there are none, then the new applications are screened until a new man can be hired.

As soon as a man is hired, the employment division must begin completing the necessary forms to secure his life, accident, and hospitalization insurance. These forms are completed and remitted to a private insurance company who returns the policies to the employment department which subsequently gives it to the employee.

The insurance plans, which hourly employees of Fisher Body as well as Chevrolet get, are carried, by the Division, on a non-contributory basis. In other words, the employee does not contribute any funds toward this insurance coverage, but that each division pays the entire premium.

In addition to his insurance, the employment department must also begin the new hire's employment record on which is kept the names and
addresses of his previous employers, and other references as well as the
date and tenure of his employment at Fisher Body.

From time to time, employees will be transferred to new positions,
either temporarily or permanently. This may originate in many ways. The
employee may ask for it, his supervisor may recommend it, for example.
This is processed by this department, and if approved, the employee is
notified of this assignment to the new position. Approval is made with
regard to availability of job openings, employee's performance, capability
based on past performance, and employee's seniority status.

Medical Department.--The Medical Department at Fisher Body consists
of one doctor and three nurses. The doctor holds a staff relation to other
departmental heads within the industrial relations organization. In this
sense, he is directly responsible to the Director of Industrial Relations.

The medical department is responsible for the health and well
being of all plant personnel. In this respect, it must administer physi-
cal examinations to all newly hired employees, both hourly-rated and
salaried.

In addition, this department treats all injuries in the plant.
This treatment ranges from administering first aid for cuts and minor
burns, to performance of minor surgery. Most typical examples of this are
the setting of broken bones and stitching of serious cuts, and removal of
foreign bodies from the limbs and eyes.

X-ray facilities are maintained by the medical department for
more comprehensive analysis of employee's complaints. These machines can
be operated by both the doctor and his staff.
In addition to performance of routine physical examinations and administering of first-aid, the medical department also examines those individuals who suffer more serious illness. From the findings of these examinations, the medical department may recommend that the employee be assigned to a less strenuous job, that he be excused to visit his personal physician, or that he take an extensive leave of absence to recover while under his personal physician's care.

**Labor Relations Department.** General Motors defines labor relations as all administrative activity which involves direct intercourse between labor and management. The labor relations department, then, acts in the capacity of agent for the Corporation.

This department is directed by a superintendent of labor relations representatives.

The functions of the labor relations department consist of implementation and interpretation of the union-management contract. In this light, the department must often meet with union representatives and attempt to settle those grievances which arise within the course of the day.

Settlement of these grievances comes about in the following manner. First, the employee, who feels as though he has been mistreated or has a complaint, states his case to the foreman under whom he works. If he fails to find relief in this manner, he may call in his shop committeeman. These efforts are classified as "the first step."

Should he fail to obtain any solution, the committeeman takes this grievance to the labor relations department during weekly meetings that the union representatives have with this department. Should these
negotiations fail to give the employee any satisfaction, the union may appeal its case to an umpire. This umpire, in the case of Fisher Body, is a college professor of industrial relations.

After having heard the case for both the union and the management, the umpire will render a decision which is to be considered binding upon both parties.

This process of grievance settlement is clearly outlined within the national agreement between General Motors and the United Auto Workers Union.¹

The shop committee at Fisher Body consists of seven committeemen and one chairman. The number has been chosen on the basis of three shifts. These committeemen are divided equally among the first and second shifts—each having three apiece. The third shift is represented by one committeeman, due to the small number of men who work during this shift. These seven committeemen represent almost 1900 employees, making a ratio of 291 to 1 employees to committeemen.

In addition to negotiation of grievances, the labor relations department also administers disciplinary actions against employees who are found guilty of being delinquent. The employee is brought into the labor relations office, along with their union representatives. The case against him is read and negotiations are instituted as to the disposition of the case. When a decision has been reached, the employee is given a written copy of his misdeed, and the punishment that has been ordered.

Copies are also sent to the union, and to the employment department, the latter to be attached to the employee's record.

Salaried administration.--The processes and techniques of hiring and maintaining salaried personnel differs from those pertaining to hourly-rated employees; and inasmuch as this difference concerns use of different measures of evaluation for staff or supervisory hiring as opposed to hiring of production workers, a plant as large as the Fisher Body plant in Atlanta requires a substantial number of salaried people, to effectively implement the personnel functions in respect of salaried employees. An entire department has been established for this purpose.

As it now stands, the superintendent of salaried personnel is responsible for screening, hiring, and training salaried personnel. In addition, he carries on continuing training for the supervisory staff within the plant. This training includes lectures and discussions on the arts and science of manpower supervision.

