FILE NAME: Metropolitan Life (ML)

DATE: мфпу

DOC#: MLлму

DOCUMENT DESCRIPTION: aŜű [ƛŦŜ tʤzōfƛǑl·ůƛƶƴπ ¢ŜffƛƴƎ 9ƳLJfƶèŜŜă !ō2ʤzű .ʤzăƛƴŜăă hLJŜℕl·ůƛƶƴãπ¢KŜ /ƶƳLJl·ƴè

0 0 5 5 1 4 1 4

TELLING EMPLOYEES ABOUT BUSINESS OPERATIONS: THE COMPANY

1948

Prepared by

Policyholders Service Bureau
Group Insurance Division
METROPOLITAN LIFE INSURANCE COMPANY

0055151

TELLING EMPLOYEES ABOUT BUSINESS OPERATIONS; THE COMPANY is one of a number of studies issued by the Policyholders Service Bureau. It is typical of one phase of a program of services provided for companies that insure their employees under Metropolitan Group policies.

For many years the Metropolitan's health publications and services have been helping its policyholders keep well. With the growth of Group insurance came demands for special information -- first on problems relating to the health and safety of employees, then to other phases of industrial relations and on problems of general management.

The Metropolitan accepted these service opportunities as a matter of good business practice. The health and safety of employees is directly reflected in the Company's claim experience. Assistance on other types of business management problems helps safeguard premium income by acquainting Group-insured companies with methods and practices that have resulted in more profitable operation and more stabilized employment in other organizations.

When the information gathered for a particular Group policyholder is believed to be of wide interest, it is put into suitable report form and offered to Group-insured companies generally. The present report is typical. Some other reports that have grown out of investigations made by the specialists who comprise the staff of the Policyholders Service Bureau are:

ORIENTING THE NEW WORKER

THE ANNUAL REPORT TO EMPLOYEES

INFORMATION MANUALS FOR EMPLOYEES

CONTENTS OF 399 EMPLOYEE MAGAZINES

INFORMING EMPLOYEES ABOUT GROUP INSURANCE

TELLING EMPLOYEES ABOUT BUSINESS OPERATIONS: PROFITS

So far as supply permits copies of these reports may be had by executives who address the Policyholders Service Bureau on their business stationery. Requests for permission to reproduce, in whole or in part, material appearing in these reports should be addressed to this Bureau.

Policyholders Service Bureau

Metropolitan Life Insurance Company

One Madison Avenue

New York 10, New York

0055152

0 0 0 1 0 5 5 1 4 1 6

TABLE OF CONTENTS

	Page
SCOPE OF THE REPORT	5
WHAT EMPLOYEES WANT TO KNOW	5
Subjects Discussed	6
MEDIA USED	9
The Employee Publication	10
Rumors and Questions Answered	14
The House Organ Insert	19
Booklets and Bulletins	20
The Employee Manual	21
Letters to Employees	24
The Bulletin Board	24
Posters	25
Interim Reports on Operations	28
The Suggestion System	31
Employee Contests	33
Employee Meetings	35
Moving Pictures and Slide Films	36
Plant Tours	37
Courses for Employees	37
Education of Supervisors	39
Family Days	41
Radio Broadcasts	44
Newspaper Statements	46
PROGRAMS OF INDIVIDUAL COMPANIES	50
INDEX OF COMPANIES MENTIONED	54

0055153

TELLING EMPLOYEES ABOUT BUSINESS OPERATIONS: THE COMPANY

SCOPE OF THE REPORT

This report is one of a series dealing with methods of keeping employees informed. Other reports in the series are "The Annual Report to Employees," "Orienting the New Worker," "Information Manuals for Employees," "Contents of 399 Employee Magazines," "Informing Employees About Group Insurance," and "Telling Employees About Business Operations: Profits." All of these are written with the aim of showing how employees may be given a better understanding of the company, its products, and some of the plus values of a job with the company.

"Telling Employees About Business Operations: The Company" deals with the various media used for the same purpose. It includes the employee publication, machinery set up to answer rumors and employees' questions, house organ inserts, booklets and bulletins, letters to employees, employee manuals, the bulletin board, posters, interim reports, the suggestion system, employee contests, courses for employees, employee meetings, movies, plant tours for employees, supervisory education, the family day, radio broadcasts, and newspaper advertising and releases. The report does not cover the orientation program for new employees nor the annual report to employees, both of which are subjects of separate reports.

WHAT EMPLOYEES WANT TO KNOW

What do employees want to know about the company? What should they know about the company? A clue to the answer of the first question is found in the results of reader-interest surveys of employee magazines.* Early in 1948 Caterpillar Tractor Co. completed a reader-interest survey of its employee magazine. Ninety-two percent of their employees take News and Views home regularly, 65 percent read practically all of it, and 85 percent said their families read it. Although readership of the whole magazine is high, there is little doubt of the relative popularity of the various types of material published in it. The following percentages of employees "always read" the following types of stories:

	Percent
Own department personals	83
Stories about the company	70
Stories about the products	64
Sports	57
Hobbies	55
Editorials	51
Special columns	51
One-of-kind jobs	50
Other department personals	27

In answer to the question, "Do You Think News and Views should run more information about the company?," the response was as follows:

Company Plans for the Future
Yes ..... 91% No 9%

* How such surveys are conducted is described in the Policyholders Service Bureau report, "Contents of 399 Employee Magazines."

0055154

Organization of the Company
Yes ..... 83% No 17%

Company Executives
Yes ..... 67% No 33%

Company Financial Position
Yes ..... 72% No 28%

A survey of The Carborundum Company's The Carb-O-Wheel made in the fall of 1947 showed that Carborundum employees wanted most authentic information on company affairs and plans. The replies to the question, "Would you like more stories about_____," indicated the following order of reader popularity:

1. Company affairs and plans
2. Plant and company people
3. How our products are made
4. Our other plants
5. Sports and recreation
6. How our products are used
7. Messages from company officials
8. Women's page
9. Veterans affairs

"Future Company Plans" ranks first among the reading interests of Corn Products Refining Company employees as may be seen from the tabulation on page 7 of the answers to the question, "Articles I would like to see written up in the magazine (items numbered in order of preference)."

Subjects Discussed

What are companies telling their employees? Just about everything that an employee might want to know, if "companies" are considered as a single unit. Analysis of 399 employee publications, as shown in the table on the following page, illustrates the wide range of subjects covered. Roughly, subjects were classified as general information about the company, financial information about the company, economic information, news of outside happenings, political news, and those official announcements relating to the company. From this tabulation have been omitted official announcements regarding such matters as holidays, hours and plant rules, articles designed to increase job efficiency, articles describing company services for employees, recreational activities and sports, personals, promotion of health and safety, features designed to give recognition to employees for length of service, heroism, etc., material for wives and children, and the various interest builders in employee publications, such as jokes, fiction, and puzzles.

The approach to the same subject by different companies varies. Each company has its own point of view and its own problems, as may be seen by the following titles of articles in 1948 employee magazines describing the operating and financial results of the previous year:

What Happened to Chrysler's Income in 1947?
How Much Profit Does Chrysler Really Make?
What Do I Get Out of Chrysler Profits?
Sales Nearly Reach Billion Mark During Record-Breaking 1947
Two Important Figures to Remember . . . And Why
The No. 1 Problem - Balancing Income with Outgo
Let's See How We All Make Out
Where the Money Comes From

You Called the Shots (cont'd)

ARTICLES I WOULD LIKE TO SEE WRITTEN UP IN THE MAGAZINE (Items numbered in order of preference)

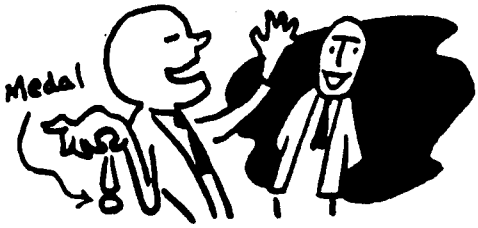
1.



Future Company Plans

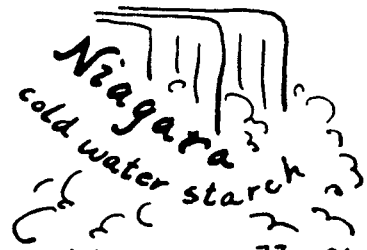
COMPANY WIDE - 81 %
ARGO - 79 %
PEKIN - 79 %
NKC - 87 %

2. Stories about employees and their accomplishments



COMPANY WIDE - 73 %
ARGO - 74.5 %
PEKIN - 72 %
NKC - 77 %

3. New Products



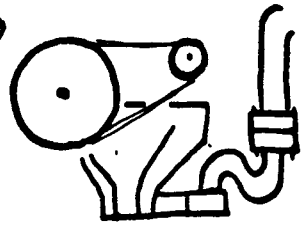
COMPANY WIDE - 73 %
ARGO - 74.5 %
PEKIN - 72 %
NKC - 77 %

4. What our products are used for



COMPANY WIDE - 72 %
ARGO - 74.5 %
PEKIN - 75 %
NKC - 79 %

5. How our products are made



COMPANY WIDE - 69 %
ARGO - 70 %
PEKIN - 59.5 %
NKC - 78 %

6. Humor



COMPANY WIDE - 65 %
ARGO - 59.5 %
PEKIN - 66 %
NKC - 81 %

7.



Sports activities

COMPANY WIDE - 58 %
ARGO - 54.5 %
PEKIN - 55.5 %
NKC - 68 %

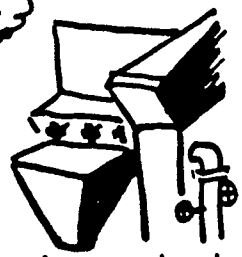
8



What other depts. do

COMPANY WIDE - 55 %
ARGO - 54.5 %
PEKIN - 47 %
NKC - 67 %

9.



Equipment the Company uses

COMPANY WIDE - 52 %
ARGO - 48 %
PEKIN 51.5 %
NKC 64 %

— 10. —



Births, deaths, Weddings and Personals

COMPANY WIDE 42 %
ARGO - 62 %
PEKIN - 60 %
NKC - 64 %

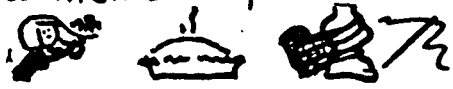
11.



Childrens Page

COMPANY WIDE - 40 %
ARGO - 38.4 %
PEKIN - 38 %
NKC - 48.5 %

12. Women's Page



COMPANY WIDE - 31 %
ARGO - 28.6 %
PEKIN 31
NKC 37.4 %

0055156

0 0 0 0 0 5 5 1 4 2 0

ANALYSIS OF CONTENTS OF EMPLOYEE PUBLICATIONS IN 1947

OFFICIAL ANNOUNCEMENTS

Arbitration 6
Industrial Relations Policy 5
Lawsuit Against the Company 1
Merger of Company 3
Price Policies. 13
Wagner Act or Taft-Hartley Act. 31
Report from the Board of Directors. . . . 1

GENERAL INFORMATION ABOUT THE COMPANY

Age or Length of Service of Employees . . 3
Appointment of New Officers or Directors 36
Availability of Raw Materials 5
Competition 2
Customers 38
Employment. 5
Exports 1
History 49
Job or Work of a Specific Department or Plant Described. 116
Open House. 30
Organization. 12
Plant Expansion and Modernization 141
Plant Visitors. 43
Production. 17
Products and Advertising. 144
Public Opinion Survey 3
Public Relations. 12
Purchases 2
Sales Contest 16
Stockholders. 13
Wage Level and Earnings 7

FINANCIAL INFORMATION ABOUT THE COMPANY

Annual or Interim Report to Employees . . 103
Annual Meeting of Stockholders. 7
Bond Interest 1
Business Conditions 22
Collections 1
Costs 3
Cost of Equipment 9
Dividends 9
Financing 15
Forecast Future Business Conditions . . . 11
Investments 1
Prices. 14
Sales 22
Surplus 1
Taxes 2

INFORMATION ABOUT THE INDUSTRY. 43

ECONOMIC INFORMATION. 126

NEWS OF OUTSIDE HAPPENINGS

News Column 19
Community Activities. 108
Citizenship 3
Income Tax (Individual) 3
Social Security 34

POLITICAL NEWS

Legislation 19
Proposed Legislation. 6
Other 15

00551157

Some of the viewpoints on prices are indicated from the following titles - all from articles in 1948 employee publications:

Price Cut Announced on New Refrigerator
Quaker Battles Price Increases
Kellogg's, Too, Faces High Costs of Buying
Do Profits Make Prices Higher?
1937 Telephone Rates Won't Work in 1947
G.E. Hits Inflation by Price Cutting
Company Sells Only at Announced Prices

In a desire to emphasize a particular fact or situation, a number of companies consider the same subject from different angles, either in different issues of the employee publication or in various media for reaching employees. For example, the first three titles under financial results for the preceding year are from the January, February and March issues of Chrysler Motors Magazine (Chrysler Corporation).

There is no uniform program for presenting information to employees. Each company is individual. Its employees have different interests and different backgrounds. Experience has shown that its program should be custom-made to meet its own needs and the interests of its employees. Its purpose is to inform employees frankly, telling them the bad news as well as the good, and telling them these facts simply but without condescension.

MEDIA USED

To tell its story to employees a company may use the employee publication, a system to answer rumors and questions, house organ inserts, booklets, manuals, letters, the bulletin board, posters, interim reports, suggestion systems, contests, courses, meetings, movies, loud-speaker system, plant tours, supervisor education, family day, radio broadcasts, and advertising in local papers, in addition to the annual report to employees and the orientation program for new employees. For the most part companies are feeling their way and testing various media. As one executive wrote:

> Possibly it will call for new vehicles of expression to carry the information in ways that are understandable and acceptable to the kinds of minds for which the reports are prepared. Sometimes I wonder whether the success of the picture magazines does not indicate that something based on line and color more than language is necessary. We have had these various suspicions in mind, but so far have not felt prepared to change our methods of reporting in what probably could be a revolutionary manner . . . However, we are experimenting with devices to carry information. . .

One source of information, or misinformation, that frequently needs attention is the company "grapevine." Efforts to bring rumors to the light of day, to tell the truth about them, can contribute much to an employee's understanding of his company. In addition, experienced executives have found that management's door should always be open to any employee questions. On this point, the president of the New York Telephone Company says: "Of chief importance, we believe, is that the company encourages employees to ask, at any time, any question about the business thay may have in mind, or that may be asked them by persons outside the company."

0055158

The Employee Publication*

By far the most widely used medium of communicating with employees is the employee publication. Employees are used to reading it. It is a natural channel of information.

A number of companies with plants in different parts of the country supplement a company-wide employee publication with local plant newspapers. For example, employees of Monsanto Chemical Company receive Monsanto Magazine which is also sent to stockholders, customers, and molders of public opinion. Although it mirrors Monsanto's plans, policies, and products through its articles, it is essentially a public relations medium. In the company's larger plants this is supplemented by individual plant papers. In addition to giving news of the plant, each paper carries features and editorials of company-wide interest, supplied from a central source. These include articles on operations, plans, policies, and economics.

