

Visions in Leisure and Business

Volume 3 | Number 3

Article 5

1984

Trends

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Recommended Citation

Visions Editors (1984) "Trends," *Visions in Leisure and Business*: Vol. 3 : No. 3 , Article 5.
Available at: <https://scholarworks.bgsu.edu/visions/vol3/iss3/5>

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Trends

TRENDS

Question 1: What are some of the major trends in the business community?

Answer: One of the major trends is that many of the companies are reverting back to type. There is a constant struggle in the American economy for power. A few years ago, labor unions were very powerful and with the economic recession, the companies have received the opportunity to gain much of their power back that they lost during the rise of the labor unions. Many of the companies are reverting back to the positions that they had at the turn of the century and not valuing their employees. Other companies are showing what can be done during times of adversity. Many are sharing their power and profits. Something has to be done to break this cycle for struggle of power. An operative element to this cycle is greed. There must be someone to say that we must be satisfied with our fair share. Cooperative structures work better during times of adversity than competition. It is important to note that each company will have to develop its own style of management as dictated by their culture. One of the most impressive figures to support this statement is that if you analyze the top companies you will find that most have an effective employee services program. And if you analyze some of the companies with the worst record you will find that they do not even have an employee program. The most important trend that has occurred in the past few years is the rise of the Japanese model. Through their long term management, they have overtaken the Americans in many fields of endeavor. This has brought about stiff competition and an increasing reflection by American management about cooperative models and a new emphasis upon employee relations. Various managerial styles are matriarchal, patriarchal, benevolent dictator, etc. These various management philosophies represent ways of relating to employees. The key element is not style but concern for employees. The primary concern of the employee in the past few years has been security. It would be nice if each economic cycle had consistency and the business institution could predict that consistency would bring stability. But each recession brings about a different set of circumstances that cannot be anticipated. It is the cooperative effort between management and employees that creates stability. The reason for trying to achieve stability is that it takes much of the risk out of the investment decision. The key to stability, that is, reducing risk, is cooperation and collaboration among those parties involved, especially during hard economic times. During

more profitable periods, stability is not a major concern. Many of the major corporations have tried to diversify their investments so that if one part of the economy is down, they could ride out the hard times. When stagflation occurs, a recession runs very deep, no amount of diversification will help you achieve stability. Some corporations have tried vertical integration to help achieve stability but this is no better than diversification. The important element to achieving stability is fairness and the reduction of greed. During the bad inflationary times in the auto industry, Chrysler recovered because they cooperated with the Union. They even gave up some of their power to allow Fraser to sit on their Board. There is always constant change and there must be some mechanism within the company to deal with that change.

Question 2: What are some of the major trends that have an influence upon employee services programs?

Answer: Economics are the primary element that influence the industry. This same trend is also an important aspect of influencing individual decisions. The pocketbook is one of the most important factors in explaining past influences as well as charting new trends for the future. The American industry has let the concern for money go to the extent, in many instances, that it has become greed. Greed and the concern for money has caused many of the major industries not to reinvest or to share their profits. Those who have had cooperative/collaborative models have been willing to share and have been those who have been more successful and will be more successful in the future.

Question 3: What have been the trends in employee services?

Answer: The field was originally founded upon cooperation among organizations to provide for sport competition. As it began to evolve and grow the employee service concept was developed and the range of services and benefits derived by the individual and the company was recognized. The primary question has been "how much support does a company need to provide?" There has been a cycle from complete to no support. The original thought was that a company should give away the services and pay for the entire experience. But many have rapidly realized that if something is given away, it is not valued and it is in valuing that we achieve the outcomes for the individual and the company. There is the pattern of self-sustaining employee services through raffles, advertising, books, etc. This is not a good situation either because the company does not value the program or they have little invested and it is a separate entity and not recognized as part of the management process. The most successful program has been some type of 50-50 or 60-40 sharing of the costs as well as the efforts. This type of sharing leads to the valuing of the program by the employer and the employee.

Question 4: What role does unions play in employee services?

Answer: At one meeting where I made a presentation, someone stood up and said, "I guess you are against unions." He was quite surprised at my statement that if a company does not provide for employee welfare, that they deserve a union. Unions have played an important role in employee/management relations and will continue to do so in the future. There is another condition that is rarely talked about in association with unions. It is where management utilizes an employee services program to keep unions out. An astute manager knows that where there is an effective employee services program, there are usually no unions. In this case, management considers the lesser of two evils and implements its employee services program. There is no genuine concern for employees and the employee services program is used as an element of social control to keep employees in line. An important element is determining when a company is only utilizing the employee services program in such a manner. This will be easily detected because there will not be a true concern about the industrial family with only a minimal effort to pacify employees as concerns arise within a company. There will also be a lack of concern about input from the employee services director to make any significant changes. The program will be strictly cosmetic; an employee services director and the employees will easily detect these concerns and take appropriate action.

Question 5: Many assumptions are made that employee services programs develop better employees, cause less accidents, reduce insurance, etc. Are these statements accurate?

Answer: Many of these assumptions have not been empirically tested. They are made for the sake of program justification. Employees get hurt in athletic types of activities and sustain injuries that can cause them discomfort and maybe even days lost on the job. The insurance premium may even go up if enough of these accidents occur. Sometimes the individuals become so involved in athletic type of activities or events sponsored by the employees services association that they lose perspective and start showing up on the job in tennis shoes. The point that I am trying to make is that there are many workaholics in the company that do not cause these types of problems. A company can observe this disparity and look only on the employee services program as a tool to manipulate. The actual outcomes of a program are its training and management potential such as showing someone how to budget time and money, increase in self-concept, and helping certain employees get along with others. The relationships between these outcomes and productivity or profits must be well illustrated. One of the most interesting comments is that many people who serve in employee associations as officers often rise to higher positions in the company. In fact, there is one corporation that boasts that every company president has been the president of the company association.

Question 6: What is one of the major failures in the profession today?

Answer: The major failure that we have is applying the necessary

communication skills that we have to inform our clients about us and our program. We must use every method of communication--bulletin boards, newsletters, even rumors to publicize and promote our program.

Question 7: Why is communication such an important skill in employee services?

Answer: About 80% of the individual's job in employee services is communication. Of the communication competencies, the one that is most important is promotion. Promotion is the motivation factor that provides the energy that makes communication a success or a failure. Communication without promotion results only in greater sociability. The definition of promotion is the ability to convince, persuade, or sell an idea. Where a product is intangible, the promotion of ideas is difficult because the tangible results cannot be seen in the early stages of its development. It is the function of the employee services director to communicate and sell the ideas of management to the employees and the employees ideas to management. The employee services director is a bridge or mediator between management and the employees. In most organizations he/she is not thought of as a part of "management" by management or an "employee" by the employees. The best analogy to the job function is that of a chaplin where both parties involved are free to express themselves without repercussions. This is not only a listening job but one that involves bringing about action to solve problems. The employee services director must have links with each phase of management that can correct problems in a helping way that will not be detrimental to the employees or the organization. This communication function is a two-way street so that both the organization and the individual can achieve their objectives and develop common ground. The primary job is one of selling to develop a good climate or environment for employee management interactions through the use of good interpersonal skills. The bottom line of an employee services program, especially for the company, is better profits. The employee services director must show the relationship between profits and secondary factors such as lower turn-over, more productivity, fewer mistakes, reduced grievances, and how the "family company spirit" translates into benefits.