In addition to hiring and training, the superintendent of salaried personnel makes job assignments and placements of salaried personnel. His duties include recommendations for promotions and transfers of the more competent of these personnel as well as demotions and discharge of the incompetent.

An additional function of the superintendent of salaried personnel is the inspection and authorization of requests for tuition refunds under the General Motors College Tuition Refund Plan. Under this program, eligible employees may receive full refunds on their tuition costs should they attend approved colleges or universities and major in a field which may benefit them on their present jobs or in future positions with the Corporation.
It is interesting to note that the unit of Salaried Administration is a relatively new unit of the Personnel Department. With the growth of the number of salaried persons relative to the hourly paid work force, and the need to upgrade the caliber of such persons—perhaps to enforce better standards of work performance—the plant felt the need to focus its attention on the various aspects of managing this personnel group. It may well be that the plant has increasingly come to appreciate the differences in the scope of management of personnel of one group (salaried) as against the other (hourly-rated). The unit in this case, being a new wing of the personnel organization, does not yet have clearly defined objectives and functions. What has been stated in the foregoing work may, therefore, be regarded as strictly evolutionary.

Plant Protection Department.—The plant protection department at Fisher Body consists of a chief, two sergeants, and a staff of patrolmen. The chief of Plant Protection is directly responsible to the director of Industrial Relations. The sergeants are responsible for supervision of the patrolmen in the performance of their duties.

The general function of this department is that of protection to company property—both real and personal. In carrying out this responsibility, patrolmen are authorized to search all individuals at any time that they are on company premises (whether afoot or in motor vehicles). This is in keeping with this function, insuring that no unauthorized personnel enter the plant.

An additional function of plant protection is that of fire prevention, and whenever necessary, fire-fighting. In line with this responsibility, the department must keep close check to insure that all
fire extinguishers are properly operative, and that the fire evacuation signal is in good repair. Moreover, the department keeps check on equipment storage to insure that flammable materials are properly stored, and regulates the use of fire (such as smoking, or welding) within those areas where fire hazards may exist.

The Plant Protection Department is additionally responsible for the safety of the employees. In carrying on this function, they inspect tools and equipment throughout the plant to see that they are safely constructed and that there are no avoidable safety hazards. They make certain that spot-welding equipment, for example, is properly weighed and balanced so that they may be maneuvered by the worker with undue strain. They also inspect overhead conveyors to see that they are sufficiently secured.

Lastly, in keeping with plant security, the plant protection department is charged with preventing employee activities which may contribute to unsafe conditions. This has particular reference to horseplay within the plant.

The specific organization for carrying out these functions is based upon the assignments to patrolmen. The assignments encompass six specific duties, for which there are five posts.

First, there are the assignments to the two employee entrances. The primary function there is to prevent unauthorized personnel from entering the plant. The patrolman at the main entrance, however, has the additional responsibility of answering the telephone at their headquarters, ringing signals for shift changes, certifying and giving passes to all individuals who have official business within the plant, but who are not
permanently employed there. (This includes outside servicemen who have been authorized to visit the plant.)

The patrolman at the inloading docks must inspect all trucks before allowing them to leave that area. Similarly, the patrolman at the railroad spur must inspect all box cars.

The sixth post is in the plant itself. Patrolmen are assigned to maintain safety, security and fire prevention within the plant.

Conclusion.--In conclusion, one may see that in terms of functions, the industrial relations department at Fisher Body is in close conformity with the broad principles of personnel functions outlined earlier. The department head handles policy interpretation and administration. Staffing and staff supervision are also his concern. The various departments handle the employment functions, grievance settlements, selection and training of salaried employees, plant security, and first-aid.

A close look at the organization chart, however, reveals that possible weaknesses are present within the industrial relations organization of a plant of this size. This organization does not reflect adequate delineation of the personnel functions. In effect, there does not appear to be sufficient room for specialization in the specific duties and responsibilities of the staff. Staff members can be, for the most part, only "general practitioners" in industrial relations instead of being specialists in the various areas, under the present setup.

This condition contributes to vagueness of duties and responsibilities within a large enterprise, and can have dire effects. Shirking of responsibilities and "passing-the-buck" often occurs. The result is often an inefficiently runned department.
To prevent this, the industrial relations organization should provide additional delineation of functions, characterized by more detailed organizational break-down.
CHAPTER V

PERSONNEL ORGANIZATION AND FUNCTION AT CHEVROLET MOTOR DIVISION

The organizational setup of personnel administration at the Chevrolet plant is shown in the chart enclosed within this chapter (Exhibit 3). How the personnel management works in practice may now be briefly explained.

