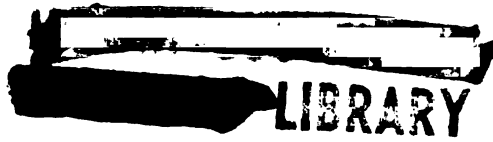


A STUDY OF ADMINISTRATIVE POLICIES AND
PRACTICES IN FOOD DISTRIBUTION

PART III

Thesis for the Degree of M. A.
MICHIGAN STATE UNIVERSITY
Edmund L. Attanasio
1957





**PLACE IN RETURN BOX to remove this checkout from your record.
TO AVOID FINES return on or before date due.**

DATE DUE	DATE DUE	DATE DUE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MSU is An Affirmative Action/Equal Opportunity Institution

c:\cic\datedue.pm3-p.1

THE 816

Submitted
M.C.
Approved

Approved

A STUDY OF ADMINISTRATIVE POLICIES AND
PRACTICES IN FOOD DISTRIBUTION
PART III

by
EDMUND L. ATTANASIO

AN ABSTRACT

Submitted to the College of Business and Public Service
Michigan State University of Agriculture and
Applied Science in partial fulfillment of
the requirements for the degree of

MASTER OF ARTS

Department of General Business
Curriculum in Food Distribution

1957

Approved: 

DENNIS L.

In re
increasing
administration
lots of
action in
community.

associated
practical
retail food

In or
businessmen
and what ap
relation to
raises the
program. E
training ex
side an org
development
conferences
effective de
several mod
researchers
executive tr
self-develop

EDMUND L. ATTANASIO

ABSTRACT

In recent years, food chain executives have become increasingly preoccupied with several significant areas of administrative policies and practices. Three general subjects of interest are Executive Development, Flow of Information in the Firm, and Integrating the Chain and the Community. This study attempts to discuss various problems associated with these subject areas, highlighting several practical tools and techniques which may be employed by the retail food chain.

In order to properly study the development of executives, businessmen should determine the nature of a trained executive and what special skills and abilities he should possess. In addition to profiling a trained executive, this study discusses the objectives and planning involved in any development program. Emphasis is placed on resources available for training executives which may be found either within or outside an organization. Special attention is devoted to several developmental methods such as job rotation, guided experience, conferences, role-playing and university programs. Since an effective development plan requires a sound selection process, several modern and useful techniques designed by military researchers during World War II are studied. The role of the executive trainee is studied with particular emphasis on self-development. While the firm can devise and implement

EDWARD L. ATTA

techniques to
the task of
himself.

The pro
in the firm
and, upward
not be made
lines, new
win is the
every minute
the store ma
person-to-pe
communication
'tailor-made'
of the indivi
that a comm
basis. Maria
expect satis

The po
and its dire
integrates w
attendant to
different an
public, the

techniques to stimulate the growth of executives, the ultimate task of executive development rests with the individual himself.

The problem of facilitating the flow of information in the firm is studied from at least three viewpoints--downward, upward and horizontal communication. A distinction must be made between communications which are employee magazines, newsletters, pamphlets, et cetera and communication which is the complex, dynamic interaction that takes place every minute on the job. In this process of communication, the store manager plays a significant role. He provides the person-to-person relationship so essential to effective communications. This study illustrates the importance of "tailor-made" communications designed for the specific needs of the individual firm. Another important consideration is that a communication program must be implemented on a regular basis. Management cannot suddenly initiate a program and expect satisfying results immediately.

The responsibilities of a public relations department and its director are discussed in the study of how a chain integrates with the community. In analyzing the problems attendant to maintaining favorable public relations, eight different groups are enumerated: employees, the general public, the community, suppliers, the government, special

END L. ATT.

groups, stock

tion. Because

they are stud

and may be

is corporate

where. Alt.

ired that t

duplicate d

of business

The chain m

begins in e

en must ret

favorable p

EDMUND L. ATTANASIO

ABSTRACT

groups, stockholders and the people who disseminate information. Because of the unique problems each group may present, they are studied individually. Various techniques and media which may be used to reach these groups are discussed, such as corporate giving, annual reports, conducted tours, et cetera. Although techniques are studied, it must be remembered that the work of public relations does not involve a complicated set of formulae but rather a down-to-earth way of business which should stem from a firm's moral awareness. The chain must appreciate the fact that good public relations begins in each supermarket. In the final analysis, businessmen must return to an emphasis on personal contacts to win favorable public opinion.

The Curriculum in Food Distribution at Michigan
State University is under the sponsorship of
the National Association of Food Chains

A STUDY OF ADMINISTRATIVE POLICIES AND
PRACTICES IN FOOD DISTRIBUTION
PART III

by
EDMUND L. ATTANASIO

A THESIS

Submitted to the College of Business and Public Service
Michigan State University of Agriculture and
Applied Science in partial fulfillment of
the requirements for the degree of

MASTER OF ARTS

Department of General Business
Curriculum in Food Distribution

1957

TABLE OF CONTENTS

CHAPTER	PAGE
I. EXECUTIVE DEVELOPMENT.	1
Introduction	1
The trained executive	3
Planning an executive development program	7
Organizational environment	12
Implementing the program	14
Job rotation	16
Administrative assistant positions.	18
Guided experience	19
Conference training method	22
The case method	26
University programs.	29
Directed reading.	31
Selection techniques	33
Rating techniques	41
Post-appraisal interviews.	43
Evaluating the development program.	46
Summary.	49
II. FLOW OF INFORMATION IN THE FIRM	52
Introduction	52
The nature and types of communication in industry	53

CHAPTER	PAGE
Public relations defined.	102
The public relations director and department .	103
The various groups in public relations . . .	110
Employee relations.	111
The general public.	117
Community relations	120
Contributions	123
Memberships	125
Tours	127
Scholarship program	128
Cooking courses.	128
The suppliers	128
The government	129
Special groups	131
Stockholders.	132
The people who disseminate information . . .	134
Benefits of public relations summarized. . .	137
Conclusion	138
BIBLIOGRAPHY	141

PREFACE

This study is divided into three chapters, Executive Development, Flow of Information in the Firm and Integrating the Chain and the Community. The material in each chapter has been discussed from the administrative aspect.