Not only does Phillips Petroleum Company have local plant papers in addition to a general employee publication, Philnews, but it also has papers for different types of employees. Its Bulletin to 66 Management goes each month to all men in key or supervisory positions. This four-to-six page, 8½ x 11 pamphlet explains important legislation, economics and other pertinent subjects to the portion of Phillips employees who are called upon from time to time to explain things to other employees. City salesmen each receive a copy of a small, four-page, 8½ x 11, folder-type newspaper, The Phillips Salesman. This paper gives information about the times and the company slanted to a salesman's special interest.

Analysis of 293 employee publications shows that the following means, arranged in the order of the number of companies using them, are employed to present management's message:

Unsigned articles
Articles, Letters, or columns signed by the chairman or the president of the company
Editorials
Reprints
Articles signed by persons outside the company
Articles signed by an officer of the company, other than the chairman or the president
News column
Articles signed by a department head
Question and answer column
Quiz feature
Report of stockholders meeting
Articles signed by an employee
Letters or a column signed by an officer of the company other than the chairman or the president
Report of meeting of the board of directors
Report of supervisors' meeting
Report of employees' meeting
Rumor clinic
Statement of company policy
Communication of board of directors
Resolution of board of directors
Article signed by the editor

*More information on employee magazines appears in two reports of the Policyholders Service Bureau, "The Employee Magazine" and "Contents of 399 Employee Magazines."

A similar tabulation made in 1944 indicated that the order of the first three items remained the same, but that reprints and articles signed by persons not employed in the company are being used more widely today. The use of reprints rose from eighth to fourth place and the use of articles signed by outsiders rose from 10th to fifth place. Other changes are that company officers have been writing more frequently than department heads for employee magazines and that employees themselves are being given more opportunity to ask questions about company operations and policies. News columns and special quiz features are used more widely.

Usually, signed articles by supervisors or department heads in the employee publication explain the operations or policies of a particular department of the company as may be seen from the titles below:

"Our Job Is To Make L.C.L. Pay Its Way,"
H.E. Bixler, General Merchandise Manager,
Along The Line, February 1948, The New York,
New Haven and Hartford Railway Company
(Reproduced on page 12)

"Carpenters Control Construction Costs,"
J.E. Seale, Foreman, Carpenter Department,
The Humble Refinery Bee, March 1948,
Humble Oil & Refining Company

"Here's A Preview of Our Advertising Campaign,"
L.W. Keller, Advertising Manager,
Kroehler News, March 1948, Kroehler Mfg. Co.

"Somebody's Taking Bites of Our Pie!"
C.A. Naffziger, Superintendent, Stations and
Claim Prevention, Missouri Pacific Lines Magazines,
March 1948.

Articles signed by an employee are usually concerned with his particular job or specialty. For example, a dynamometer engineer in the office of the Chief of Motive Power and Rolling Stock of the Canadian Pacific Railway Company has written a series of interesting articles for the Canadian Pacific Staff Bulletin, "Locomotives of the Canadian Pacific Railway, A Study of our Motive Power by Inventory Classification." An article, "The Keys to Nutrition," shown on page 12, appearing in the March 1948 issue of the Dow Diamond (The Dow Chemical Company) tells of the place of one of Dow's products - the amino acids - in the diet of man and animals.

Articles signed by officers of the company tend to be broader in scope as may be seen from the following titles:

"Procurement of Materials Still Difficult,"
Andrew H. Phelps, Vice-President, Westinghouse News,
March 16, 1948, Westinghouse Electric Corporation,
(Shown on page 12).

"Are Prices Coming Down?," L.L. Boulware,
Vice-President -- Employee Relations, The Pittsfield
Works News, February 6, 1948, General Electric Company.

"Our Sales Situation for 1948," Robert H. Bishop,
Vice-President in Charge of Sales, The Beam,
March 1948, Sylvania Electric Products, Inc.

0055161

EMPLOYEE MAGAZINES TELL ABOUT THEIR COMPANY



Articles signed by persons outside the company and reprints frequently relate to the industry, general business conditions, or to economic concepts which help an employee understand conditions under which the company operates. Such titles as the following are typical:

"Corporation Living Costs," Pittsburgh Apparatus Works News, February 6, 1948, General Electric Company, editorial digested from the January 14, 1948, New York Times.

"Who Gets Our National Income?" Rev. Edward A. Keller, University of Notre Dame, GM Folks, April 1948, General Motors Corporation.

"Shipments of Asphalt Shingles Break Records," The Celotexer, February 1948, The Celotex Corporation, adapted from American Builder.

Occasionally, when a reprint is from a plant city newspaper, it is concerned with the company's place in the community. An example of this is an editorial reprinted from the Ashville Times, "What Does Enka's Expansion Mean to Ashville and Western North Carolina," in The Enka Voice, of American Enka Corporation. Occasionally reprints of speeches or articles by an officer of the company are used.

Authority is lent to any message by the signature of the president of the company or the chairman of the board. From time to time these ranking officers write articles for employee magazines, such as, "Two Important Figures to Remember . . . And Why," Charles R. Hook, president of Armco Steel Corporation (The Arm-co-operator, March 1948) shown on page 12. This compares the profits of the company with the amount the company spent during the year to improve its plants. In a number of employee publications either the president or the chairman, or both, have letters or columns as regular features. They appear in the same place in each issue. Frequently they carry the same title and a facsimile signature. The photograph of the president or chairman often accompanies the text.

Both the chairman and the president of Phillips Petroleum Company contribute monthly to Philnews. Mr. Frank Phillips writes a monthly letter. In March 1948 under the title "Oil Facts Speak for Themselves," he wrote of the current oil situation, and in April under the title "The Industry's Storehouse," he wrote of the oil industry's reserves of raw materials. Each month an interview with K.S. Adams, president of the company, is published under the heading "As I See It." In March 1948 he discussed the reasons why a large part of the company's profit has to go back into the business to keep it going. In The Botanist, employee magazine of Botany Mills, Inc., under the title "The President's Corner," Charles F.H. Johnson, president of the company, discusses such vital questions as company earnings, taxes, prices, wages, and the company outlook.

The unsigned article is the most frequently used vehicle of expression. Its variety is endless; it may be short or long on general questions or details, statistical or popular, news or opinion, commonplace or original. Two of these articles, "Quaker Battles Price Increases," from the January 1948 issue of The Quaker (The Quaker Oats Company) and "Job Security at du Pont" from Better Living, March-April 1948, employee magazine of E.I. du Pont de Nemours & Company are shown on page 12.

The Cleveland Graphite Bronze Company uses its employee magazine to a greater degree than any other line of communication. The magazine articles are sometimes presented by the editor as interviews with members of management

0055162

and sometimes as articles signed by members of management. All of these items are informal and interpretive and in readily understandable language. Some of the topics covered regularly are:

1. All changes in supervisory personnel.
2. All departmental reorganizations.
3. Financial reports of the company.
4. Business outlook for the company.
5. Operations of various departments.
6. Functions of the American business enterprise system.
7. Disposition of significant rumors through a column in the magazine conducted by the editor.
8. Company policies.

Very frequently more than one channel of communication is used for presenting the same material.

Rumors and Questions Answered

Employees seem particularly susceptible to gossip about their jobs or their company. Rumors spread. Minor incidents grow into major disasters. Many rumors are disturbing to employee peace of mind. In addition to rumor-inspired questions, almost every employee has at one time or another some question he would like to ask about some company policy, activity or plan.

To assure him that his questions are welcome, that the company has nothing to hide, and to make certain that the answer he gets is accurate, a number of companies have set up machinery to make it easy for an employee to ask questions, usually anonymously if he prefers, and to receive authentic answers. Most companies which have established such machinery use the employee magazine to answer questions of general interest. If the inquiring employee signs his name to a question not of general interest, he receives a personal reply. If an employee who identifies himself asks a question which for one reason or another cannot be answered, he is told the reason. For example, if his ques-

MR. KOHLHEPP:

I would like to know the answer to the following question:

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

(Questions should be of over-all employe interest about the Company, its policies, operations and activities.)

WISCONSIN PUBLIC SERVICE CORPORATION

0055163

tion is a grievance which should be taken up in the regular grievance machinery, he is told the procedure he should follow.

When a system of answering employee questions is established, it is usually publicized in the employee magazine and employees are told how to submit their questions. Ordinarily, to facilitate the asking of such questions, a form is printed in the employee magazine or a card addressed to the company is enclosed. The postcard shown on page 14 is used by Wisconsin Public Service Corporation. It is addressed to the Vice-President and General Manager of the company. Not all companies have identical rules for their "question and answer" plan.

In September 1942 the Erie Works of General Electric Company started its "Rumor Clinic." Employees are urged to submit to the plant manager any disturbing rumors which they may hear in the plant or outside. To facilitate the reporting of such rumors a blank is printed in each issue of the weekly plant newspaper. Each rumor is answered frankly and completely by the manager in his monthly informative meetings with hourly employees, and the answers are published in full in the employee newspaper.

During the first year the plan was in operation approximately 200 rumors were submitted and answered. These included rumors about company policy, company business, wage rates, the community chest, working conditions, vacations, government bonds, the war, and many other questions. The first rumor submitted concerned rates of pay, and, during the first nine months, eight other rumors on the same subject were submitted. Typical rumors published in the March 19, 1948, issue of the GE News - Erie Works and the answers follow:

Rumor

> I have heard that there will be a big layoff. Is it true? They say it happened in #18, #6, and #13 so far.

Facts

> Rumor entirely incorrect. As a matter of fact for many weeks our employment in both the refrigerator and apparatus department has been increasing slightly. While we will probably not increase further and may experience a decrease in total, it will be very slight.
>
> It is true, however, that a greater number of transfers between departments is taking place and will probably continue to take place for some time. I imagine this is what prompted this rumor.

Rumor

> I have heard that the G.E. is hiring no more married women and that they plan on laying off the ones working at present.

Facts

> Rumor entirely incorrect.

In the issue from which these two rumors were taken, three 11½ x 15-inch pages were devoted to rumors. All rumors submitted and the answers to them are kept on file and, for convenience of reference, an index of rumors tabulated by subject matter has been prepared.

0055164

In 1945 the Fort Wayne Works of General Electric Company borrowed the title "Rumor Clinic," from the Erie Works and announced a new service to answer the questions in the following manner:*

> A "Rumor Clinic," which will answer questions on company policies, outlook, personnel, etc., arising in the minds of employees, was announced today by Works Manager M.E. Lord.
>
> The "Rumor Clinic" will operate through the WORKS NEWS, and to start with, the questions and answers of general interest will be printed monthly. All signed questions properly submitted will be answered in some way. If not answered in the WORKS NEWS, the employee will get an answer by letter or sometimes even by personal call. If sufficient interest is shown, the special feature may be incorporated more often, perhaps twice a month.
>
> The rumored questions submitted by employees will be answered in as direct a way as possible, and the answers will be officially approved. The "Rumor Clinic" will not deal with those matters which come under the terms of union contracts, i.e., those covering wages, hours, and working conditions.
>
> In no case will the name of the person submitting the question be printed in the WORKS NEWS.
>
> The new column will be operated with these few simple rules:
>
> 1. Questions should be submitted on the form printed in the WORKS NEWS. If sufficient space is not allowed, attach additional paper.
> 2. Questions which come under the terms of union contracts (i.e., those on wages, hours, and working conditions) will not be answered in the "Rumor Clinic" column.
> 3. All questions should be signed.
> 4. Answers to questions of general interest will be published in the WORKS NEWS. All others will be answered by letter or visit.
> 5. The name of the employee asking the question will not be printed.

The informative services of some companies emphasize information about the company, rather than rumors. For example, Oklahoma Natural Gas Company made the following announcement of the opening of its "Question Box":**

> This month the GASETTE is introducing a regular feature, the "Question Box," which will contain answers to questions sent in by ONG employees.
>
> All of us cannot possibly know all about the company's policies or practices, except as they apply in our own department. We all have questions regarding employment, personnel, employee welfare benefits such as sickness and accident benefits, group insurance, retirement plan and vacations. Many of us would like to know more about such things as gas rates, franchises, customers deposits,

*General Electric News - Fort Wayne Works, September 7, 1945.
**Oklahoma Natural Gasette, September-October, 1947, page 7.

collections, customer service, extensions, new services, sales, advertising, home service, gas production, gas purchases and gas reserves.

We are all aware that the company has established policies for guidance in our daily work, but sometimes we wonder why certain of these policies were adopted.

It is to answer these questions that the "Question Box" is being included in the GASETTE. When you have a question about any phase of the company's operations pertaining to production, transmission, distribution, accounting, financing, sales, etc., jot it down and send it to the GASETTE, Box 871, Tulsa. The GASETTE editorial staff will get the answer for you and publish it in the next issue or as early an issue as possible. If the answer requires too much space to include in the "Question Box," it will be sent to you by personal letter.

Your name will not be published with the answer to your question unless you wish to have your name appear.

Remember, send your questions to the GASETTE, Box 871, Tulsa. Watch later issues for the answers.

For nearly three years the most widely read pages of the Synchroscope, of Detroit Edison Company, were those of the "Question Box." Here the late J. Herbert Walker, vice-president in charge of personnel matters, answered employees' questions with great understanding, and shortly before his death, when he could no longer continue the feature, he took stock in the following manner:*

Maybe this is a good time to size up what we learned from the "Question Box" during these nearly three years of operation.

Those thoughtful employees who have watched its development and who have read the questions submitted probably have formed some interesting conclusions. From the management point of view, we think we have learned a lot. For example, we have learned that our channels of communication within the organization did not work well. In fact, they sometimes did not work at all.

We found that there was no one best way of getting across to people things that they should know about, particularly of getting them across in a way that is simple and understandable. For months we have been trying to do something about that but have made only a little progress. It is a job that will take a long time.

Second -- We discovered, through the "Question Box" and through other channels, that the folks think they want complete equality of treatment down to the last atom. But curiously enough, they may nevertheless object when some proposed equalization of practice benefits the other fellow only. . . . .

But hasn't it been a healthy thing (and sometimes fun for the bystander) to lay on the table again some question that we thought all along was thoroughly understood? We are just beginning to learn how to communicate with and understand each other. Industry generally is slowly waking up to that fact.

---

*Synchroscope, December 1947, page 7.

0055166

HOUSE ORGAN INSERTS



The House Organ Insert

The variety of inserts in employee publications is considerable. They range from messages from the president of the company to comic strips. Messages from the president of the company may be regular features or may be enclosures occasioned by some special event. For example, following the passage of the Taft-Hartley Law, a four-page leaflet, introduced by a letter from the president of the company, was enclosed in the Socony-Vacuum News, of Socony-Vacuum Oil Company, Incorporated. This leaflet listed some of the things that can and cannot be done under the law by employees, employers, and unions. The introduction by the president invited employees with further questions concerning the law to seek the answers from the company's local managers and industrial relations advisors.