Employment Department.--The Director of Personnel at Chevrolet is the head of the entire department. He is responsible for staffing a competent department. He also interprets the department policies and supervises the proper administration of them. He supervises the entire industrial relations program, and must stand accountable to the plant manager, regardless of his link up with the relevant organizational unit in the parent organization.

The Employment Department at Chevrolet is headed by the Director of Industrial Relations. His staff is composed of a senior clerk and several other staff members. All of the clerks within the employment office are specialized in particular areas.

The insurance clerk is responsible for handling and processing the applications which are submitted by the employees. Under a newly instituted insurance plan, all processing of medical insurance is done by the insurance company. This is to say that the employee merely picks up a form and gives it to his physician. The physician forwards this to the insurance company.
EXHIBIT 3

ORGANIZATIONAL CHART OF DIVISION OF INDUSTRIAL RELATIONS--CHEVROLET

Director of Personnel

Director of Industrial Relations
  Employment Department
  Labor Relations Department

Salaried Administration

Chief of Plant Protection

Safety Engineer

Suggestion Co-ordinator

Medical Director
For accident and sick-leave benefits, however, the employment unit does all of the work. When one of these claims is filed by an employee, it must be processed. In processing this form, he reviews the application to see that it is in proper order. Then, he analyzes this claim and gives it the initial approval. Upon giving this approval, the accounting department is ordered to make payment to the employee.

The insurance company, through which Chevrolet handles its policies, reimburses Chevrolet on a periodic basis for all premiums paid during that period.

The need for manpower at Chevrolet is based primarily upon customer demand for Chevrolet's products. If demand is up, increases in production activity ensues, and additional employees are hired.

This hiring is done by the employment clerk. This clerk handles those duties which are associated with hiring and maintenance of the work force. In this light, he processes application for employment, conducts the interviews, and gives the final approval for hiring all hourly workers. Under conditions of great hiring activity, however, he may be aided by another staff employee or clerk.

The employment clerk, conversely, is responsible for determining which men will be laid-off during periods of slackening production. The selection of employees to be laid-off is based upon length of continuous employment. It is the function of this clerk, then, to determine which employees have least seniority, and inform their line supervisors, who will inform these men.

In addition to hiring, laying-off, and administering insurance benefits, the employment department at Chevrolet is responsible for
maintaining records with regard to employee's performance, tenure of employment, and other related items. This work is performed by two clerks within the department.

Labor Relations Department.--The Labor Relations Department is also headed by the Director of Industrial Relations. This department is composed of six men, three staff members and three labor relations representatives.

The function of the Labor Relations Department is that of handling those grievances which are filed by the hourly-rated employees. In handling these grievances, this department reviews the issue at hand, proposes the solution which more closely approximates the dictates of the National Agreement.

This department has the additional function of contract negotiation whenever this becomes necessary.

The administration of disciplinary measures to delinquent employees is handled by the employment department, through the labor relations department. The procedure is as follows: The employee's foreman contacts the employment office and registers a complaint against the worker. A clerk checks the man's record to determine the number and seriousness of his previous offenses. The clerk, then, contacts a labor relations representative who calls the employee into a conference (assuming the record and nature of the offense warrant it), along with his labor representative, where the nature and extent of his punishment is determined.

Plant Protection Department.--The Plant Protection Department is charged with the responsibility of maintaining close guard on all company owned property, and is composed of a Chief of Plant Protection, four sergeants, and a number of patrolmen.
This department has the additional responsibility of guiding tours for authorized visitors through the plant.

The Plant Protection Department operates through three eight-hour shifts for seven days per week. Each patrolman works six days per week and his shift is rotated monthly.

One of the sergeants of the plant protection department also fills the capacity of a fire marshal. In his duties, he must run frequent inspections of the plant and field facilities. These inspections are made to discover any fire hazard which may exist. In addition, he is responsible for seeing to it that the overhead sprinkler system is in perfect working order, that all fire extinguishers are filled and properly charged, and that all fire warning equipment is in working condition.

Safety Department.—Chevrolet maintains a Safety Department which consists of a safety engineer and a staff of clerks. This department is responsible for maintaining hazard-free conditions, both on the job and within the plant. In carrying out this function, the department must make daily inspections of the plant and facilities to insure that accidental injury to plant personnel does not occur because of unsafe working conditions.