Chapter I, "Executive Development," deals with procedures involved in planning and implementing an executive development program. Selection techniques are described in addition to several methods of training such as job rotation, guided experience, conference and role-playing.

In Chapter II, "Flow of Information in the Firm," the writer examines the process of communication along with its techniques and media. More specifically, some concepts of communication and its various directional flows through such media as suggestion systems, company manuals, newsletters, company publications, conferences and the like are discussed.

Chapter III, "Integrating the Chain and the Community," is concerned with an analysis of the public relations functions in a retail food chain. An examination is made of the public relations department and its director, the different publics and some practical techniques of public relations.

The purpose of this study is to furnish part of the basic reference material to be used in General Business 437,

Food Chain Administration. Due to the vast scope of each subject presented in this study, the writer has found it necessary to avoid a detailed discussion of each topic. The purpose of this study is to present a broad survey of current administrative practices and policies rather than to develop an exhaustive investigation of each particular subject.

The writer chose this study because it presented an opportunity to gain additional knowledge about three interesting and significant subject areas. This study also afforded the opportunity to acquire information concerning administrative practices and policies in the field of food distribution. The information obtained from the research required for this study should be invaluable to the writer who is planning a career in this field.

Separate introductory headings have been utilized since each chapter deals with a different topic.

ACKNOWLEDGMENTS

The writer wishes to express sincere gratitude and appreciation to all those who have made this thesis and school year possible.

A great measure of indebtedness is due the Grand Union Company for their kindness and interest in allowing the writer an opportunity to study at Michigan State University. Each member of the company has in some way helped to make this study possible. Special acknowledgment is due to Lloyd W. Moseley and Charles W. Garratt for their confidence and recommendations to attend this course of study.

The writer wishes to express sincere appreciation to Dr. Edward A. Brand, Director of the Curriculum in Food Distribution, for his interest, guidance and counsel which aided materially in the preparation of this thesis.

No list of acknowledgments would be complete without publicly recognizing the encouragement, assistance and untiring effort of the writer's wife, Ann. The secretarial work provided by her contributed greatly to the completion of this school year.

E.L.A.

TABLE OF CONTENTS

CHAPTER	PAGE
I. EXECUTIVE DEVELOPMENT.	1
Introduction	1
The trained executive	3
Planning an executive development program	7
Organizational environment	12
Implementing the program	14
Job rotation	16
Administrative assistant positions.	18
Guided experience	19
Conference training method	22
The case method	26
University programs.	29
Directed reading.	31
Selected techniques.	33
Rating techniques	41
Post-appraisal interviews.	43
Evaluating the development program.	46
Summary.	49
II. FLOW OF INFORMATION IN THE FIRM	52
Introduction	52
The nature and types of communication in industry	53

CHAPTER	PAGE
Basic causes for communication failures.	55
Communication techniques and media	57
Downward communication	57
Annual reports	61
Letters and newsletters	62
Payroll inserts	63
Employee manuals.	63
Posters.	64
Bulletin boards	65
Booklets and pamphlets.	66
Company publications	67
Upward communication	73
Social relationships	78
Employee meetings	79
Grievance procedures	80
Attitude surveys.	83
Suggestion systems	85
Open-door policy.	88
Horizontal communication.	89
The grapevine	92
Conclusion	95
III. INTEGRATING THE CHAIN AND THE COMMUNITY	98
Introduction.	98
Historical background of public relations	
in the food industry.	99

CHAPTER	PAGE
Public relations defined.	102
The public relations director and department .	103
The various publics in public relations. . .	110
Employee relations.	111
The general public.	117
Community relations	120
Contributions	123
Memberships	125
Tours	127
Scholarship program	128
Cooking courses.	128
The suppliers	128
The government	129
Special groups	131
Stockholders.	132
The people who disseminate information . .	134
Benefits of public relations summarized. .	137
Conclusion	138
BIBLIOGRAPHY	141

LIST OF FIGURES

Figure	Page
1. Percentage of successes and failures according to test estimate of potential.	38
2. Basic formula for public relations conceived by Paul Garrett, formerly vice president of General Motors and now public relations consultant	104

CHAPTER I

EXECUTIVE DEVELOPMENT

Introduction

Modern industry with its emphasis on expanded operations and decentralization has created a huge number of executive positions. Despite the fact that industry uses five to ten times as many college men as a decade ago, there is still a shortage of executive brainpower. Indications are that it will increase even more as the full impact of automation becomes felt.

The shortage has assumed serious proportions in the retail food industry. Because of public acceptance of the supermarket and shopping center, the size of the retail unit is growing at a phenomenal pace. Department heads of these large supermarkets have more managerial responsibilities today than did the store manager a decade ago. The modern store manager, responsible for a million dollar business and an organization of fifty to sixty employees, is truly an executive. The branch office keymen who supervise and support the activities of these store managers must possess the kind of breadth and perspective which, just a few years ago, was required only at the top echelon of management. More managers are needed for all levels of supervision

ranging from the top echelon to the departments within a supermarket. In addition to changes wrought by the industry's growth, the depression and World War II further intensified this problem of executive shortage.