Each month a single page message, "Things To Think About," signed by the president of the company, is enclosed in the employee magazine of the Illinois Central System. Each issue gives the facts on a particular subject of importance to the company. During 1947 the following titles appeared on these messages:

Illinois Central is Safety Champion
New Power Sought in Powdered Coal
Railroads Need a Six Percent Return
Some of the Tools We Work With
Building Good Will From Ground Up
Explosives Safely Handled 25 Years
Railroads Seek New Rate Relief
Deeds Prove Railroad's Progress
Railroads Carry Warmth and Power
Rail Rates-and-Prices Generally
The St.Lawrence -- Again!

Each issue is printed on buff paper so it stands out from the white paper of the magazine. The November 1947 enclosure, "Rail Rates-and Prices Generally," is shown on page 18.

A number of companies, among them Bigelow-Sanford Carpet Company, Inc. and American Writing Paper Corporation, enclose special annual reports or statements of operations for the year with the employee magazines. Other companies, among them Kroehler Mfg. Co., The Heil Co., and Moore Business Forms, Incorporated, enclose copies of their national advertisements. An insert in the January 1948 issue of Moore News carries the following message to employees describing the company's advertising methods:

> To: Moore News Readers
>
> This insert shows how our national advertising is being beamed, through the direct mail system, to those particular industries featured in the current ad. In this instance it is the building trades.
>
> As you know, increased sales means increased production, and the greater the demand for our products, the greater security we will have in our jobs.
>
> In the space that this message occupies will be imprinted the addresses of 12,000 building and masons supply dealers, 5,500 lumber mills, 8,000 lumber dealers retail (Capital rating of $35,000 or over), 435 roofing and roofing materials manufacturers, 2,500 sash door and blind manufacturers, 133 builders associations, 66

lumber associations, 3,710 lumber dealers wholesale, 2,600 contractors supply and equipment dealers, 1,984 roofers and tinners supply houses and 8,000 saw mills, a total of 45,509 companies that will receive this insert through direct mail; and to those concerns, the national "building" ad will have special appeal.

Each Month a direct mail piece similar to this one will be sent to industries appropriate to the vocation featured in that month's four-color national ad. We are confident that this will do much to stimulate sales in the months ahead.

The first page of the insert is reproduced on page 18.

Enclosed with the November 1947 issue of The Quaker, of The Quaker Oats Company, was a small green folder, listing the packaged products of the company. It was headed "Help Yourself By Helping The Quaker Oats Company Who Pays Your Check" and suggested employees buy the company's products.

Some companies enclose leaflets or booklets on communism or on the American free enterprise system -- one of these from the April 1948 issue of The Heil Flash, of The Heil Co., is reproduced on page 18.

At times inserts in the employee publication are used to call attention to and reinforce some article in the issue. For example, the March 1948 issue of the Indiana Telephone News (Indiana Bell Telephone Company) has an inside spread describing the company benefit system. An insert, "Building for Your Future," printed in three colors on heavy paper shows the increasing benefits to employees by years of service from the start of their employment to retirement. This is reproduced on page 18.

General Electric Company used a four-page comic strip, "How Pete Helps Conquer Inflation," which was inserted in the employee magazine as a part of the company's anti-inflation campaign.

Booklets and Bulletins

Booklets and leaflets may be used to introduce a new employee to the company, to supplement employee magazine material, to direct attention to a particular point of importance, or to develop a subject at greater length than might seem desirable in an employee publication. They may be given to new employees during the orientation program. They may be distributed with the house organ or separately, enclosed in a pay envelope, or mailed to the employee's home. Each new employee of General Mills, Inc. is given a kit of material which includes: a booklet on employee products, how and where they are made; a primer-style booklet on the employee's future in the company and various employee benefits; a pamphlet describing every employee's public-relations job; a booklet on the organization of the company; and a leaflet of the company's policies.

To give new employees a picture of the company, the Foreman's Club of Edward Katzinger Company compiled a brief history of the company, showing the company's beginnings, growth, and purchases of other companies to round out the company's line of kitchen equipment, tools, and supplies. Some information on keymen in the organization is also given. Phillips Petroleum Company distributed with the employee magazine an address by Mr. Frank Phillips, chairman of the board, on the oil industry outlook and problems. The speech, which was given before the 25th Annual National Business Conference at Babson Park, Mass., outlined the advance of the oil industry in quality of products, reduction of cost and conservation, the various uses of crude oil and gas,

the increase in use, the outlook for the industry, the effects of the Petroleum code, Federal prosecutions for violation of the Sherman Anti-Trust Act, and present conditions in the industry. Another pamphlet distributed with Phil-news, October 1947, was "We've Got a Story," prepared by the Public Relations Operating Committee of the American Petroleum Institute. This relates some of the basic facts of the oil industry and tells of the public relations plans of the industry.

The Paraffine Companies, Inc. has three informative booklets for employees: "Jin Sez," a playlet dramatizing the company's personnel policies; "Shoulder to Shoulder," a pictorial tribute to the men and women with 15 years or more service in the company; and "Foundation for the Future," a historical sketch of the company's growth and progress since its founding in 1884, and something of its plans for the future.

At the end of 1947, McNally Pittsburg Mfg. Corp. issued a booklet, "Report to Mac Pitters for 1947" to employees. The first article in this booklet, written by Thomas McNally, president of the company, reviewed the implications of the following three policies by which the company is operated:

First. We must operate so that our standard of living constantly increases.

Second. To increase our standard of living, we must constantly acquire better tools, better facilities, better and more efficient working conditions; and we must do this by reinvesting whatever profit may result from our operations.

Third. To make the first two policies possible we must continue to sell our product by competing successfully on the merits of our engineering designs, our workmanship, and our service.

This was followed by an article on coal preparation by Homer W. Riley, vice-president and general manager. Reports of the employees recreation club and credit union were included, and the booklet closed with lists of company personnel including foremen, plants and products.

"Employee Information Bulletins" are issued to the more than 15,700 employees of Pacific Gas and Electric Company on subjects of general interest as frequently as is required, usually several times a year. The bulletins are signed by the vice-president and general manager and are from one to three pages in length. Charts and other illustrative material are attached if the subject is such as to lend itself to that type of amplification. The scope of the bulletins is varied and encompasses such subjects as: wage adjustments, Labor Management Relations Act, data on the status of collective bargaining disputes, information regarding the retirement plan, information concerning the company's annual report, comparison of operating results by year, various company policies, the position of management with regard to such subjects as the Central Valley Project, and comparison of gas and electric rates in areas served by the company with other areas.

The Employee Manual

A survey* of 130 employee manuals by the Policyholders Service Bureau showed that 93 devoted space to the history of the company. In addition the

*"Information Manuals for Employees," available on request, shows how material about the company is used.

following number of manuals contained other types of information about the company:

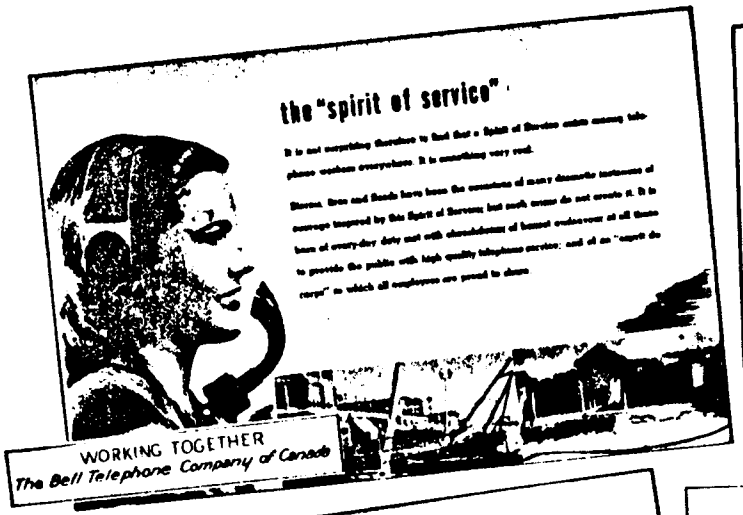
Subject Matter	Number of Manuals Using
What It Is.	19
Its Products or Services.	68
Its Policies.	40
Its Stockholders.	14
Its Directors and Management.	26
Its Organization.	42
Its Personnel Department.	29
Its Personnel Policy.	15
Its Foremen and Supervisors	25
Location Plants and Departments	36
Its Sales	15
Its Purchases	4
Its Research.	10
Its Advertising	5
Its Customers	11
Its Earnings.	5
Its Public Relations.	13

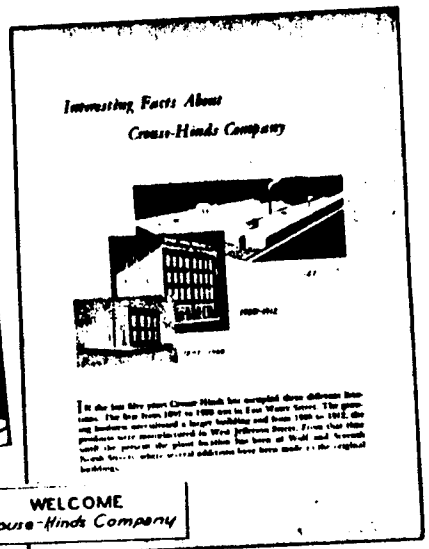
While the majority of employee manuals tell employees something about the history of the company and its products, a number of them give employees considerably more information about the company. As those manuals are designed primarily for the new employee, they give him a preview of the organization with which he has chosen to be affiliated. Meredith Publishing Company, for example, in its handsomely illustrated manual, "This is Merediths," first introduces the president and the vice-president and general manager, then it tells about the role of the company in the community, the amount invested in each job, the number of employees, the part they and their families play in the life of the community, how the company helps support allied industries, and its role in civic affairs. This is followed by a section, "Why a Merediths," and then by a brief sketch of the company history, traditions, policy, and aims. The next section takes the employee on a camera tour of the plant. Representative families among the readers of Meredith magazines are introduced, and then to give employees an understanding of the operating structure of the company organization charts are shown of the company, the manufacturing department, the advertising sales, editorial, art and research department, and the circulation, promotion and accounting department.

Other ways of telling the company's story are used in other manuals. In International Harvester Company's "Welcome To Harvest," the first seven pages are used to tell employees about the organization of the company, its products, its manufacturing plants, its suppliers, its distribution system, and its basic policy. The last eight pages of the report trace the history of the company from 1831, when Cyrus Hall McCormick built the first successful reaper for harvesting grain, to the present day and devotes a couple of pages to looking toward the future. One page of this account is shown on page 23. New Orleans Public Service Inc. in its manual, "Things You Will Want To Know About Public Service," gives a brief history of the company, tells how as a public utility it differs from a manufacturing or retailing establishment, outlines the company's organization, tells about the stability of the business (This page is shown on page 23), and its future. In addition to the pages from the employee manuals of International Harvester Company and New Orleans Public Service Inc., pages from the manuals of The Bell Telephone Company of Canada, Crouse-Hinds Company, Inland Steel Company, and Walgreen Company are shown on page 23 in order to show how different organizations use this medium for telling the story of the company.

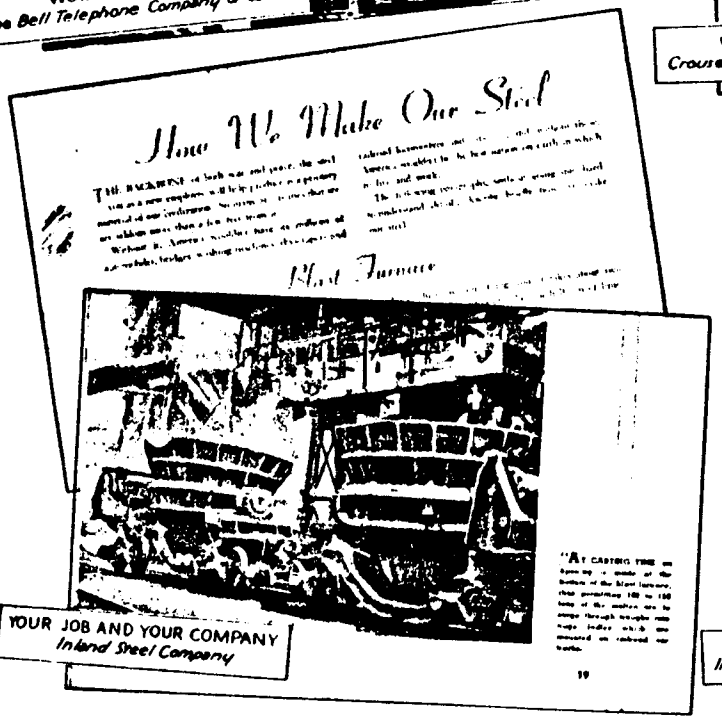
0055171

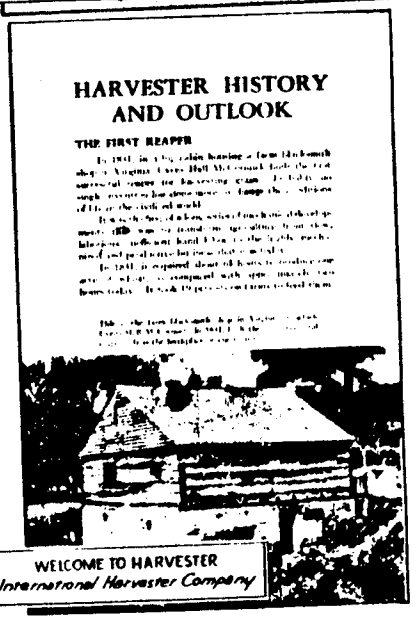
EMPLOYEE MANUALS TELL ABOUT THE COMPANY

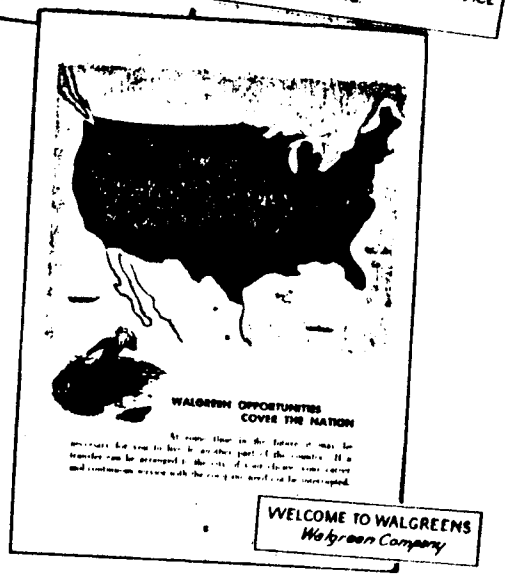












0055172

Letters To Employees

Since 1944 more companies are using letters as a means of communicating with employees, and individual companies are using them to a greater extent. A letter has a more personal touch than a house organ article or a pamphlet, and may be particularly effective for a special message. Depending on the message these letters are signed by the president of the company, the chairman of the board, or the operating executive of the plant.