This includes inspection of electrical and power tools, inspection of welding tools, as well as general inspection of the physical plant. Whenever the engineer finds safety hazards, he has the authority to order immediate alleviation of them.

The safety department is also in charge of the sale of safety shoes and protective eyeglasses. These shoes are specially constructed
with arch supports and steel reinforced toes. The glasses are of shatterproof construction. Both are made available to plant employees.

Other duties of the safety department include processing and administration of workmen's compensation benefits. The safety director reviews the claim form and arrives at a disposition in keeping with state law and with the National Agreement.

During periods of increased employment activity, safety department personnel assist the medical department in reviewing the medical forms which have been completed by the job applicants.

Medical Department.--Chevrolet shares its physician, who is the head of the medical department, with Fisher Body. In addition, the staff includes three nurses--two for the day shift, and one for the night shift.

Chevrolet's medical department administers physical examinations to job applicants, administer first-aid to minor injuries and function, generally, in the same manner as Fisher Body. The department does not perform any laboratory work, nor does it administer x-rays.

Should one of the staff members decide that the employee's injury require x-raying, he will send this employee to Fisher Body. For use of their x-ray facilities, Chevrolet is sent a monthly bill by Fisher Body.

The medical department is utilized for treatment of plant incurred injuries.

Suggestion Department.--The suggestion department at Chevrolet is incorporated under the personnel function. This department is headed by a suggestion coordinator. The staff includes an investigator and a clerk.

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1The medical director is on Fisher Body's payroll, but his salary is contributed to by both Chevrolet and Fisher Body.
The function of this department is to encourage employees to make suggestions on ways and means to improve the plant and facilities, in order to make them safer, or to improve his job in order to improve production. These suggestions range from methods of improving lighting to ways of obtaining greater utilization of tools and equipment.

The suggestion department offers monetary rewards ranging up to $6,000, in addition to prizes for those suggestions which are found to be of use to the plant.

After having received a suggestion, the investigator goes out into the plant and makes a personal investigation of the condition as described by the employee. Upon surveying the situation, he makes recommendations as to the disposition of the suggestion. If it is accepted, the employee is rewarded with an amount of money commensurate with the economies which the suggested improvement will ultimately yield.

The purpose of this department is not that of securing ideas for plant improvement, but it is also intended to aid in the development of loyalty of the employee toward his work situation, the plant, and the company in general.

Salaried Administration.--The Salaried Administration Department consists of a director and a training coordinator. The purpose of this department is to supervise the training of salaried personnel. This administration also plays an important role in the hiring of salaried personnel.

In the case of an hourly worker who exemplifies administrative or supervisory potential, his foreman refers him to the plant superintendent. The superintendent interviews the employee and refers him to the salaried administrator. At this point, the employee's application is examined and
processed. The salaried administrator then reports his findings and recommendations to the plant superintendent, who, thus, makes the final decision regarding this man.

Though there is no formal training program for newly hired salaried or hourly employees, the training coordinator does conduct supervisory training sessions for one hour each week. During these sessions, the coordinator lectures or shows films, or general discussions are held pertaining to problems which the supervisors encounter.

The Education program regarding tuition refunds is also coordinated at the Chevrolet plant by Director of Salaried Administration. In administering this program he checks the classification and curriculum of the school being attended and makes periodic checks of the student-employee's grades to see if they are acceptable.

**Conclusion.**--It will be noticed that the name of the employee relations department is different from that of Fisher Body. This difference has no real significance, and is nothing more than an accident of history.

The organization and functioning of the Department of Personnel at Chevrolet is again in close alignment with the basic principles of personnel administration. The department appears to be adequately subdivided and specialized clerks and staff members are more in number. As a result, Chevrolet exhibits a smooth-running, efficiently run personnel department.
CHAPTER VI

CONCLUSION

In the foregoing pages attempt was made to trace the origin and the present status of personnel organization and function in a modern enterprise, and relate the same with reference to the concept and function of personnel administration in practice. For the latter purpose, case studies of two organizations were presented.

From the analysis and review of the organization and functions of the personnel departments of the two different plants--Fisher Body and Chevrolet Motors at Atlanta--it is clear that the theoretical concept of personnel function very much applies in realistic situations. Even though one does not see the proliferations of sub-functions, as is often the case in the full-scale personnel organization of an enterprise, the operating management would not appear to take on any lesser acceptance of managerial responsibility for its personnel.