Part of the current deficiency of executive manpower has been compounded by management itself. "The necessity of business efficiency has resulted in the specialization of management talent, up to and including vice presidents, thereby eliminating a fertile proving ground for broader management talents."¹ Moreover, part of the shortage may be traced to a failure on the part of top management to recognize that executive positions require abilities which transcend technical skills. The selection of managers on the basis of technical knowledge alone fails to recognize the essential characteristic of management which is to accomplish predetermined objectives through the efforts of others. Therefore, the manager requires additional skills essential to the performance of management functions--planning, organizing, actuating, and controlling.

Because of this serious shortage, the retail food industry has become deeply concerned about the quality of its present and future leaders. To an increasing degree, this concern is being translated into organized efforts

¹C. Wilson Randle, "Building Tomorrow's Management Today," The Management Review, Vol. XLVI, No. 1 (January, 1957), 84.

toward the development of executives. One of the purposes behind these efforts is to provide a reserve of trained and experienced talent from which the company can fill executive positions, as the need arises. A second purpose is to "attract into the firm talent of sufficient capabilities and intelligence to provide a source of supply for the program."²

Despite this recent emphasis on training executives, many observers are not convinced that development programs are worthwhile. Some businessmen have yet to decide whether executive development is the "most significant milestone-- or the greatest fraud--in the history of social organization."³ The following study is not designed to substantiate either viewpoint but to discuss several basic concepts that should add to the success of a development program. Executive development programs will be studied with the intention of revealing how they may be effectively implemented by the food industry.

The Trained Executive

Before embarking on a study of the procedures followed in developing executives, it might be advisable to determine

²Harold Koontz and Cyril O'Donnel, Principles of Management (New York: McGraw-Hill Book Co., 1955), p. 359.

³Julius E. Eittington, "Facts and Fallacies of Executive Development," Personnel Administration, Vol. 18, No. 1 (January, 1955), 33.

the specific goal of such a program. The end product, of course, is the trained executive. Some companies become so involved in developing programs that they make limited progress in developing executives.

What are the prerequisites of a polished executive? First, he must be able to bridge the gap between specialist and generalist. According to Lawrence Appley, President of the American Management Association, "The ideal executive is still the fellow who has been a successful specialist and can make the transition to generalist."⁴ The individual who would become an executive is usually a specialist who must acquire knowledge that he did not need earlier and learn to refrain from using skills in which he has been expert. Rather than learning techniques and skills for handling past situations, he needs a deeper understanding of the theoretical information that has been amassed in the various fields of knowledge that bear on the work of managing. He must learn the logic as well as the sociology of organization. In addition, his understanding should extend beyond the firm's limited scope.

The executive trainee must learn much that comes only with the assumption of responsibilities. He must be taught that decisions based on sketchy, unreliable information may

⁴"The Executive Shortage," Newsweek, Vol. XLIX, No.8 (February 25, 1957), 87.

cost his company money and result in the loss of his job. In addition, the future executive must learn that seeking advice is not a sign of weakness but rather a sign of strength. He must be taught the importance of timeliness and orderliness in executive action. He must be taught these things and many others by precept, by example, or by experience.⁵

The future executive seeks to attain challenging objectives and then measure his actual achievement against these goals. The work completed, he does not seek justification for his shortcomings. In essence, he is emotionally mature, possessing a high degree of self-confidence. Chris Argyris of the School of Industrial and Labor Relations, Cornell University, lists qualifications which demonstrate this emotional maturity:

1. Ability to take "knocks"
2. Ability to withstand frustration
3. Ability to be objective in judgment
4. Ability to set realistic goals
5. Ability to accept victory and defeat gracefully⁶

Another authority, C. Wilson Pandle, in reporting the results of a study of one thousand four hundred and twenty-seven managers and executives found five characteristics

⁵A comprehensive list of what should be taught the future executive has been compiled by R. J. Greenly and E. B. Mapel in their article, "The Trained Executive: A Profile," The Development of Executive Talent, ed. M. J. Doohar (New York: American Management Association, 1952), pp. 22-23.

⁶Milton M. Mandell, "How to Gauge Executive Potential," Dun's Review and Modern Industry, Vol. 69, No. 5 (March, 1957), 95.

significant for all levels and types of managers: drive, intellectual ability, leadership, organizing ability, and initiative. Randle further found that dependability and high work standards were significant factors for top-, but not lower-level executives.⁷

From these various studies the qualities of the effective executive may be found. He is a man who is interested in administration, is dependable, highly motivated, effective in dealing with people, has good judgment, and is emotionally mature.

Of course, the executive who possesses all the qualities necessary to play his many roles probably does not exist. While there are many good executives, there are no perfect ones. The fact that the perfect executive cannot be found does not mean, however, that businessmen must accept mediocrity. Realistic executive talent hunting will track down the man who is outstanding in the qualities necessary for the particular position.

In the final analysis, the key to sound executive selection is recognizing which qualities are vital to the job and which are expendable. Once what is basic to the job itself has been established, the search for the man to fill it can begin.

⁷C. Wilson Randle, "How to Identify Promotable Executives," Harvard Business Review, Vol. 34, No. 3 (May-June, 1956), 126.

Planning an Executive Development Program

Before planning a development program, management must define the objectives of such a program. Ewing Reilley and Bernard Muller-Thym formulated a set of common objectives:

1. Increase the effectiveness of the organization by:
 - a. Better utilization of executive abilities.
 - b. Assisting executives to function more effectively in their present jobs.
 - c. Developing managers who think broadly from an over-all company viewpoint, rather than specialists.
 - d. Increasing teamwork in the management group.
2. Build a reserve of qualified personnel to back up key positions.