In the past year or so Armstrong Cork Company has made greater use of letters to employees. Several of these have been a company-wide communication from the president's office. Others have been local communications on unique plant problems, issued over the signature of the plant manager. At times, both the president and the plant manager write on different aspects of the same question. For example, after the Taft-Hartley Law went into effect, Mr. H.W. Prentis, Jr., president of the company, sent each employee the text of the law together with a letter describing the purpose of the law and stating that he did not expect the law to work any great changes in relations between the company and its employees. He emphasized that "good relations between management and employees cannot be brought about by legislation alone," but that "such relations are built upon the sound foundation of cooperation, understanding, and mutual respect." This letter was followed at 10 day intervals by three letters signed by the plant manager, the first on employee personal rights under the law, the second on the effect of the law on employers, and the third on the effect of the law on labor organizations.

Among the other companies which make a practice of writing employees on matters of interest are Kalamazoo Vegetable Parchment Co.; The Paraffine Companies, Inc.; Thompson Products, Inc.; and Westinghouse Electric Corporation. Mr. R.A. Hayward, president of Kalamazoo Vegetable Parchment Co., writes periodically to employees telling them about business conditions generally and the company's business in particular. The efforts of the company to provide steady work are stressed. Reasons why one department may be slack while other departments are busy, are explained. A semiweekly letter entitled "From Where I Sit," signed by the vice-president in charge of manufacture, Ford M. Tussing, is sent to employees of The Paraffine Companies, Inc. These letters discuss the problems of management and employees, taxes, the Taft-Hartley Law, company plans and ambitions.

It is a policy of Thompson Products Inc. that employees are told all news concerning the company before it becomes known outside of the company. In matters of major importance affecting employees and their jobs, letters are sent to the employees' homes in order that they may read them at their leisure and discuss the contents with their families. In addition, each division manager in the company writes a letter to the employees of his division discussing the affairs of the division -- new equipment, production schedules, plans for expansion, etc., once each month.

In Westinghouse Electric Corporation letters are not mailed according to any specific schedule, but are written whenever there is newsworthy information to give employees or major items of policy to discuss. Subjects of letters in the past year or so have included the company's expansion program, operations for quarterly and six-month periods, the suggestion system, and management's policy on the third round of wage increases.

The Bulletin Board

One of the fastest ways of getting information to employees is by posting it on the plant bulletin board. Phillips Petroleum Company has more than 550 bulletin board locations on which posters, general letters, and announcements

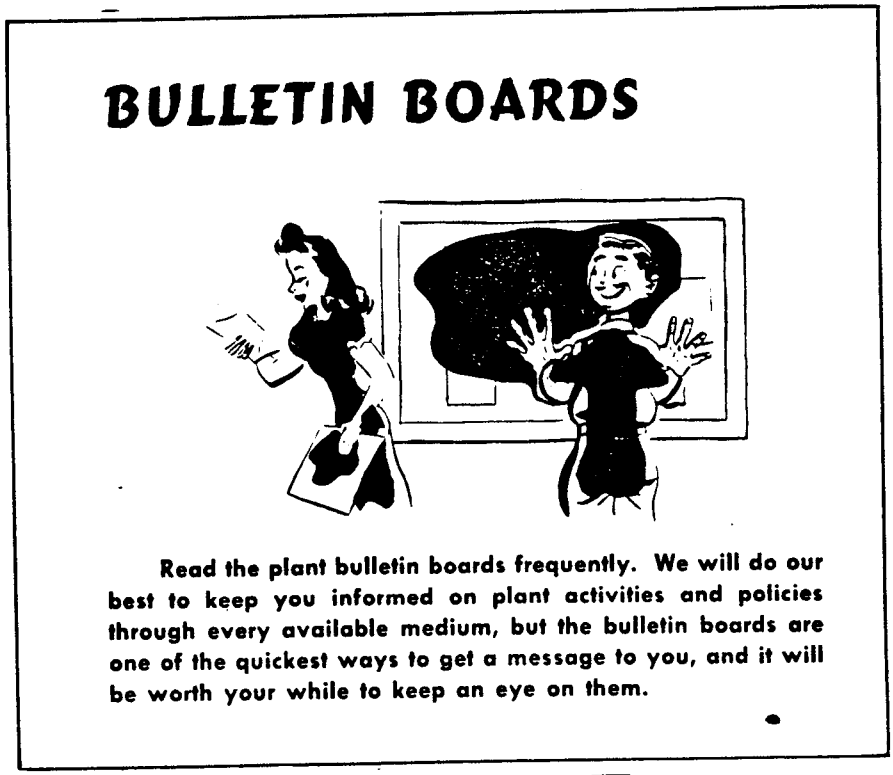
are displayed. At Thompson Products, Inc. a master board controlled by the personnel manager in each plant is located in the personnel department and there is a board in each department of the plant. A number of companies use the employee handbook to remind employees that the bulletin board is a daily source of information and to urge them to make a regular daily habit of reading company communications posted on these boards. The reminder to read the bulletin board in "Welcome to Westinghouse," employee manual of the Industrial Heating Department of Westinghouse Electric Corporation, is shown below.

An occasional attitude survey checks the readership of bulletin boards. Ashland Corporation, which took a recent factory-wide poll of its employees found 79.3 percent read company bulletin boards regularly, 16.1 percent occasionally, and 2.15 percent never. There was no answer to this question by 2.45 percent of those replying. A somewhat similar response was made by the employees of Thompson Products, Inc. Of those replying 77 percent read the bulletin board regularly, 22 percent sometimes, and 1 percent never read it.

Posters

Posters flash a quick message and to be effective must be designed so that the reader can immediately grasp their meaning. The Standard Oil Company (an Ohio corporation) uses a striking series of posters on bulletin boards in the company's various operations. One of these showing that the company has spent more than $51,000,000 in five years in its search for oil is reproduced on page 26. Other posters have touched on such subjects as the cost of equipment, company earnings, and the company's benefit plans for employees.

At ATF Incorporated, the posters used illustrated graphically the column written by the company's president, T.R. Jones, in the employee magazine. Four of the columns in 1947 were devoted to expanding one point made in the



Welcome to Westinghouse
Westinghouse Electric Corporation

A $51,500,000 detective job!



Sohio has spent more than $51 million in 5 years searching and drilling for hard-to-get crude!

THE STANDARD OIL COMPANY (OHIO)

SOHIO NO 18

if the men and women of atf bought atf, it would cost each



annual report to employees. As the columns appeared, posters were placed throughout the plant illustrating each. One of the posters, "If The Men and Women at ATF Bought ATF, it would Cost Each $4,168.66," is shown on page 27.

Interim Reports on Operations

An employee can hardly be expected to feel at home with financial statements if he is exposed to them only once a year. Nor can he be expected to sustain an interest in such statements over a 12-month period. To reawaken interest in, and to foster understanding of, financial statements an increasing number of companies are supplementing their annual report to employees with interim reports. These may be monthly, quarterly, half yearly, or for some other fraction of the year, or even cumulative reports covering a period of years. Interim reports are issued by railroad, public utilities, and manufacturing companies. Possibly the fact that proportionally more railroads and utilities issue such reports than do manufacturing companies is due to the fact that these organizations do not have, to the same degree, the problem of some manufacturers of explaining any discrepancy in the interim reports and the financial report at the end of the year due to inventory and other adjustments.

The interim reports range from simple earnings statements, which may or may not be accompanied by comments, to pamphlet reports illustrated with charts and drawings. In addition, some companies use house organ inserts for the interim report, and others send to their employees, with special letters, the reports prepared for stockholders. Pitney-Bowes, Inc. uses the quarterly letter of the president to employees to tell them about earnings of the quarter.

Recently, the trend has been toward printing the quarterly or semi-annual report in the employee magazine, either in the form of a latter from the president of the company or in pictorial form. Armstrong Cork Company, however, which published pamphlet reports and then printed its interim reports in its employee magazine, has reverted to a separately published report. The Brooklyn Union Gas Company publishes in The Brooklyn Union Gas News its comparative operating results quarterly in the simplified, comparative form shown on page 29. Instead of publishing a financial statement, Metropolitan Transit Authority publishes monthly in comparative form the following "General Financial Data":

General Financial Data

- Cost of service exceeded revenue
- Operating revenue per car-hour
- Operating revenue per revenue-mile operated
- Average fare per revenue passenger

Passengers Carried

- Revenue passengers
- Revenue passengers per revenue-mile operated

Operating Facts

- Car-hours operated
- Trips operated
- Revenue-miles operated:
  - Rapid Transit
  - Surface, two-men
  - Surface, one-man
  - Bus
  - Trackless Trolley

0055177

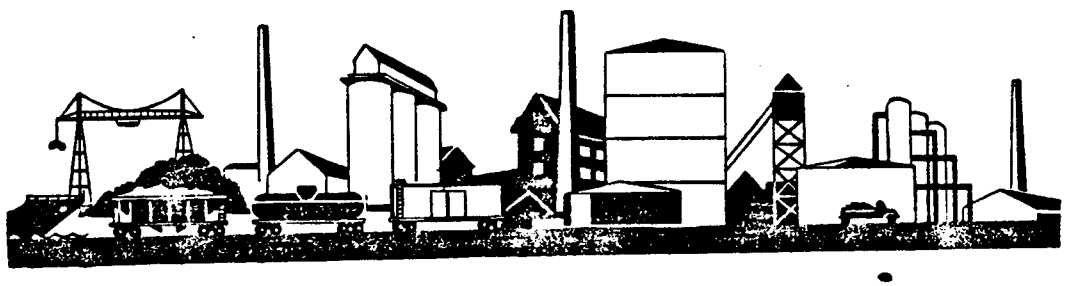
The Brooklyn Union Gas Company

COMPARATIVE OPERATING RESULTS

For the Nine Months ended September 30, 1947 and 1946

	1947		1946	
	Dollars	Per Cent	Dollars	Per Cent
In the nine months ended September 30:				
1. Our customers' meters recorded gas consumption of	24,404,576 MCF		22,207,338 MCF	
2. There was collectible from our customers for the gas consumed	$22,640,820.55		$21,179,051.80	
3. We earned interest, rents and income from other sources	27,265.90		66,633.29	
WHICH GAVE US TOTAL REVENUE OF	$22,668,086.45	100.0	$21,245,685.09	100.0
To obtain this revenue:				
4. We purchased raw materials, (including coal and oil), supplies, advertising and other items	$ 7,825,938.36	34.5	$ 5,705,358.20	26.9
5. Our employees received	9,890,354.69	43.6	8,058,570.78	37.9
6. And Federal, State and City governments levied in Direct taxes	3,021,371.30	13.3	3,610,262.95	17.0
7. We set aside for depreciation of plant and equipment	1,292,285.91	5.7	1,265,847.76	6.0
8. We paid interest on Bonds and other indebtedness	1,031,187.28	4.6	1,199,927.66	5.6
TOTAL COST OF OBTAINING REVENUE	$23,061,137.54	101.7	$19,839,967.35	93.4
EXCESS COSTS OVER REVENUE REDUCED SURPLUS BY	$ *393,051.09*	*1.7*		
THIS LEFT FOR STOCKHOLDERS AND SURPLUS			$ 1,405,717.74	6.6

Figures in italics indicate deficit.



Accident Data

Accidents per 10,000 surface-car miles
Accidents per 10,000 trackless-trolley miles
Accidents per 10,000 bus-miles
Accidents per 10,000 miles, R.T.L.
Revenue passengers carried per accident

Complaints

Complaints in regard to car service
Employees complained of by car riders

Power Statistics

Tons of coal burned
Barrels of fuel oil burned
Equiv. pounds of coal per D.C. Kilowatt hour
Net cost of power for car service per D.C. Kilowatt hour
Net cost of D.C. power per total car mile
Direct current monthly output (k.w. hours)

Johns-Manville Corporation uses a two-page spread in its employee magazine for its interim report. "1947 Up To Now," its mid-year report to employees, contains an income statement showing both in millions of dollars and in cents in each dollar of sales:

Income

Outgo

For all costs except wages and salaries
To employees for wages and salaries
To government for taxes
To stockholders in dividends

Reinvested in the Business

In addition included in the report were brief letters from both the chairman of the board and the president of the company commenting on the half year's operations, and the following summary:

Highlights of the First Six Months of 1947

Production as measured by sales was at a record peak amounting to $63½ million.

Due to the absence of strikes, together with greater employment and pay increases, the payroll during the first six months was $25 million against $16½ million for the same period last year.

The plan of organization introduced September 1946 contributed to increased efficiency in J-M's six operating divisions.

Taxes amounted to $4½ million. Owners of the company were paid $1½ million in dividends.

J-M's new asbestos insulations plant at Tilton, N.H., is expected to be in operation early this fall; expected to be in operation early in 1948 are the new Natchez, Miss., plant for manufacture of

Insulating Board, and the new Toronto, Ontario, plant to produce Rock Wool. Transite Pipe plants are also being constructed at Marrero, La., and at Toronto. Additional Transite Pipe facilities at Watson, Calif., plant were nearing completion at the close of the mid-year.

J-M now has about 16,300 employees.

Since December 1941 Johns-Manville building materials prices rose on the average only 15.3 percent.

Among the companies issuing interim statements as supplements to their employee magazine is the New York, New Haven and Hartford Railroad. This monthly financial report gives the following comparative data for the year to date:

Freight, passenger, and other revenue
Operation and maintenance expenses and net rents for equipment and joint facilities
Taxes, including Federal Income Carry-back credit
Net railway operating income
Other income from rents, investments, etc., less miscellaneous deductions
Balance available for fixed charges
Fixed charges on the present capital structure

Net loss

Pamphlet reports may be simple folders or more expensive reports. Usually they contain comments in addition to the earnings statement, and sometimes they contain charts, maps, illustrations, and tabulations of various kinds. One of the few interim reports for employees to show a balance sheet is the report for the first half of 1947 of Armstrong Cork Company. This statement is notable for showing clearly the owners' investment in the business as may be seen from the reproduction on page 32. Earnings are shown with equal clarity. In addition, earnings are compared with those of the preceding six months' period and two pages are devoted to "Highlights of Operations," interesting bits of information selected from the official report of operations for the same period. This included such items as - a comparison of the increase in wages paid during the period with the like period in 1946 and the increase in the average number of employees; the increasing price of linseed oil, a major raw material, a fire in one of the plants in Spain, and the completion of new plants in Canada and Illinois. The report is introduced with a letter from the president, evaluating the results of the period.

The Suggestion System

The suggestion system* may be used as a method of taking the mystery out of business. And it is so used by Armco Steel Corporation. In explaining to a suggester why his suggestion is or is not being accepted, the management of the company shows just exactly how that suggestion fits or doesn't fit into the company operations. When cash prices are awarded for suggestions based on the actual savings the suggestion creates for the company, there is an outstanding opportunity for discussing the company and how it operates.

*The Policyholders Service Bureau report, "Suggestion Systems," is available on request.