If the case studies do not reveal a highly elaborate personnel organization structure, it is largely to be explained by the facts that Fisher Body and General Motors are but two of the many plants that constitute the General Motors Corporation. Indeed, such being the background of the two plants it is but natural that many of the various sub-functions common to all the plants of the corporation should be administered centrally, and, that at a higher level than that of each operating plant. For when such functions are administered from the home organization, it
would make for economy and consistency. This, it may be added, is not merely true of personnel function, but also of all staff functions generally. It may, therefore, be concluded that the personnel organization charts, studied earlier, depict the differentiated features of personnel organizations that are of immediate concern to operating at the plants. Viewing the organization charts in this manner, one cannot but be impressed by the elaborate personnel organization and functions that such plants are concerned with.

From a comparison of the organization of the personnel departments of the two plants, a few differences emerge. Firstly, Chevrolet Motor's structure is more elaborate than that of the Fisher Body. The former has one more hierarchy in its organization than the latter. Employment and labor relations are set up under one common authority. The safety and protection of the Chevrolet Motors are more clearly demarcated—organizationally speaking—than is the case with the Fisher Body. This very plant also makes more effective use of the suggestion system than is the case with the Fisher Body. It is interesting to ask: why this more conscious effort to delineate the functions so exactly? Two lines of answer may be offered: (1) even when the common functions of the plants' personnel function have been gathered up at the home organization, it does not follow that what remains of the personnel organizations of the plants in the field must necessarily show complete similarity. For, allowance must be made for the ingenuity and inventiveness and enterprise of the field managements within the larger frame of personnel policy and administration. (2) Much of the observed differences, such as found in our case studies, may well be due to differences in the nature of their products, degree of
precisions with which they are, or must be made, the degree of risk or
dangers ordinarily inherent in the production process--thus calling
specialized attention as a preventive measure; and what of the many facets
of personnel management problems are likely to come up in the operation
process. On these aspects of the operations of the two plants, we have
already expressed ourselves clearly, and, as such, no further comment is
called for. What is, however, worthy of note is the fact that despite
the fact that the two plants are but divisions of the same enterprise,
and despite the fact that they directly relate to each other, as explained
in Chapter 1 earlier, despite all these, the two plants should have in-
dependent personnel organizations and that they should differ from one
another. One is, therefore, inclined to conclude that, however much we
may generalize or theorize, the exact organizational pattern is basically
grounded in the realities of the operating situation more than anything
else.

Comparisons apart, how about the relative effectiveness of the
organization of the two plants? To answer this, we need to set up the
criteria for judgment. Generally speaking, the writer has accumulated
statistics, classified: (1) Employee Turnover, (2) Plant Safety, and
(3) Suggestion Department. And using the record of experience in these
respects, some evaluations may be made.

Employee turnover.—At Fisher Body, 75 per cent of the men who
are hired remain employed there for 90 days--the probationary period as
specified in the labor management agreement.¹ Of these, 80 per cent
remain for five more years.

¹"Agreement Between General Motors Corporation and United Auto
Chevrolet retains 65 per cent of its new hires with 80 per cent of these remaining for five or more years.

Fisher Body handles 2,000 grievances per year, while Chevrolet handles around 2,300.

Disciplinary actions are taken against more than 300 hourly employees per year at Fisher Body, and more than 400 per year at Chevrolet.

Safety.—The medical department at Fisher Body treats nearly 622 plant injuries per year. Of this number, nearly twenty result in compensation being paid by the plant, and two result in actual time loss from work (disability).

Chevrolet experiences more than 300 plant injuries with around 10 compensation cases and two disabilities.

Suggestion Departments.—Fisher Body adopts approximately 600 suggestions annually with financial renumeration to employees averaging $25,000 per year.

Chevrolet adopts approximately 750 suggestions annually with annual renumeration expenses averaging $15,000.\(^1\)

Analysis of these relative figures shows that both Chevrolet and Fisher Body experience comparatively more efficiency in certain aspects of their operations . . . Chevrolet, in terms of plant safety . . . Fisher Body, in terms of employee relations. Any attempt at drawing inferences regarding modification of either Fisher Body's or Chevrolet's organization, which arises from the figures represented above, would be both hasty and irrational. There is not enough available information on which to draw

\(^1\)Relatives as edited by staff officials at Chevrolet and Fisher Body—Atlanta Plants.
such inferences or recommendations. One can, however, gain some insight into the effectiveness of these industrial relations organizations relative to each other.

Organizational practice consists in knowing organizational truths, and in applying them with intelligence to the circumstances of particular cases . . . . The principles of organization must be applied in light of particular circumstances.1

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