This requires the selection of promising young executives and acceleration of their development in order to qualify them for top positions at an age early enough to contribute maximum service.

3. Devise methods of testing executives' competence before they are promoted to key positions.
4. Improve the morale of members of the management group. Promotions should be based on systematic review of the qualifications of all executives. This increases the probability that individuals will be assigned to work best suited to their interests and abilities. It minimizes the possibility of promising individuals languishing in "blind alleys." It also reduces the danger of favoritism.
5. Attract desirable personnel to the company.⁸

⁸Ewing Reilley and Bernard Muller-Thym, "Planning an Executive Development Program," The Development of Executive Talent, ed. M. Joseph Doherty (New York: American Management Association, 1952), pp. 27-28.

After objectives are clearly defined, a plan may be "tailor made" to the needs of the individual company. The United States Rubber Company designed a program of executive development in 1950 which has been used as a pattern by many other companies in the past five or six years. Five requisite steps are enumerated:

1. Analysis of all operating functions and responsibilities within the company.
2. Classify executive jobs as to function and skill.
3. Take inventory and appraise present management.
4. Prepare a replacement schedule.
5. Develop the executives.⁹

Each of these steps in itself is a prodigious undertaking. For example, Standard Oil of California required ten years for the analysis of all operating functions. This appraisal of the present organizational structure would consider each position in terms of specific duties, responsibilities and authority. A careful scrutiny of the organization structure with correction of any defects or distortions that come to light, is the chief prerequisite of sound management development.¹⁰

⁹M. L. Mace, "The Growth and Development of Executives," Harvard Research Bulletin (Cambridge, Mass.: Graduate School of Business Administration, Harvard University, 1955), p. 7.

¹⁰The American Management Association has compiled a series of articles in one text, entitled The Development of Executive Talent. Articles of particular interest in the

The next step, classifying executive jobs as to function and skill, could be undertaken by the chief executive officer in consultation with the appropriate associates. They would list the requirements and basic qualifications essential to each management function. This man specification, which could be used as a selection tool, should summarize the general management skills required in unusual degree. Does the position require an unusual degree of planning ability or skill in coordinating the activities of several people or functions? Personal characteristics which are outstanding requirements of the given executive position should be singled out in the man specification. A statement of specialized knowledge, skills, or experience required for the position should be included. To meet the minimum requirements of the job, must the candidate have background in specialized fields, and to what degree? Finally, the man specification frequently contains a statement of the desirable age bracket, special demands on the executive's health, and other particular requirements.

are a of organization planning may be found in Chapters III, IV, and V. They are:

- Ewing W. Reilly, "Sound Organization-Keystone of Management Development," Chapter III;
- George D. Corless, "The Organization Manual--Tool for Executive Development," Chapter IV;
- Edward C. Schleh, "Organization Dynamics," Chapter V.

A study should be made of the existing management staff with respect to each man's present performance and promotion potential. Each executive should be rated on his strengths, weaknesses, ambitions, and training needs. In addition, this research would include data such as age of the executive, when he is expected to retire and his potential for further development.

The first three steps cited as requisites in any development program provide the basic information which can be summarized in a replacement inventory. The replacement inventory is a top management report. This shows the need for each key position in terms of retirement age, expected promotions, and other pertinent facts about the present incumbent. The replacement inventory does not necessarily indicate management's intentions of promoting an individual to a given position. This factual report tells top management:

1. What action could be taken today if any emergency vacancy were created, and
2. Approximately how long it will take an executive now in the organization to ready himself for promotion.¹¹

Illustrative of the possible pitfalls in taking this inventory is the tendency to count on one man to fill several different vacancies. A replacement schedule should be as complete as possible with a minimum of ambiguity and overlap.

¹¹Reilley, op. cit., p. 34.

While emphasis is usually placed on the fifth step--developing executives, it must be remembered that the preparatory stages are crucial to the planning process. Pains-taking effort in these stages can save an organization a considerable sum of money by minimizing the possibility of a haphazard system which fills vacancies as they occur while failing to recognize and appraise future needs.

The question of money, incidentally, is of paramount importance in the planning of a development program. The design and extent of the program will be determined by the firm's ability to finance the undertaking. Only large organizations or smaller companies as a group can afford an elaborate development staff, costly educational and training systems and sometimes, the expensive consulting services. Heavy costs are incurred in large company programs in the form of salaries for staff experts who explain, motivate and follow-up on hundreds of executives to see that the program is operating properly. This cost factor, however, should not deter the smaller firms for there are several ways of putting a program into effect with a minimum expenditure.

Before undertaking the study of specific methods which may be used in creating executives, it is appropriate to view the environment and organizational attitudes essential to the success of any management development program.

Organizational Environment

The development of executives cannot be effected in a vacuum where the environment in which executives must grow is ignored. A development program is nurtured and becomes fruitful in a firm which is oriented toward training executives. A firm thus oriented can make the growth of executives vigorous, can unleash the talents of each individual and can encourage positive and resourceful behavior.

This environment can be achieved only by establishing and maintaining sound personnel policies. There must be confidence in the soundness and fairness of the company's policies. To create this needed climate is to ensure that every supervisor throughout the firm believes--and practices--that:

1. A general understanding of company objectives and policies is a good thing. This means stating objectives and policies clearly and then seeing to it that each supervisor recognizes his responsibility for letting each man know what the goals are and what the rules of the game are.
2. Each supervisor must maximize the opportunities for his men. This means delegation of responsibility, a lot of it; it means exposing young men to the business' problems; letting them sit in when seniors wrestle with the problems; assigning them special projects that contribute to the meeting of such problems; inviting their ideas.
3. Courage, as well as technical proficiency, must be instilled in young men. This means eliminating the fear of criticism; it means urging and helping young men to make decisions without fear of making mistakes. Mistakes are expensive. This does not mean avoid criticism; criticizing can build a man's confidence, pride, ambition and loyalty; but it does mean constructive considered criticism, never made in front of others.