0055180

0 0 0 0 0 5 5 1 4 4

ASSETS

WHAT WE OWNED

Cash to pay bills and meet pay rolls	$ 5,829,779
U. S. Government Securities	6,282,630
Money owed us by customers and others	7,722,429
Inventories of raw materials, work in process, finished goods, and operating supplies	20,715,406
Investments in foreign companies	5,388,557
Other investments	192,784
Refund due the Company of Federal Taxes paid in prior years	1,672,048
Land, machinery, equipment, factory and office buildings, after deducting the allowance for accumulated wear and use to date	33,806,603
Insurance, taxes, advertising, and licenses and rentals on leased machinery, paid in advance	2,754,599
TOTAL	**$84,364,835**

LIABILITIES

WHAT WE OWED
(to others than stockholders)

Amount owed, but not yet paid, for raw materials, wages, supplies, and services	$5,282,176
Federal, state, and local taxes (after deducting U. S. Treasury Savings Notes)	3,494,710
TOTAL	**$8,776,886**

THE DIFFERENCE $75,587,949

This difference is the value of the owners' investment in the business. It has come from money they paid for Armstrong stock and from profits left in the business over the years. What this money is invested in is shown on the opposite page under "What We Owned." A breakdown of this stockholders' ownership is given below:

Reserve for replacing inventories that were reduced during the war	$ 250,000
Reserve for Unemployment Benefit Plan	750,000
Investment of 10,701 stockholders in Armstrong stock	51,058,098
Past profit (not distributed to stockholders) kept in the business (earned surplus)	23,529,851
TOTAL	**$75,587,949**

0055181

Employee Contests

Contests can be valuable in stimulating employees to think about the company and some of its problems. The General Motors Corporation's "My Job and Why I Like It" contest drew letters from 174,854 employees, more than 58 percent of those who were eligible. Prizes were awarded for the best 5,145 letters and the top 40 prize-winning letters were published in a booklet, "The Worker Speaks." In summing up the results of the contest in this book, C.E. Wilson, president of the company, said in the concluding article in the booklet:

> It caused the 174,000 General Motors men and women who wrote letters to stop and think about what was good about their jobs. In words of the popular song, it caused these men and women to "accentuate the positive." As one letter writer indicated, he had never before stopped to think about the good things connected with his job, but when he did stop to think he surprised himself with the number of "positives" there really were. I believe this is one of the greatest values of the contest, to all the people who participated, not just to the prize winners. All these people took time to study their jobs more carefully, to realize the importance of their jobs, to add up all the "plus" factors and to satisfy themselves that their accomplishments were highly worthwhile. In this sense, everybody won. Automobiles and other prizes are desirable, but a sense of value, of satisfaction in work well-done is of inestimable worth.

The contest of Standard Oil Company of Ohio on why petroleum industry employees should learn the facts about their own business drew 1,438 responses - 1,090 from employees and annuitants, 278 from wives of employees, and 70 from children of employees. The housewives captured two of the top three prizes and seven of the 30 honorable mentions awarded. As a means of screening the chaff from the wheat before judging, each contestant was required to answer several true-or-false statements regarding monopoly, conservation, and marketing of petroleum. Out of the entries one question was marked incorrectly by two people and another by nine, indicating that the contestants had started by learning some facts about the industry.

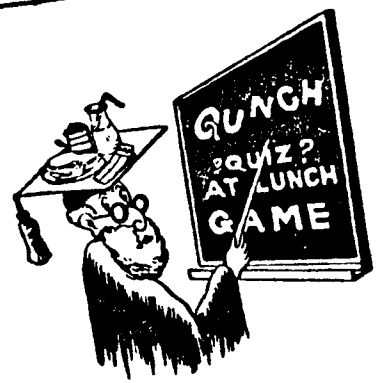
A novel weekly contest designed to tell the story of the company was recently inaugurated by General Aniline & Film Corporation. Called "Qunch," it is a quiz-at-lunch game played one day a week at the plant cafeterias. Prizes are free lunches for a week for the highest score and a single free lunch awarded by lottery. In case of ties lots are drawn.

The questions all have to do with the company, its products, its people and history, and are all based on information which has appeared in the company annual report, the employee magazine and plant papers, or in employee booklets. In order to make the game interesting as well as educational, in each game a question has been included concerning a personality, either an officer of the company, a director, a union official, an old timer or a well-known employee. An effort has also been made to inject a little humor. Five questions are asked, including "The Qunch Bowl," prepared so that there may not be too many ties. A reproduction of the first game tried at the company's Ansco Division appears on page 34.

The games are passed out in the cafeteria, and after lunch the employee drops his answers in the "Qunch Box" and retains the perforated stub until the following week when scores are announced. More than 1,000 employees in the Ansco plant participated in the first contest and seven turned in correct papers.

0 0 0 0 0 5 5 1 4 4 6

GENERAL ANILINE AND FILM CORPORATION'S QUIZ GAME



Play QUNCH

Play QUNCH, the quiz-at-lunch game. It is entertaining and educational. It's profitable, too. Read the statements printed on reverse side of this sheet and put an "x" in the checkbox after the one you believe is correct.

After lunch, tear the perforated spot and drop your answers into the QUNCH BOX. Keep the bottom part with the number for identification until next week when the scores will be announced. Highest score wins free lunches for a week. Drawing of lots in case of ties. Free lunch will be given holder of lucky number in a prize drawing. Correct answers will appear with the next list of questions. The game will be played at lunch time one day each week. Today's play is preliminary because before starting the game company-wide, we wanted to try it out at one location and the Ansco cafeterias were selected for this test. The correct answers and the name of the highest scorer today will be announced.

Questions may strike you as being unfair, hard or too easy. However, the answers have all appeared in some Company publication, the Annual Report, THE RAINBOW, Company booklets, etc. If you have a question you'd like to see used, send it (or any comment) to the Public Relations Department, 230 Park Avenue, New York 17, New York.

Copyright, 1948, General Aniline & Film Corporation.

Play QUNCH

Put in "X" after Correct Statement.

1 GAF employs less than 3,500 people ( ), more than 9,000 people ( ), about 6,565 people ( ).

2 Out of each dollar General Aniline takes in from sales of its products about 25 cents goes for wages and salaries to employees ( ), about 40 cents ( ), about 65 cents ( ).

3 The Ansco Division of GAF had its beginning in 1898 ( ), in 1842 ( ), in 1921 ( ).

4 General Aniline's net profit in 1946 was more than 3 million dollars ( ), less than 2 million dollars ( ), about 7½ million dollars ( ).

5 The Qunch Bowl—Check yes or no on the following:
A—E. A. Williford stands for Edwin Allen Williford, yes ( ) no ( ). B—Chris King will retire shortly after 50 years with Ansco, yes ( ) no ( ). C—Binghamton was the Capital of New York State during the Civil War, yes ( ) no ( ). D—The G. A. F. dye plant at Grasselli is the oldest dye factory in the United States, yes ( ) no ( ). E—Ansco color was released to the armed forces in 1943, yes ( ) no ( ).

No. 1494

UNCH GAME . . .

No. 1494

0055183

The answers are published during the week following the contest and are also posted on the bulletin boards. It is in the publication of the answers that the company feels its purpose is best served. There is a responsive audience for the information after interest has been aroused by the "Qunch" questions.

Employee Meetings

In a survey of employee attitudes, 39 percent of the employees interviewed said they would like to have meetings called so that they could learn more about the company and its problems. This human desire for personal contact with the employer is being met by a number of companies. In the fall of each year Colonial Stores Incorporated holds a series of 12 or 15 employee meetings in key cities located in the company's territory. These meetings accommodate all regular full-time employees numbering about 7,000. In addition to the presentation of service buttons and 20-year service awards, the company's president takes the opportunity to discuss with the employees the results of the year's operations and any new company developments and activities.

By encouraging employees' questions, meetings may provide for a two-way flow of information. The management of Thompson Products, Inc., for example, is anxious that no employee leave any meeting with a question unasked or unanswered. Many different kinds of meetings and rallies are held in Thompson plants throughout the year to acquaint employees with information about the company. Some are dinner meetings held after working hours. Others are rallies called during working hours on company time.

When there is a general wage increase or a cut back in production, or other major development of company-wide or plant-wide importance, employees on each shift in the plant are called into the cafeteria where an officer of the company tells the story. It is the company's policy to give employees all the facts concerning any development, good or bad, which affects them and their jobs. It wants to give them the news first, before it reaches them from some other source. Smaller divisional or group meetings are called by division managers or foremen to discuss matters of interest in their particular area.

A series of dinner meetings, known as the general manager's dinner meetings, are usually scheduled during the winter months. Employees are invited in groups of 500 or 600 to come to dinner as guests of management. Tables are set for eight or ten with a member of the management group acting as host at each table. During the dinner each table host tries to stimulate discussion of current company affairs. Employees are encouraged to write any question they see fit on cards provided for that purpose.

During and for a short time following the dinner, there is a program of entertainment. After this, members of top management leave their tables and go to the platform for an "Information Please" hour. Questions written by the employees are passed up to the master of ceremonies, who reads the question and then calls on the appropriate management member to give the answer. If in the opinion of the master of ceremonies his answer is unsatisfactory, he is fined and drops some paper money in a box. There is good-natured banter and give-and-take, and a great many serious questions receive comprehensive answers direct from the management representative best informed on the subject.

At the conclusion of the question hour, the money in the box is awarded to the employees' table whose number is picked by someone from the audience. These meetings are valuable not only in giving employees the information they want but also in indicating to management the trend of employee thinking.

Other types of meetings held at Thompson Products, Inc. include such social or semi-social meetings as the annual banquet of the Old Guard Association. This organization is made up of employees with five or more years of service. Like the General Managers' meetings, these dinners are held on company property, outside of working hours. They are featured by an address of the president who reviews the year's performance and looks at the future business prospects of the company. Still another type of meeting is one which follows the publication of the annual report to employees. By means of a large mechanical demonstrator, employees, called together in large groups, witness a visual presentation of the company's financial story.

For a number of years "Manager's Information Meetings" have been held each month at the Erie Works of General Electric Company. Two representatives from each division of the company are invited to attend each meeting. General subjects of an informative nature are discussed and answers are given to questions which are raised. Any question whatever may be asked and, unless it involves a matter for which grievance procedure exists, a full and complete answer is given. At each meeting the manager tells about the establishment of the informative meetings and their purpose. At the July 1943 meeting, for example, he explained that since employees' jobs are the most important things in their lives, with the exception of family considerations, it is right that each employee, no matter what his job is, should know everything about the operation of the company's business, be free to ask any question about it, and have that question answered by management fully and honestly. He then added:

> Fortunately, we work for a company that does nothing that we are ashamed of and conducts all of its affairs in an honest, straight-forward manner. Therefore, the only problem we face is that of informing our many thousands of employees about our business, and about the reasons that impel management to take certain measures that, in their judgment, should be taken. The only difficulty involved is, since there are so very many employees, to find a way of informing them about our practices and the reasons for them on an adequate scale.

The manager then outlined the reason for the company's rate-making procedure, employment in the community, the percent of women in men's jobs in the plant, and the expectation of some curtailment of contracts for war materials. A chart covering operations at the Erie Works was shown and explained.

The meeting was then thrown open to questions. Among the questions asked were:

1. What are the prospects on the planetary gear in Building 5?
2. How are locomotive orders?
3. Is the new job in Building 63-T going to amount to anything?
4. When is a statement to be issued to each employee on Additional Pension Plan accumulations?
5. How about Building 18? Will we again make refrigerators?

The minutes of each meeting are published in the employee newspaper so that every employee in the plant may know what is going on.

Moving Pictures and Slide Films

Moving pictures are playing an increasingly important part in keeping employees informed about their company. In a number of companies the new employee

is shown a movie which gives an over-all picture of the company and of an employee's life at the company - his work, the lunchroom, the plant hospital, the recreational facilities. During the hiring period at Hamilton Watch Company, employees are shown a motion picture designed to introduce them to Hamilton and to make them feel that Hamilton is a good place in which to work. This film is also used for recruiting in local high schools. On the day the employee reports for work he sees a slide film which shows how a watch is made and pictures employee benefits provided at Hamilton. About three months after an employee has been on the job, he attends a third film which again reminds employees of the advantages of working for the company, and shows that successful watch makers often went through a period of discouragement while learning. By means of special photographic effects it brings into relief the differences between an inexperienced worker and a skilled one.

While indoctrination is the most usual purpose of industrial movies, moving pictures or slides are also used to explain to employees the annual report, company finances, basic economics, various employee benefits, manufacturing processes, the history of the company, and the extent of its operations. Standard Oil Company (Indiana) has two company films which it shows not only employee and dealer groups but to the public. One, "Oil and Men," portrays the operations of the company from oil well and stockholder investment to service stations and dividend checks. The other, "The Inside Story of Modern Gasoline," uses animated atoms and molecules to tell how gasoline is made. Southern California Telephone Company uses films to show employees the work done by other departments of the company. The Nunn-Bush Shoe Company has a film explaining its guaranteed wage plan. The American Telephone and Telegraph Company has a film explaining the meaning of depreciation.

While moving pictures and slides have such obvious limitations as teaching aids, as inflexibility and high cost, it has been shown that they enable students to retain information longer. Dean Rulon, of the Harvard School of Education, in an experiment with films in teaching general science found that in terms of immediate student achievement teaching with moving pictures is 20 percent more effective than teaching without them, and that in terms of retention the gain of the group using films is over 38 percent greater than that of the group not using films.

Plant Tours

While a plant tour is frequently a part of the program for orienting new employees, a number of companies have scheduled tours for all employees. As the result of an attitude survey, Sargent & Company found that most of the employees wanted to know more about how the company's products are made, what they are used for, and how the work they are doing has a bearing on the work of other people and other departments in the plant. One way of showing this is by a plant tour, and employee tours of the plant were arranged.

The Louisiana Division, Esso Standard Oil Company, has invited wives and children over 10 years of age to join employees in tours of its Baton Rouge refinery. Invitational tours were arranged each Saturday morning for a period of six to eight months. To eliminate the possibility of overcrowding, a maximum of 150 people are invited for a specific date and time. Each invitation contains an addressed response card which the recipient is asked to return within three days. At the end of each tour employees and their families are served refreshments.

Courses for Employees

Courses for employees teaching specific skills useful in the employees' work are common; informational courses designed to give employees a knowledge

of the company are less common. And yet, to judge by surveys of employee opinion, a potential demand for such courses exists. A survey conducted in Philadelphia by Remsen J. Cole and Associates of a cross-section of wage earners in trade, clerical, transportation and communication, and manufacturing industry asked the question, "Would you attend classes, on your own time, to learn more about the business if the instruction was offered free by your employer?" Of the entire group, 78 percent said they would like to do so, 19 percent said they wouldn't care to attend such classes. Of those employed less than two years, 72 percent were interested in attending such classes; of those employed from two to five years, 81 percent were interested, and of those employed more than five years, 78 percent were interested. Women showed a greater desire to learn more about the company than any of these groups and a considerably greater desire than the men. Ninety-one percent of the women said they would like to attend classes to learn more about the business, compared to 74 percent of the men.

In Pacific Gas and Electric Company the employees association presents a course, "Know Your Company." It is a lecture course consisting of approximately 12 talks by key men of the particular geographic division and the general office. Its purpose is to acquaint employees with the functions and duties of the departments within a division, the over-all operations of the division, and its relationship to the system as a whole. Field trips to nearby plants and shops are included as a part of the course.