4. A program of well-conceived incentives pays for itself. This means basically that the company will pay well; it means sound promotion policy; it means the provision of incentive pay to stimulate that still additional ounce of effort; and finally it means recognition--recognition before one's fellows may be a greater incentive than anything with a dollar mark attached.¹²

A substantial part of the development of future executives must be performed by the immediate supervisor. A program will not produce satisfactory results unless the supervisor recognizes and discharges his personal responsibility for developing the people entrusted to his care. Training must include all major elements of the job. All too often, supervisors will stress certain phases of the work to the exclusion of others. A supervisor should approach the training of each man as an individual problem--demanding special attention to individual strengths and weaknesses. In addition, he will be expected to "appraise the trainee's rate of progress and incentive to get ahead."¹³ This supervised training can reach its maximum effectiveness only when every manager is made to understand that the development of his immediate subordinates is an important, if not the most important part of his job. Unfortunately,

¹²John Corson, "Managers Need Three Smart Teachers," Nation's Business, Vol. 45, No. 1 (January, 1957), 81-82.

¹³Edward N. Hay, "Your Boss Is Your Training Director," Personnel Journal, Vol. 35, No. 6 (November, 1956), 220.

management in some food chains has not aggressively promoted this attitude of developing subordinates.

In any development program, top management must set the tone. Setting the tone is not the by-product of a hasty visit by some management consultant; rather it is a continuous process of setting good example for subordinates. The program director should occupy a high-level position in the organization, as close to the chief executive as possible. The chief executive, in turn, should sponsor the program by providing general support and leadership. While executive development experts may sell and install case study, multiple management, human relations courses and assorted plans regardless of top management's interest, understanding or readiness, executive development is not possible without the firm's support and acceptance of such programs.

Implementing the Program

Assuming that a sound plan for executive development has been drawn up and the organizational groundwork firmly laid, top management can then approach the actual problem of developing executives. The vast array of methods used in executive development can roughly be classified into three types: resources available within the company, outside the company and either in or out of the company. Resources available for executive development within the company are:

1. Regular and continuous coaching by superior
2. Periodic "developmental planning" sessions with superior
3. Planned experience on different jobs
4. Guided experience on present job
5. "Managing-upward" experience
6. Planned rotation in other jobs
7. Committee assignments
8. Planned visits to company offices or plants
9. Special work assignments
10. Planned staff meetings
11. "Assistant-to" or administrative assistant positions
12. Temporary understudy positions
13. "Task-force" assignments

Resources available outside the company:

1. Special evening classes, institutes, and so on
2. Selected workshops and seminars
3. Membership in technical societies and attendance at special meetings
4. University programs
5. Community service experience
6. Professional psychological advice
7. Professional medical advice

Resources available either in or out of the company:

1. Assigned or directed reading
2. Counseling by other than supervisor
3. Public speaking training and experience
4. Chairmanship and group leadership training and experience
5. Planned visits to other companies
6. Creative writing experience
7. Broad, general reading
8. Depth interviewing for self-appraisal and self-analysis¹⁴

This comprehensive list offers resources by which the executive can develop any or all the needed managerial skills--know-how, leadership and understanding of the business environment. Resources listed as outside the company

¹⁴ Joseph M. Trickett, "Fulfilling Individual Needs in Management Development," Personnel, Vol. 33, No. 6 (May, 1957), 523.

still must be sponsored from within by top management to be effective.

Generally, the most worthwhile training is effected through resources found within the company. This type of training is built into daily on-the-job experience. Implied is the recognition that leadership germinates under the pressure of need and grows in an environment of organizational freedom and responsibility. Leadership develops only through intellectual and energetic effort on the part of the trainee and the reward of his talents by his boss and his organization. Development of executive talent is impossible without the delegation of responsibility for results and authority to manage. "All this means that most development must take place basically within the company itself."¹⁵

Job rotation. One method of training which has come to be considered most important by food retailers in recent years is job rotation. This is the planned movement of men from one position to another for the basic purpose of encouraging and stimulating the growth of the individual.

The job rotation method offers several advantages to the employee. Periodic changing from one job to another provides a well-rounded training and a background of

¹⁵Howard Johnson, "Where Management Development Belongs," Nation's Business, Vol. 45, No. 6 (June, 1957), 36.

experience for the individual, familiarizing him with many phases of the company's operations. The man so trained considers his problems and makes his decisions more intelligently, in the light of their effect on the operations of the organization as a whole. The rotatee is afforded the opportunity of meeting and working with many company employees.

An important advantage to the employer is that he can test the individual trainee through job rotation. Executive ability and versatility demonstrated in the assignments provide an indication of which men are most suitable as material from which top-flight executives can be drawn. In addition, any lack of executive ability is similarly demonstrated.¹⁶

A major disadvantage of job rotation is that it can sometimes disrupt the normal business operation. This may be overcome by not moving too many trainees at one time and by retaining a nucleus of trained supervisors in each department to steer the trainees until they become familiar with their new positions.