Local conditions generally are the determining factor as to the number of meetings held and the specific subjects covered. However, the following is a list of subjects usually presented:

Historical Background of Geographic Division and of Company
Electric Generation and Transmission
Electric Distribution, Meters and Services
Gas Transmission and Distribution
Gas Meters and Services
Rates
Credit and Collections
New Business
Accounting
Personnel
Management

With the announced purpose of providing "Carrier men and women with the opportunity to study and discuss the fundamentals of American business and, more specifically, the inner workings of Carrier," Carrier Corporation is conducting an "Institute of Business." Both general and advanced courses are offered. In each, 12 lectures are given by well-known business authorities. Following each lecture the meeting breaks up into seven groups of not more than 20 people, each headed by a discussion leader, prepared to follow through with the subject matter presented by the lecturer. Each discussion group also has an adviser qualified to answer technical questions bearing on the subject of the lecture. Attendance at the Institute is restricted to hourly and non-supervisory salaried employees. Meetings are held on Monday evenings at a local high school.

Subjects covered in the general course given in 1947 were:

Opportunity - Jobs - Freedom - a general discussion of principles of free enterprise
Management's Job
Seven Men Grasped Opportunity - how to start a business and make it grow, illustrated by the history of the company

Government and Business
Orders Come First
Making a Better Product
Mutual Obligations of Labor and Management
Carrier's Name in Air Conditioning
Maintaining Leadership
Business Overseas
End Use of Products
Human Beings in Business - how to make Carrier a better place to work

The advanced course covered (1) postwar developments in Carrier's business, (2) operations of a typical Carrier district office, (3) demonstration of a new product, (4) government and business, (5) the dealer organization, (6) a visit to an assembly line and a demonstration of self-contained air conditioners, (7) mutual obligations of labor and management, (8) a production line visit to show how unit heaters are made, (9) new products committee, (10) company's export trade, (11) an assembly line visit to see production food freezers, and (12) an assembly line visit to a new plant for a demonstration and discussion of the manufacture, sale, and use of centrifugal machines.

Education of Supervisors

The natural person for an employee to turn to when he wants to know something about the company is the supervisor. But to do a good job in answering the employee's questions the supervisor must be thoroughly familiar with company policies and activities. That many supervisors feel that they are not sufficiently informed is indicated by a recent opinion poll taken at the Rouge plant, central office, and Dearborn engineering division of the Ford Motor Company. In this poll 59 percent of the foremen and 62 percent of the white collar supervisors said they needed more information on company policies. To correct this condition the company inaugurated a management information program which includes Management News Letters; Management Information Bulletins; a foreman's manual to keep him abreast of company policies, practices and procedures; supervisory dinner meetings, and training programs for foremen.

Other companies are also giving thought to improving their methods of keeping supervisors informed. Phillips Petroleum Company sends its Bulletin to 66 Management, mentioned on page 10, to all employees in key or supervisory positions. The Detroit Edison Company sends the Supervisor News to all its supervisors so that they may be in a position to answer questions that employees raise. The Detroit Edison Company has recently established a basic supervision session for new supervisors and persons who are about to be appointed to a supervisory capacity for the first time. It is concentrated in a two weeks' course offering elements of good supervision and facts on company operation.

Thompson Products, Inc. also has a course for inexperienced supervisors. It covers a period of about 3½ months and placed considerable emphasis on giving them financial and economic instruction pertaining to the company. It stresses competitive situations and the division of company income between workers, stockholders, and the part reinvested in the business. Once a month the entire supervisory force is brought together to hear discussions on different phases of the business by company executives. Third-shift supervisors meet for breakfast on the days of these meetings; second-shift supervisors have luncheon meetings before reporting for work and first-shift supervisors have a dinner meeting.

Pacific Gas and Electric Company holds monthly conferences with its 1,200 foremen and outside supervisors. In these conferences company policies, plans,

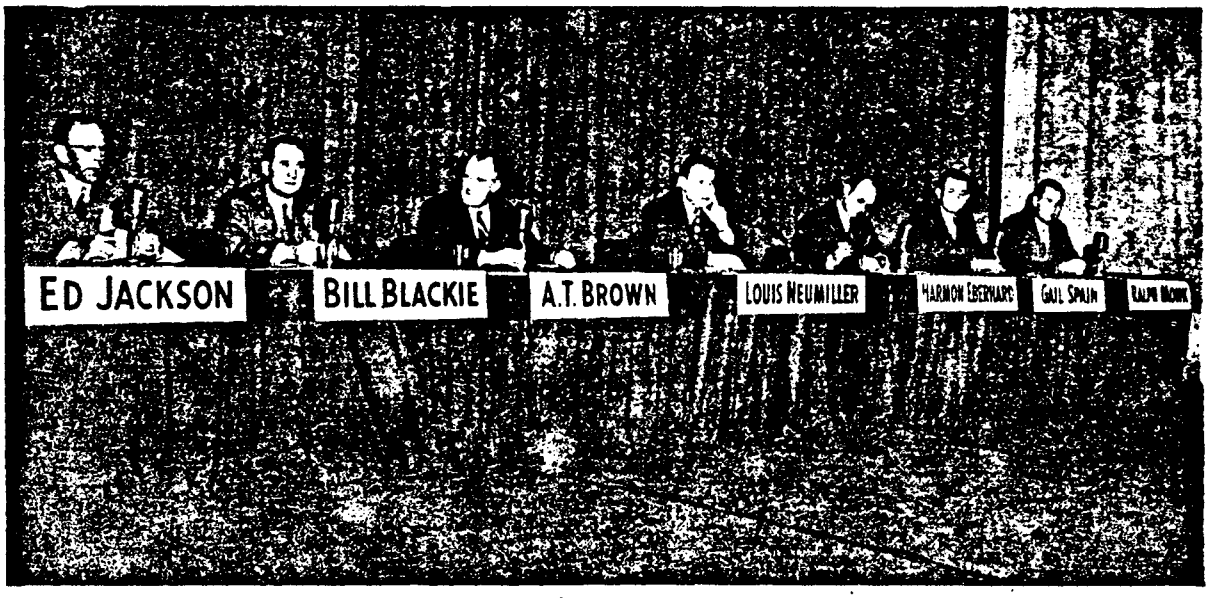
0055188

and problems are thoroughly discussed in order that the supervisors may have the information and may inform the employees assigned to them.

In Shell Oil Company Incorporated operations are divided into local payroll centers. Attached to each center is a training representative who holds monthly conferences with local supervisors and staff employees in groups ranging from 15 to 25 men. Conference outlines for these meetings are prepared centrally and mailed to the training meetings. One conference covered the Shell organization and departmental functions. Other conferences covered the oil industry, Shell's responsibilities to employees, consumers, the community and investors, Shell's future plans and prospects, and American enterprise and industry.

Meetings of foremen are sometimes held to give them news concerning the company before it is made public. Each year Caterpillar Tractor Co. brings its supervisors together at a management dinner to hear a report on the achievements of the company during the preceding year and the prospects for the year ahead. In 1948 the meeting was conducted as a panel discussion with President L.B. Neumiller as moderator, and the vice-presidents and the director of parts and services and the director of industrial and labor relations answering the questions put to them by Mr. Neumiller. Each member of the panel with a large placard in front of him, as may be noted in the photograph below, dealt with one or more phases of the business of the year past and the hopes and plans for the future. A full report of the meeting was published in the employee magazine so all employees might read it.

The Southern Railway System brings its supervisors together so that they may understand the plans they are expected to carry out. In March 1948 several hundred officers and supervisors of the operating department met in Atlanta. In a general meeting they were informed about new cars and locomotives, improved operating schedules, traffic prospects, health and safety, freight loss and damage, employee relations, and public relations. In the background of each speaker's story was the relation of the railroad's income dollar to what it must spend and do to get that dollar. Later in the day heads of the different branches of the operating department met with their subordinates to discuss what plans were being made so that they might understand the tasks required of them.



CATERPILLAR TRACTOR'S MANAGEMENT MEETS WITH SUPERVISORS

Family Days

Westinghouse Electric Corporation looks upon family days as an excellent opportunity to provide information on the company's importance to the community, its contributions to community and employee welfare, and the historical significance of the company. An important part of the informational activity of its family days is a special edition of the Westinghouse News. The first and third pages of the four-page 1947 edition are shown on page 43. On the first page the president welcomes the guests, and the beginnings of the company's employee benefit plans and the scope of the company's products are described. On the second page an editorial states that the purposes of the day are (1) to give members of the employee's family a better understanding of the work he is doing, and (2) to give the employee a more comprehensive idea of how his job fits into the pattern of the plant's operations. The third page shows the cost of creating a job, how the company gots its assets, and a map of Westinghouse plants and offices. More about products and employee benefits appears on the fourth page.

Signs and posters are prepared to give brief facts about the company's payroll, taxes, length of service of employees, and other little-publicized facts of the company's operations. Souvenir booklets and newspaper space are also utilized to tell the company's story.

Hotpoint, Inc.'s family day takes a different form. Employees and their families were invited to see the premiere showing of a moving picture, "The First Family of the Appliance Field." This film shows the way Hotpoint appliances are manufactured, advertised, and sold. There was also a staged presentation of the company's products. President James J. Nance outlined to employees and their families the company's plans for expansion. Professional entertainers, door prizes, and refreshments added to the occasion.

To celebrate its 50th anniversary, International Paper Company and Canadian International Paper Company held community-wide open house parties in all its mills from Lake Temiskaming, Que., in the north to Panama City, Fla., in the south. In most cases these lasted for several days with the final day reserved for employees and their families.

The arrangements at each mill were made by local committees, and, while, as a result, details differ, a general pattern was followed. So that employees, their families, and the community could picture that work the company does and the great and growing variety of uses for the paper and wood pulp it makes, the company prepared an exhibit for the use of each plant. The exhibit showed a map of the company's operations and both the company's products and the goods made from these products. It was divided into three sections: Southern United States operations, Northern United States operations and Canadian operations. Under Canadian operations, for example, the many uses of the company's products were illustrated by 26 exhibits, including a mannikin dressed in rayon fabrics - the yarn of which was made from pulp made in Canadian mills. Other exhibits, made in part from paper or pulp, included satins, lingerie, baby shoes, boxing trunks, drinking cups, razors, "straw" hats, radio cabinets, cellophane, truck tires, buttons, samples of newspapers from English, Irish, Latin American, and Indian newspapers printed on newsprint made at the company's Canadian mills, insulation board, and plywood. A photograph of the exhibit, as shown to the New York staff of International Paper Company at an anniversary dinner, appears on the following page. The company prepared a "Guide to Exhibits" which was given to employees and visitors to help them have a better understanding of the work the company is doing.

Supplementing this company exhibit, each plant designed a photographic exhibit emphasizing its own progress in the community during the years. In order to get old-time views of the plant, its products, employees, and the



OPEN HOUSE EXHIBIT
International Paper Company

☆ ☆ ☆ ☆ ☆ SPECIAL FAMILY DAY EDITION

Westinghouse News

☆ ☆ ☆ ☆ ☆ SPECIAL FAMILY DAY EDITION

FAMILY DAY, 1947

FAMILIES THRONG PLANT

Founder Set Benefit-Plan Framework

Recognition of Employe As Individual Keynotes Programs for Workers

In Westinghouse Electric's early days, its founder, George Westinghouse, knew by name almost every one of his 300 employes.

In 1886, Westinghouse was a small shop on Garrison Alley, Pittsburgh. Mr. Westinghouse spent much of his time out in the shop, working on experiments and telling the machinists to make small parts. As a result, he knew his employes and they knew him.

This close association between employer and employes led to the adoption by Westinghouse Electric of many pioneering practices for improving the employe's well-being.

Early "Security" Plan

Mr. Westinghouse's keen interest in the welfare of the men and women of his company resulted in one of the earliest "social security" plans in industry in vacations with pay for his employes ... almost unheard of in the 1880's ... and in the Saturday half holiday.

Today, Westinghouse Electric has grown from an "alley plant" into an organization employing over 100,000 men and women in great plants and offices throughout the country (see map on page 3).

But the policies set by George Westinghouse on the basis of his close personal relationship with his employes have continued throughout the Company's 61 year history. Those policies can best be pursued as Mr. Westinghouse's words ...

"I want every man who works for the Company to understand that I look upon him as a part of our organization and not as a mere mechanical time-server ... his interests are ours, and ours are his."

Recognition Continued

This recognition of the employe as an individual and of the mutual interests of employer and employes has been reflected consistently in Westinghouse's relations with employes.

In following the policy of recognizing each employe as an individual, Westinghouse keeps him well informed on the Company's operations, products, plans and policies through such mediums as letters, the weekly Westinghouse News, bulletin boards, booklets and films.

The Suggestion System recognizes the employe's individual ability in creatively suggesting better ways to do our job of producing and selling electrical equipment.

The problems encountered by an employe as an individual and

(Continued on page 4)



SCENIC SAMPLER: Symbolic of the great variety of products manufactured by Westinghouse organizations are the scenes depicted in the large engravings. The scenes include views of a dashing ... steam plant relay, large generator, research study, control ... Sahara Sunshine, Niagara Falls, soldier, towering locomotive, and General Gasoline operations, located in the world

President Gives Word Of Welcome

Family Day Traditional Part of Company Life, Westinghouse Head Says

By George A. Price, President

With our reconversion and expansion programs nearing completion, we are able to resume the traditional Westinghouse Family Day.

All of us who take pride and interest in our work welcome Open House day when we



G. A. Price

Westinghouse is now a family of more than 100,000 men and women employes who have a common interest in the Company's success.

Fellow Partners

Among the members of this family are fathers with sons and daughters in the Company's employ ... even grandfathers and grandsons and granddaughters. And there are the wives and daughters of workers who once were with Westinghouse, and there are wives, daughters and sisters who are employes now.

In addition to the 100,000 directly employed by Westinghouse, thousands more depend upon the Company for their livelihood. Estimating the size of the average family at three members, more than 300,000 men, women and children are partly or wholly dependent upon Westinghouse business for a living.

Plant Stockholders

We can broaden our family to include the 72,000 stockholders who look to Westinghouse for income.

Then there is a total of more than 500,000 who have a direct interest in Westinghouse.

If you can sense then why the management of Westinghouse feels a great weight of responsibility for the well being of this tremendous family, and why Family Day is traditional at Westinghouse plants.

I wish you a pleasant Family Day at your Plant and I hope your family and friends enjoy seeing your place of work and the products you help make.

Scope of Westinghouse Products Ranges From Plastic Tableware to Steam Turbines

Possibly the most unusual request ever received by the Company came on a postcard from a little girl in centrally written words the child had asked simply for one sample of everything Westinghouse makes.

Obviously the little girl did not realize the scope of products manufactured by Westinghouse, she did not know that being her request would require a truckload shipment.

In that shipment would go diversified products ranging from mammoth generators to plastic dishes and mugs; from tiny Christmas tree lights to giant steam turbines.

Among the apparatus sent from East Pittsburgh would be generators, synchronous condensers, mercury-arc rectifiers, ignitrons, switchboards, circuit breakers, industrial regulators, lightning arresters, capacitors, panelboards, and motors and controls for locomotives, street cars and trolley coaches.