Job rotation between highly specialized technical departments or at higher levels in any department is often

¹⁶A detailed listing of the advantages in a job rotation program may be found in the study by Dwight S. Sargent, "The Job Rotation Method," The Development of Executive Talent, ed. M. Joseph Doohar (New York: American Management Association, 1952), p. 95.

difficult. In fact, this technique lends itself easily to the development of managers at lower levels. Accordingly, many food retail chains utilize job rotation for the training of future store managers. Companies such as Grand Union and Kroger have basic courses designed for the young newcomer to the business. This new man is introduced to each area of supermarket operations in order to acquire a broad working knowledge of the business. The goal is not to develop an apprentice butcher or produce clerk but a manager who can supervise and coordinate the varied supermarket functions. To attain optimum cooperation, rotatees should be told why they are being rotated and should be counseled as to how they will be expected to fit into the over-all picture.

More chains would benefit by devoting extra attention to the young trainee during the early years when he first joins the company. During this time, the corporation's influence is at its maximum and it could obtain the maximum return for effort expended.

Administrative assistant positions. A variation of job rotation is the use of assistants at top management levels. These assistants aid in executive work and handle some executive responsibility for a few years. They are then generally assigned to positions of line responsibility beneath those whom they may have served as assistants.

Although this method has the apparent advantages of broadening experience, permitting assistants to familiarize themselves with the thinking of recognized authorities, and improving selectees' morale, it has several inherent disadvantages. An assistant is "seldom subjected to the pressures and challenges of an executive position."¹⁷ Perhaps most detrimental is the "fair-haired boy" reputation which the assistant begets. This may hamper him for many years but can be offset by virtue of exceptional skill and personality.

Guided experience. Guided experience consists of planned on-the-job projects conducted under the direction of each trainee's immediate superior. This type of development rests on two accepted facts, that the best way to learn is by actually doing, and that training is most effective when it takes place under the guidance of a capable and understanding supervisor.

This emphasis on the supervisor for training offers a major limitation. Some executives lack the attitude, qualities and skills demanded in guiding subordinates. Some food retailers, still believe in the survival-of-the-fittest type of development where the best men are filtered to

¹⁷Lewis A. Allen, "Can You Eliminate Assistants?," Dun's Review and Modern Industry, Vol. 69, No. 2 (December, 1956), 118.

top positions over a long period of self-instruction and self-development.

The supervisor, to be a good instructor, should have the desire to teach. He must have patience and the ability to make himself understood. In addition, he must possess a working knowledge of the job. Too often, this last factor is over-emphasized in the selection of a supervisor-teacher. The individual who is most proficient at the job is chosen with little or no regard for his ability and desire to teach. A wiser choice would be the man who can teach and has a satisfactory knowledge of the job.¹⁸

Added to this list of characteristics should be the supervisor's ability to appraise, analyze and understand the trainee. An astute supervisor can avoid time-wasting mistakes such as trying to train or develop a man along lines he does not want to go or is not capable of going.

There are four basic steps in a program of guided experience. The first one is taken when a supervisor examines or audits his daily experience to find the trainee's one major weakness needing attention first. For example, it might be found that a trainee's major weakness is that he makes too many snap judgments based more on guesses or opinions than on facts.

¹⁸The Research Institute of America reports a detailed list of characteristics necessary for the supervisor-trainer in the article, ". . . But Who Will Do the Coaching?," Supervisory Management, Vol. 2, No. 4 (March, 1957), 18.

The second step is to determine the effects of this weakness. One effect might be the loss of confidence by associates as the trainee is found to be making too many mistakes.

The third and more difficult step is to determine the causes of the weakness to be corrected. The supervisor must list reasons for the man's doing things that reduce his effectiveness, cost the company money and limit his own future. Some of these reasons might be that the trainee is too much a man of action for top policy-making or that he does not know how to secure the facts needed for considered decisions. The supervisor may find it necessary to seek the help of training men, fellow-executives, or outside experts in this step.

Finally, the supervisor builds a program of action designed to remedy the defect by getting the subordinate to recognize and remove its cause. Alone or with the help of trained counseling personnel, the executive may work out a plan of remedial action which might include committee work, special assignments or informal talks.

Guided experience, of course, does not meet all the needs of executive development but it does provide a good approach to training personnel for high level positions. An important advantage of guided experience is that it offers a structural core around which other methods may be grouped. Furthermore, this is the "least expensive way to

develop a man."¹⁹ Guided experience is timely and directly related to the actual conduct of the business. The trainee develops where his supervisor believes that development is needed. Finally, it provides the opportunity to practice and fix good habits.

Conference training method. The conference training method is divorced from the authoritarian tradition of education in that it attempts to achieve group action through participation. Management has come to realize that constructive learning involves change and adjustment of attitudes and behavior. This kind of learning is stifled by authority; it requires participation in creating the learning environment.

Participation for the sake of participating is not enough. In fact, unrestricted and self-oriented participation is likely to negatively influence the group's effectiveness in evolving a solution and minimize the individual's involvement. The problem, then, is to "create a climate in which participants are free to discuss real problems in which they have a sense of involvement."²⁰

¹⁹Earl G. Planty and Carlos Efferson, "The Guided Experience Method," The Development of Executive Talent, ed. M. Joseph Dooher (New York: American Management Association, 1952), p. 91.

²⁰Thomas G. Spates, "What's Wrong with Executive Development?," The Management Review, Vol. XLV, No. 12 (December, 1956), 1077.

The training conference should present problems that can be closely associated with the individual's dominant needs and goals. The individual must feel a genuine need for training. All too often, the training director assumes that this need exists. Emphasis should be directed toward communicating the importance of the subject to the individual so that he can more readily appreciate the genuine need for a solution to the problem presented.

The entire training program will be of little value if the individual cannot readily apply the principles and techniques used in solving the conference problem to his actual job. The training situation will have a decreasing degree of relevancy (and consequently participation) as the gap widens between knowing and doing, or words and actions.

When applied properly, the conference method benefits the individual by encouraging original thought and the expression of new ideas. This training method also helps the individual rid himself of old ideas, prejudices and fears. Finally, it provides information and encourages the individual to seek more detailed information.

Like any other management tool, the conference approach must be handled carefully with a keen awareness of where it can best fit into the over-all picture. Careful screening is required to set up problems for discussion. All the available facts must be presented beforehand if the analysis

is to be productive. The problem must be limited and defined so that it can be handled in the time allotted for discussion.²¹

An important factor which undoubtedly affects the success of any conference is the skill of the conference leader. This skill must be developed in the art of posing provocative questions and in encouraging discussion. Instead of dogmatically presenting his ideas and asking for questions the good leader presents the facts and then asks, "What do you fellows think?"

The Kroger Company in formulating a Junior Conference for management development advises the conference leader in the following manner:

The Conference is purposely set up in such a way as to secure maximum effort, participation, and discussion from the men themselves and to aid them to learn to do by doing.

Toss questions to the group, or to individuals, in order to get them to think--this not only helps to broaden the men, but helps you to identify the "thinkers."

Please make important points which you feel will stimulate or broaden the group, but make such a point only as a "last resort"--after every effort has been made to draw the point out of the group.

Refrain from broad compliments or flattery toward an individual candidate. Once the "brass" has OK'd a man's performance, it is very improbable that

²¹A detailed study of how to plan and implement the conference method may be found in an article written by Michael G. Blansfield, "Executive Development Started With Conference Leadership," Personnel Journal, Vol. 35, No. 5 (October, 1956), 182.

the group will give constructive criticism to the man. Compliments are often discussion stoppers.

Avoid direct criticism of a man. If the "brass" criticizes a man he is very apt to "clam up" instead of "open up." Insofar as possible, use questions to get the group to make constructive criticism which is due.²²

In addition, the conference leader is advised as to what points to look for in each man's performance.

ABILITY TO THINK--BOTH IN BREADTH AND IN DEPTH

Does he see things in perspective? Does he dig beneath the surface? Does he translate his experience into practical know-how? Does he react to problems readily and surely?

ABILITY TO PUT IDEAS ACROSS CONVINCINGLY AND CLEARLY

Can he get to the point? Can he sell, persuade and influence? Does he make himself easily understood, or is he vague and confusing? Consider both the quantity and quality of his comments in discussions.

ABILITY TO GET RESULTS THROUGH OTHERS--HUMAN RELATIONS KNOW-HOW

Is he skillful in gaining cooperation? Does he have a "We" attitude? Does he work without ruffling others and without building resistance? Can he earn acceptance, attention?

ABILITY TO WORK EFFICIENTLY--PURPOSEFUL ENERGY

Does he direct his efforts toward goals and objectives? Is he growing and learning?

ABILITY TO MAKE A GOOD IMPRESSION--DISPLAY MATURITY AND PERSONAL FORCEFULNESS

Is he self-reliant? Does he take the initiative? Does he realize that the future depends on his

²²"Junior Conferences in Management Development," Descriptive Material Regarding the Development of Men, The Kroger Company, unpublished material, n.d.

own efforts? Is he a constructive thinker, positive and helpful; or a "No" man, a chronic objector.²³

As a final note, the conference leader is advised to look for any additional qualities in the individual which could be used to advantage in the Kroger organization.

The case method. Another group approach to executive development is the case study. This method of off-the-job training augments the process of learning by doing. The trainee learns to develop skills in problem-solving by studying a written outline of a business problem. Finally, the case is thrown open for discussion. The leader's job is to guide this discussion but not to force conclusions.

This training device can be used in several ways. The Tennessee Valley Authority's human relations training program uses "live" case material submitted anonymously by the trainees themselves for group discussion.²⁴ These real-- and as yet unresolved--problems enable the trainee to follow a dynamic case situation. At the same time, the individual submitting the problem might gain helpful ideas during the discussion of his case.

The case method demonstrates the value of reaching decisions through group participation. A problem of this method is how to get the trainee to translate off-the job

²³Ibid.

²⁴C. W. Fredriksen and Helmer Martinson, "Helping Supervisors Train Themselves in Human Relations," Personnel, Vol. 31, No. 4 (January, 1955), 323.

training into on-the-job behavior. This question may be resolved by drawing only on real, current problems for training material. A major weakness lies in the inability of a case to present the intricacies of the complete facts or "feel" of the situation. The case cannot convey the pressures and responsibilities accompanying the actual situation.

Role-playing. A popular method used in developing human relations skill is role-playing. This technique uses the same approach as the case method, except that the situation is acted out. Two or more members of the group are given a human relations case situation which they must act out without the use of a script or rehearsal. All the background material leading up to the occasion where the group becomes involved in the plot is related. At this point, it is up to the participants to show how they would handle the problem.

As the acting proceeds, the training director and other members of the group evaluate the performance. After the role-playing has ended, others may be selected to act out the same situation or a general discussion might follow. The use of a sound recorder is often helpful in that the performers can appraise their own efforts.

This technique may be used in a variety of ways in the retail food operation. Better methods of motivating

department managers for special promotional activities might be evolved. Supervisors might be requested to evaluate various methods of handling store managers who resist policy changes. In effect, role-playing can be used in any of the areas where there is a person-to-person relationship.

From a training standpoint, the role-playing technique has several advantages. The trainee learns by doing, and puts what he has learned into immediate practice. He assists in training himself. A new approach to a problem might be developed by the trainee assuming a position foreign to his everyday role. For example, a member of management might benefit from having to assume the part of a union steward. This procedure also helps the trainee to develop his ability to speak and project ideas.