Also sent from the Westinghouse Valley in Pittsburgh would be electric and iron castings from the Trafford plants, brass castings from the Linhart Works, and rolled and drawn copper from the Copper Mill. From nearby Nuttall Works would come gears, gear motors, trolleys, pantographs.

From a new plant at Beaver, Pennsylvania, would come standard control devices, and from another new one at Mansfield would come industrial heating units. The Sunbury plant in the same state would send a score of models of home radios. The Sharon Plant would send transformers of all sizes.

The Bellefonte Motor Division here would load industrial motors and controls, as well as arc-welding equipment, onto the lengthening train. Cleveland would add lighting equipment.

Household electrical appliances and thermostats would accompany the Mansfield Works shipment. The Lamp Division plants at Bloomfield, Bellville and Trenton, New Jersey, would send incandescent, sodium and mercury vapor lamps. Bloomington, Indiana, and electronic tubes and radio bases.

The Lamp Division's Plant at Fairmont, West Virginia, would send fluorescent lamps and sun lamps, as well as small motors.

From East Springfield would come refrigeration units, water and bottle coolers, Bag Bombe and electric fans.

The Meter Division at Newark would send meters, instruments, relays and time switches. The Small Motor Division at Lima would add fractional horsepower motors of all types.

The Steam Division's South Philadelphia Works would load a hefty shipment of steam and gas turbines, condensers and ejectors, and reduction gears and propelling machinery for steamships. Its Attica Works would supply road stokers.

The west bank's Aviation Gas Turbine Division would send a few samples of the fastest thing in aircraft power plants. The Elevator Division would send an elevator and electric stairway at Westinghouse plants.

The B F Sturtevant Division would send air-conditioning and air handling equipment.

From the Baltimore Works would come radio radar, and other high frequency apparatus. From the Derry Works in Penn sylvania would come porcelain insulators, porcelain parts and transformer line hardware.

From some 25 factories throughout the land would come this imposing procession of more than 300,000 products made by Westinghouse ... famed for everything in electricity.

Daughter Gets Insight Into Dad's Occupation

During a recent Family Day at the Baltimore Plant, little Jane Hayden weighed her dad to demonstrate a Westinghouse unit for taking chest X-rays.

As she left the dog's Jane told her mother:

"Now I know what Daddy does all day. He just stands there and says, 'Take a deep breath, hold it ... that is all!'"

Growing Up

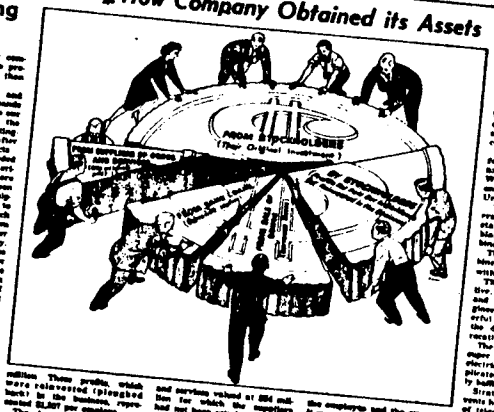
When George Westinghouse opened his first factory in Pittsburgh's Garrison Alley, it had 20,000 square feet of floor space. The Company now has 23,500,000 square feet of floor area, and 800,000 feet under construction.

Family Day Edition

The Westinghouse News 3

$5,595 Cost Of Creating Man's Job

Here's How Company Obtained its Assets



Procession Of Products Never Ends

Westinghouse Plants and Offices Cover the Country



0055192

vicinity, and at the same time to stimulate interest in the anniversary, some of the plants offered prizes to employees and the community for the oldest photographs and the most unusual photographs. Other special local exhibits included photographs of all employees with 25 or more years' service, products made from the material they manufactured, a special manufacturing process, or the operation of a particular piece of machinery.

Each plant celebration included a tour of the plant and a presentation of special medallions to 25-year employees, and ended with a family party. In the South these parties were mostly barbecue-picnics; in the North, picnics and field days with a full program of sports for adults and children, or buffet luncheons or dinners. At each of the Southern mill celebrations baby sitters were provided to take care of the children too young to tour the mills with their parents. The main feature of the open house programs in Canada was the donation by each mill to the community of permanent recreational facilities for employees and for children of the communities. The aim of each open house celebration, however, was to give employees, their families, and the community a better understanding of the work the company is doing and how it is doing it.

Radio Broadcasts

The radio, too, is a means of telling employees company news. Plants with loud-speaker systems from time to time broadcast news about plant operations. National hookups or local radio stations are sometimes used to tell the company's story. The Timken Roller Bearing Company has broadcast weekly over a local Canton, Ohio, radio station. Each broadcast covers some particular phase of the company's operations as may be seen from the following titles:

Railroads and Bearings
Timken Labor Policy
Engineering Industrial Bearings
Why a Timken Steel Mill?
Production and Prosperity
The "Why" and "How" of Timken Advertising
Points in Timken Sales Policy
Timken Financial Policy
Development and Research at Timken
Featuring Quality
The Foreign Division
Railway Engineering
Wooster Plant Operations

All of these talks were prepared and delivered largely for the information of the company's personnel so that they might better understand the complex nature not only of the company but also of all business enterprise. Another aim was to show the interdependence of all the company's functions and departments. The talks were printed and distributed weekly and 53 of them were brought together into a book, "The State of the Company."

While du Pont's Calvacade of America has a wide national audience, many of du Pont's employees are a part of this audience. Of the half-hour program 2½ minutes are devoted to telling what du Pont products mean in terms of daily living. These commercials are thought of as a mosaic, the whole of which is a picture of the company in the life of America.

Companies which may or may not have regular radio programs sometimes secure radio time for a special purpose. For example, at the beginning of 1947 Thomas W. Martin, president of Alabama Power Company, gave a special statewide broadcast to the company's employees and friends. He told something of

ILLINOIS CENTRAL RAILROAD ADVERTISES ALONG ITS LINES IN NEWSPAPERS



HOW THE "Main Line" Earns a Dollar

76¾¢ OF IT ... comes from handling freight. Last year the Illinois Central carried some 70 million tons an average distance of 263 miles. Which is the same as hauling a train carrying 736 tons of freight a thousand times around the earth. This was done at a cost to users averaging less than a penny a ton a mile.

More than one-third of the Illinois Central's total freight tonnage was coal, the fuel that keeps so many of this nation's citizens warm and powers the production of most of their wealth.

Manufactures and miscellaneous freight made up another 25 per cent; agriculture, animals and animal products 16 per cent, and forest products 11 per cent.

Freight such as this is the lifeblood of business, industry and home life in America. Our first obligation is to keep it moving.

W. A. JOHNSTON, President

What happens TO YOUR DOLLAR— WHEN YOU SPEND IT VIA ILLINOIS CENTRAL

52½¢ OF IT ... goes to pay the wages of some 40,000 Illinois Central workers.

They collect it for work in more than 120 professions, trades and occupations, each essential to the functioning of the railroad and proper service to the public.

The wages paid these Illinois Central people are earned with tools (property and equipment) valued at roughly $20,000 per worker.

These valuable tools in skilled hands make possible the fine quality of service the Illinois Central provides the public.

W. A. JOHNSTON, President

We get 3½ CENTS of your DOLLAR

That's all the railroad company had left over—3½ cents—out of each dollar spent by the public in 1946 for Illinois Central freight and passenger service. The other 96½ cents went to pay wages, buy materials and meet other expenses.

Nothing remained from 1946 earnings for the railroad's stockholders. All of the 3½ cents left over, and more, was spent for new equipment and other things to maintain and improve the service the Illinois Central provides the public.

We are firmly resolved that the Illinois Central shall continue to earn your friendship and patronage.

W. A. JOHNSTON, President

52½¢
28¾¢
10½¢
4¼¢

ILLINOIS CENTRAL RAILROAD

MAIN LINE OF MID-AMERICA

GREAT GRANDPA'S SAVINGS ... and YOURS,

... help speed today's new trains and provide transportation tools valued at $20,000 for every Illinois Central worker.

It's savings like yours, invested over several generations, that have helped build the Illinois Central and other railroads.

On the Illinois Central such investment has added up to some 765 million dollars—roundly $20,000 for each of the 40,000 members of our railroad family.

With the tools provided by this investment, each Illinois Central worker last year moved 1,350 passengers and 1,700 tons of freight.

The ability to provide such tools depends on what is left over after paying operating expenses and taxes. On the Illinois Central this amounted in 1946 to 3¼% of the present investment. For all railroads it was 2¼%. Both are far short of the 6% most people think is needed.

Railroads must earn enough to sustain and improve their service for the sake of those who look to them for transportation—those whose friendship and patronage the Illinois Central is determined to continue to deserve.

W. A. JOHNSTON
President

ILLINOIS CENTRAL RAILROAD

MAIN LINE OF MID-AMERICA

the accomplishments of the company throughout the year, its efforts to attract new industries to Alabama, the establishment of a pension retirement plan for employees, and the outlook for the future. A transcript of the broadcast was published in the employee magazine for the benefit of any employees who had missed the broadcast.

Newspaper Statements

Employees as well as the general public may be reached through the daily newspapers. A number of companies supply releases to newspapers on company and employee activities. Companies are also using institutional advertising, designed to appeal to both employees and local residents. Illinois Central System started its institutional advertising in September 1920, and it has appeared monthly ever since. It is designed to impart current financial information to the employees of the company as well as to all other readers of the nearly 500 daily and weekly newspapers in towns and cities along the company's lines. The estimated total readership monthly is 15,000,000 to 20,000,000 persons. Four of these advertisements are reproduced on page 45.

Other companies advertising regularly in their plant cities are General Electric Company,* Heywood-Wakefield Company, and The B.F. Goodrich Company. Heywood-Wakefield runs weekly advertisements in local newspapers. The titles and themes of some of these follow:

Calling All Witches - points to the opportunities for after-hours fun afforded its employees

Where There's Smoke There's Fire! - outlines what is being done to eliminate soot

Biggest Taxpayer in 1835 - And Today - announces its local tax bill as the largest one in town

It Pays to Look Both Ways - points to its 121-year record as an indication of future job security

How to Spend $86,000 a Week? - attributes its large payroll to craftmanship of Gardner people.

Extra Cash for the Unexpected - describes the employee credit union and building and loan association

We Used to Be a "One-Horse" Business - outlines company's growth as a source of income for an increasing number of Gardner people

To indicate the friendly and informal tone of these advertisements, one is reproduced on page 47.

The B.F. Goodrich Company has published a series of statements in Akron outlining the policies and principles which guide the company. The titles of one series of advertisements were: Responsibility, The Consumer, Employees, Trustees, Fields of Friendship, The Industrial City, Wages and Hours, Methods of Compensation, and Collective Bargaining. The text of the first advertisement, given on page 47, is the keynote of the entire series.

---

*Program described in Policyholders Service Bureau report, "Contents of 399 Employee Magazines."



Biggest Taxpayer in 1835—And Today

Back in 1835 Heywood-Wakefield's tax bill of $51.50 was probably the largest in Gardner.

This year, as for many, many years, ours is still the biggest one in Gardner—our share of local country and city needs being $36,274.99.

This is a local tax bill. It has nothing to do with Federal or State taxes. It's just our share of our city's running expenses—for schools, police and fire protection, roads and so on.

We mention this because it shows one way in which a successful and well-run business contributes to the welfare of its home city. Another obvious one, of course, is in providing steady, well-paying jobs for a growing number of people.

The Company announces its tax bill of $36,274.99 as the largest tax bill paid in Gardner this year in above ad run on November 19, 1947.

HEYWOOD-WAKEFIELD COMPANY

RESPONSIBILITY . . .

Modern business is built upon a basic principle . . . Responsibility. Extensive organizations, scattered plants, the employment of thousands of men and women - these involve delegated authority and delegated Responsibility.

Our customers buy our goods all over the world. The trademark of our company must carry with it the assurance of Responsibility.

The Company has too much at stake in the property value of its plants; the employees have too much at stake in their jobs, for either to shirk their Responsibility.

Such Responsibility affects human beings whichever way one turns - employees, retailers, consumers, investors, management, community.

Responsibility . . . that is the keynote of our business - of any business.

Success or failure, for Company or employees, is measured by the degree of adherence to this basic principle . . . Responsibility.

Surveys of public opinion in various industries have shown that workers and the general public have misconceptions about industrial profits and about the relative share of the sales dollar going to workers, management and stockholders. To correct these mistaken ideas in their own community, the Stamford-Greenwich (Connecticut) Manufacturers' Council planned a public relations advertising campaign in local newspapers. Each advertisement is written in the "Inquiring Reporter" fashion - a number of local companies answering a specific question, such as:

Surveys show that the public has wrong ideas about company profits. What are the facts about your company profits?

Surveys show that workers think stockholders and top management get more from a business than employees get. What's the split in your company?

With the cost of living up 68 percent since January 1941, have your wages generally kept pace with rising living costs? (March 19-21, 1948)

With wages up 75.8 percent and living costs up 51.8 percent since January 1, 1941, how much have you increased your prices on the average? (February 26, 1947)

The advertisement built around the second question is reproduced on page 49.

For each question, the Council sent each member company a questionnaire. Theoretically each of the 40 member firms would appear in every fourth or fifth advertisement; actually some members appeared more frequently because other member companies did not respond to a specific question.

The advertisements were posted on the plants' bulletin boards with a company's own statement marked in red. Pre-prints were sent to foremen and key staff people in members' plants.

To test public reaction to the advertisement the Council sent questionnaires to 119 leaders of thought in the community, including clergy, teachers, government officials, retailers, bankers, lawyers, labor leaders, and social and civic group leaders. Forty-two replied. Of these, 83 percent had read at least a part of one of the first three ads; 80 percent thought they served a useful purpose, and 74 percent thought the technique more effective than the editorial type advertisement.

Two days later Opinion Research Corporation made a survey to determine whether the Inquiring Reporter advertisements on profits was read, understood, and believed by middle- and lower-income workers. Two out of three workers

0055198



The STAMFORD-GREENWICH

INQUIRING REPORTER



One of a series of news surveys on the aims and achievements, the problems and policies of industry here in our own community.

FOREWORD: Replies of representative local manufacturers are published below each question, on an informal rotating basis. Copies of all company replies are available on request. The Council welcomes suggestions for new "Inquiring Reporter" questions from the public. Simply write, phone or drop in at the office shown below.

Question: Surveys show that workers think stockholders and top management get more from a business than employees get. What's the split in your company ?

Atlas Powder Company
(Industrial Finished and Coated Fabrics)


E. H. Bucy

Nearly ten million dollars were paid last year by Atlas Powder Company for wages and salaries. Of this amount, 3.2% was paid as compensation to officers and directors of the company. The remainder, 96.8%, was paid for all other wages and salaries. Or, in other words, for each dollar in dividends received by stockholders, $11.00 was received by employees. On the basis of the total sales of Atlas Powder Company, stockholders received 2.8%, officers and directors received 1%, and all employees received 30%. — **E. H. Bucy, General Manager.**

* * *

The Excelsior Hardware Co.
(Luggage Locks and Hardware)


E. L. Mix

The thought that top management and stockholders get the larger share of either the sales dollar or the investment dollar is one that disappears under the light of actual business experience. In our case, actual figures show that out of every dollar paid out in wages, salaries and dividends, approximately 18c goes to top management and stockholders — and the balance of 82c goes for wages. In computing salaries for top management, we include everybody above the rank of foreman. — **E. L. Mix, President.**

Electric Specialty Company
(Electric Motors and Generators)


R. A. Hoffmaster

For each $100 paid in wages and salaries during the past two years, $5 has gone to stockholders and officers and $95 to factory and office workers. We welcome the opportunity to submit our position in answer to this most important question. The policy of this company is to pay employees the maximum wage possible consistent with conditions of market, productivity, and competition in general. This is best illustrated by the fact that the average wage paid in our plant is not only in the highest bracket of wages paid in the Stamford-Greenwich area for corresponding positions, but is well above the average paid throughout the electrical manufacturing industry, both in the State of Connecticut and nationwide. — **R. A. Hoffmaster, Controller.**

* * *

Freydberg Bros.-Straus, Inc.
(Ribbons and Ribbon Novelties)


H. M. Freydberg

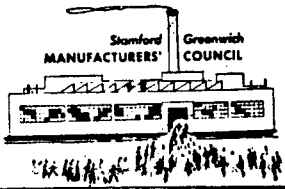
An analysis of the wage, and salary distribution of our company covering periods for which complete audits have been made indicate that approximately 72½c out of every $1 paid out by this company is for services in the form of wages and salaries. The stockholders and top management receive approximately 27½c as their share of the payroll dollar. It is apparent, therefore, that the prevailing belief is a misconception of the true facts. The actual figures reveal that the ratio is very much the other way — approximately 2¾ to 1 in favor of our employees. Should our sales volume and production increase, the proportion would become even higher. — **Herman M. Freydberg, Vice President.**

* * *

Pitney-Bowes, Inc.
(Postage Meters, Mailing Machines)


H. Camp

Our 5,100 stockholders and seven officers together received 10c for every $1 paid to our 2,200 employees during last year (fiscal year ended March 31, 1947.) That was a 10½ to 1 split in favor of employees. Put it another way: a total of $702,000 was paid out in dividends to our stockholders for our use of their money in running the business, and in compensation to our officers for their services. At the same time, all our other employees received a total of $6,781,000 in wages, salaries and other compensation, including $318,963 in profit sharing payments called "wage-and-salary dividends." — **Harold Camp, Treasurer.**



STAMFORD-GREENWICH

MANUFACTURERS' COUNCIL

417 Main Street, Dept. E, Stamford, Conn., Tel. 3-7272

WORKING FOR: Full production... Full Employment... A Better Community

Preprint of advertisement in Stamford Advocate and Greenwich Time of July 8, Portchester Daily Item of July 9; and Stamford Shopper of July 17.

0055198

recalled having seen this particular advertisement, two out of five read some of it, and a large proportion absorbed the message. Out of 41 readers, 31 thought the answer of the companies "honest and convincing," and 74 percent said the ad was "worth reading." Only 16 percent were critical. The polling organization said analysis of workers' comments showed the "Inquiring Reporter" advertisement is "an unusually provocative device for disseminating the views of manufacturers within a community."

PROGRAMS OF INDIVIDUAL COMPANIES

Lest the isolated practices described in this report be mistaken for the whole employee information program of an individual company, the programs of several companies are outlined. The importance attributed to employee information by Westinghouse Electric Corporation is indicated by the fact that it has established a special headquarters activity devoted exclusively to this subject. This work is headed by a director of employee information. As a part of the new program a weekly newspaper was substituted for a monthly magazine. The practice of mailing fairly frequent letters to employees from officers of the company was adopted. Other phases of the employee information program are family days at the company's plants, bulletin board posters, booklets, an annual report to employees, and group meetings.

Pitney-Bowes, Inc. considers its strongest single channel of information the face-to-face meetings of top executives with line workers, the most important being the "annual jobholders meetings," which are employee counterparts of the annual stockholders meetings. It also makes strong use of the quarterly letter of the president to employees, bulletin board notices, the employee magazine, and other channels close to workers. It takes an active part in the community advertising program of the Stamford-Greenwich Manufacturers' Council, described in the preceding section, and in addition buys space in local newspapers to take its annual financial report to the community.

Michigan Bell Telephone Company uses a large number of motion pictures and slide films in its indoctrination and training procedures. It has found these visual aids of great help in informing employees about their company. In 1947 it engaged in a project, designed to bring home to employees the financial aspects of their company. Known as the "Know Your Company" course, it was implemented through group discussions with employees. By use of various props, the employees themselves participated in the building of a mythical telephone company, and, as they did so, they gained a knowledge of what is involved in the financing and operating of a telephone company. Proceeding from the mythical company to the Michigan Bell Telephone Company was not a difficult transmission, and the company feels they have learned more about their company than would have been possible in any other way. The course, which also included the showing of a slide film, required about a half day. At the conclusion of the meeting a booklet, "Figures that Figure in the Future," presenting the facts about the earnings of the company, is given each employee.

The employee magazine, The Michigan Bell, is mailed each month to the homes of all employees and also to those who have retired from the company. Information bulletins are issued to employees from time to time as events occur on which the company feels they should be informed immediately. These are usually brief and may be amplified later in the pages of the magazine. A booklet, "You, Your Job and Your Company," is given to each employee shortly after he begins to work. It spells out the various policies and practices of the company in terms of the interest of the individual employee.

The company feels that, next to good telephone service, its biggest public relations asset is a well-informed employee body. It tries to make each employee feel that he is a public relations representative, and, in so doing,

the company believes it is at the same time doing something in the direction of improving employee morale and the feeling on the part of employees that they belong.

Pullman-Standard Car Manufacturing Company utilizes the house organ as its basic means of communication with employees, but also supplements this with other devices. The company-wide house organ is The Carbuilder. It is published monthly in magazine format as an internal publication averaging 30 to 36 pages. It is mailed to the homes of all company employees. The main feature story of the magazine each month is usually some phase of railroading, pointing up the end use of the company's products, or a comprehensive story about production in one of the company's seven plants. In addition it promotes company activities such as inter-plant safety contests, regularly features employees in a section, "Folks in the News," reprints articles and columns on economics, and interprets the company's year-end statement in graph or chart form.

A quarterly addition to The Carbuilder is a Suggestion Supplement, which is published in four-page, full newspaper-size format. It features photographs of suggestion winners, with their ideas in action, and lists by name and suggestion, each employee winning an award for the period.

On the plant level, the company maintains another internal house organ, The Carworker, published as a six-page letter press tabloid at the Car Works plant in Chicago. It is passed out every second Friday as employees leave the plant and features stories and pictures about new streamline equipment, departmental stories, and departmental news items. The Car Works plant is a passenger equipment division, thus the organ concentrates on this subject. The publication is found to be a potent means of reaching the employee home and the community, although it is intended as primarily internal.

A weekly letter of facts about the company, its production, and competitive problems is also sent to the home of each Pullman-Standard supervisor. Known as the Management Newsletter, it is designed "to keep members of the management unit currently informed" and suggests, to the supervisor that "items in these letters may be freely passed along to men and women in your charge."

Occasionally, when something of immediate importance arises, or requires more impact than that supplied by a regular publication, plant managers or top executives of the company send out a special, signed letter to the homes of all employees under their jurisdiction.

A part of the company's public relations program is to include all media in plant communities on lists to receive news items about the company.

The employee information program of Public Service Company of Oklahoma relies largely on small group meetings of employees. It was started in 1939-40 by R.K. Lane, president of the company, as a project in which every employee would participate. Meetings by departments or in groups of about 20 employees were held an hour each week on company time for a period of more than two years. These meetings covered every factor of company business including such financial aspects as funded debt, stocks, earnings, taxes, payrolls, and local expenditures and went into the economics of the industry. Later, other material was prepared on political and controversial subjects, and meetings for discussion of these were held for several months more.

The next step in the program was to train certain employees for customer contact work. This worked so well that it was decided to include the general employee. Under this plan a group of about 20 employees were gathered from over the system, brought to headquarters and held for three weeks of conferences and demonstrations. This was repeated for other groups at about three month intervals. Keeping a group of employees for three weeks at a time from

their jobs was inconvenient for some local managers, so each group now comes to headquarters for a week in each of three successive months. The out-of-town employees have all transportation expenses paid, are boarded at a local hotel and given some entertainment.

About a year ago there seemed to be a need for a refresher program in the Tulsa area for employees who had previously participated in the over-all studies and conferences previously conducted and for new employees engaged in work that brought them in contact with the public. Accordingly these employees were organized into groups of about 15, meeting once a week for an hour on company time. Four or five of these groups were in operation at the same time on different days of the week. It took about four months to finish the program for any group. Then a new group was organized. A special manual was prepared for this program.

Very recently Mr. Lane developed the idea of a contest to reach everyone in the organization with the exception of those in certain responsible positions. A manual was prepared, dealing with the economic and political aspects of the electrical industry with particular reference to the company. This manual was sent to every employee together with a list of 20 questions. The answers to all the questions are in the manual. Prizes were offered for the best answers to the questions. Competition is between classes of employees so each contestant can feel he is competing with other people of similar preparation.

The entire program of employee information at Public Service Company of Oklahoma is under the supervision of the director of employee information.

As will be noted, the scope of the programs for keeping employees informed about their company differ, and individual companies stress different means to accomplish this end. Probably all companies, however, believe in the importance of the problem, and probably all of them feel that the last word on the subject still remains to be said. Most of them are looking for better ways of conducting their own programs and are searching for and evaluating new methods for bringing their story of their employees.

Speaking at the Conference on Public Relations, November 30--December 1, 1942, sponsored by the National Association of Manufacturers, James W. Irwin, then assistant to the president of Monsanto Chemical Company, suggested the following program for keeping employees informed about the affairs of their company:

> Information . . . deals in the whole picture -- the dark meat as well as the white. Its function is merely to lay in front of the workman all the facts in clear, understandable fashion -- and don't overlook that "clear" and "understandable". Then it respects the intelligence of the American employee enough to leave him alone and let him draw his own conclusions.
>
> . . . Let's give him a balanced diet . . . with the sort of employee reports that provide him with the information he needs to arrive at sound conclusions on his own:
>
> Facts about the products his company makes -- their varieties, uses, and qualities. About the new products being developed -- which means future employment and greater opportunity for him. Facts about the public attitude toward the products he makes, the services they render, the wants they fulfill.
>
> Let's give him a picture of our manufacturing operations. Where the raw materials come from -- how their purchase helps other

workmen in scores of States. Let him know the cost of tools - the facts of plant depreciation -- the things that will make him a better, more careful workman.

Let's take him into that other world -- the world of sales. So he knows why we have branch offices, salesmen, advertising. Let him sweat a bit with us about competing products, the job of developing new markets.

Let's give him the financial picture so it doesn't sound like the Einstein theory. Let him see the tax picture, the investment per worker, a breakdown of the sales dollar, the reason for stockholders.

Let's, by all means, let him know of his place in the company operation. Of employment stability, the rise in average wages over a long-term period, the opportunities for advancement, the relationship between employment and sales, employment and profits, employment and the future.

Let him know what the company does in terms of service to the community and the Nation. Make him acquainted with the officers - many of whom were in his shoes, at his bench or tool, not too long ago. Let him see the place of the foreman in the picture.

In brief, in the employee report, <u>give the guy the facts.</u> And, so long as Americanism continues to mean what it always has meant, he'll draw his conclusions -- and draw them right.

0055202

0 0 0 0 0 0 5 5 1 4 6 5

INDEX OF COMPANIES MENTIONED

	Page
Alabama Power Company	44-46
American Enka Corporation	13
American Telephone and Telegraph Company	37
American Writing Paper Corporation	19
Armco Steel Corporation	12,13,31
Armstrong Cork Company	24,28,31,32
Ashland Corporation	25
ATF Incorporated	25,27,28
The Bell Telephone Company of Canada	22,23
Bigelow-Sanford Carpet Co., Inc.	19
Botany Mills, Inc.	13
The Brooklyn Union Gas Company	28,29
Canadian Pacific Railway Company	11
Canadian International Paper Company	41
The Carborundum Company	6
Carrier Corporation	38,39
Caterpillar Tractor Co	5,40
The Celotex Corporation	13
Chrysler Corporation	9
The Cleveland Graphite Bronze Company	13,14
Remsen J. Cole and Associates	38
Colonial Stores Incorporated	35
Corn Products Refining Company	6,7
Crouse-Hinds Company	22,23
The Detroit Edison Company	17,39
The Dow Chemical Company	11,12
E.I. du Pont de Nemours & Company	12,13,44
Esso Standard Oil Company, Louisiana Division	37
Ford Motor Company	39

0055203

0 0 5 5 1 9 6 7

	Page
General Aniline & Film Corporation	33,34
General Electric Company	11,13,15,16,20,36,46
General Mills, Inc.	20
General Motors Corporation	13,33
The B.F. Goodrich Company	46,47-48
Hamilton Watch Company	37
Harvard School of Education	37
The Heil Co	18,19,20
Heywood-Wakefield Company	46,47
Hotpoint, Inc	41
Humble Oil & Refining Co.	11
Illinois Central System	18,19,45,46
Indiana Bell Telephone Company	18,20
Inland Steel Company	22,23
International Harvester Company	22,23
International Paper Company	41
Johns-Manville Corporation	30-31
Kalamazoo Vegetable Parchment Co.	24
Edward Katzinger Company	20
Kroehler Mfg. Co.	11,19
The McNally Pittsburg Mfg. Corp	21
Meredith Publishing Company	22
Metropolitan Transit Authority	28
Michigan Bell Telephone Company	50
Missouri Pacific Railroad	11
Monsanto Chemical Company	10,52
Moore Business Forms, Incorporated	18,19
National Association of Manufacturers	52
The New York, New Haven and Hartford Railway Company	11,12,31
New York Telephone Company	9

0055204

	Page
New Orleans Public Service Inc.	22,23
Nunn-Bush Shoe Company.	37
Oklahoma Natural Gas Company.	16
Opinion Research Corporation.	48
Pacific Gas and Electric Company.	21,38,39
The Paraffine Companies, Inc.	21,24
Phillips Petroleum Company.	10,13,20-21,24,39
Pitney-Bowes, Inc	28,50
Public Service Company of Oklahoma.	51-52
Pullman-Standard Car Manufacturing Company.	51
The Quaker Oats Company	12,13,20
Sargent & Company	37
Shell Oil Company Incorporated.	40
Socony-Vacuum Oil Company, Incorporated	19
Southern California Telephone Company	37
Southern Railway System	40
Stamford-Greenwich Manufacturers' Council	48,49,50
Standard Oil Company (Indiana).	37
The Standard Oil Company (An Ohio Corporation).	25,26,33
Sylvania Electric Products, Inc	11
Thompson Products, Inc.	24,25,35-36,39
The Timken Roller Bearing Company	44
Walgreen Company.	22,23
Westinghouse Electric Corporation	11,12,24,25,41,43,50
Wisconsin Public Service Corporation.	14,15