Another use of the technique is known as anticipatory role-playing. "Here, a supervisory group, for example, may be concerned with how to present a problem to top management as a group or how to conduct a staff meeting successfully."²⁵ In these cases, a group would play a scene as they would act in a forthcoming situation and then analyze the potential effects of their actions.

Role-playing also suffers from some serious disadvantages. Too often, the group places major emphasis on acting

²⁵L. P. Bradford and K. Lippitt, "Role-Playing in Management Training," The Development of Executive Talent, ed. M. Joseph Dooher (New York: American Management Association, 1952), p. 202.

rather than on the problem involved. The participants may be merely practicing the art of "verbal fencing." The group may become so involved in the technique itself that the subject matter and content are forgotten. In some cases, a direct question or problem might be more effective and less time-consuming.

While these disadvantages seem formidable, they can be overcome almost entirely by a trained, capable and experienced role-playing leader. Maximum value will accrue from role-playing when the leader or director has developed considerable skill in the use of this technique.

University programs. In recent years, increased emphasis has been placed on management courses at colleges and universities as a development technique. Management courses are currently being offered at Massachusetts Institute of Technology, Harvard, Columbia, Northwestern, Pittsburgh, and many other schools.²⁶

Today, management is confronted with the problem of determining what contribution, if any, university programs can make to the development of executives. As mentioned earlier in this chapter, most development must take place basically within the company itself. "The university, however, can contribute much to the development of executives

²⁶Kenneth R. Andrews, "Is Management Training Effective?, Part II, Measurements, Objectives and Policy," Harvard Business Review, Vol. 35, No. 2 (March-April, 1957), 7.

provided the company sends the people best qualified to benefit."²⁷ To appreciate what the university can offer, it might be valuable to study the different stages of development in a manager's career and relate these facts to university training.

A prerequisite for successful management is the development of know-how. Here is where the functional fields of management fit: accounting, marketing, production, and so forth. While in most of these areas a man develops through doing, university courses can offer valuable help. Initially, the future manager's thought processes and method of problem analysis are sharpened. In special or newly developing informational areas, such as market research or industrial relations, the university is able to provide the latest information.

Another area of development in the career of a manager is his basic understanding of human behavior--his leadership skill. Intellectual familiarity with leadership skills is not enough. Practice and improvement within the corporate situation is essential. Nevertheless, leadership can be encouraged and strengthened by exposure to the university program. Leadership skill can be developed within the university culture through practice and improvement.

²⁷ Johnson, loc. cit., p. 36.

Finally, the manager must develop an understanding of the total complex of business. He must have an understanding of where his company fits in his industry, in his country--the forces that impinge on it and shape and direct his own effectiveness. This broadening of the executive's outlook can be almost uniquely provided by a good university program.

According to a survey conducted by Business Week the participation of retail units in advanced courses is rather infrequent.²⁸ Nevertheless, several food chains have become interested in these courses. The Safeway chain uses a university course in its development program. This course requires specialized study at either the University of Western Ontario or the Harvard Graduate School of Business Administration.

At a lower level, food retailers are definitely more active. Many food organizations sponsor the Food Distribution Curriculum at Michigan State University where young men are trained and educated for future executive positions in the industry. A testimony to the success of this program is the fact that similar courses are being planned in other leading universities.

Directed reading. Genuine learning is essentially personal, depending upon self-motivation and derived from

²⁸"Retailers Join the Talent Hunt," Business Week, No. 1425 (December 22, 1956), 111.

the felt needs of the individual. An excellent tool for this learning is the library. For many executives, good reading has furnished that "added plus" which put them to the top of their organization.

Some companies have developed an "Executive Library"-- a growing collection of important books, journals and special studies in administration, management, human relations, personnel administration and allied fields.²⁹ One firm, the Kroger Company, published a selected list of books designed to develop both present and future executives. For convenience, these books have been grouped under the following categories: Organization and Administration, Successful Merchandising, Leadership and Supervision, The Art of Straight Thinking, Improving Your Communication Skills, Understand Yourself and Others, and the Climb to the Top.³⁰

In addition, some suggestions are given on how to get more out of reading. The good reader will read with a definite purpose in mind. He will pick a subject about which he wants to learn and then select those books or articles which would be most informative. He will read actively, looking for the main thoughts. Another requirement .

²⁹Nathanial Stewart, "Building Tomorrow's Management," Dun's Review and Modern Industry, Vol. 67, No. 1 (January, 1956), 4.

³⁰"Knowledge is Power," Descriptive Material Regarding the Development of Men, The Kroger Company, unpublished material, n. d.

would be to read objectively, evaluating the author's thoughts. Finally, he will read to increase his vocabulary.³¹

Many executives attribute much of their success to the habit of productive reading. Since their time is limited, they must be discriminating in their reading sources. The executive must select those publications which he feels would give him a broad and comprehensive understanding of business and current affairs.³²

This type of self-improvement points up the fact that, no matter how much is done through training programs and by the boss, a future executive must develop himself. In addition, he must demonstrate through day-by-day performance that he wants to get ahead. He will work a little harder or a little longer. He expresses a desire to learn and does not profess to know all the answers.

Selection Techniques

The best development program is worthless without a selection process which can provide good executive material.

³¹Ibid.

³²A food chain executive can choose from several trade periodicals, Chain Store Age, Super Market Merchandising, Progressive Grocer, and Supermarket News for information about the food industry. There are many excellent sources for current business information, such as: Harvard Business Review, Wall Street Journal, Business Week, Nation's Business, Fortune, et cetera. Time, Newsweek, and U. S. News and World Report capsule current world news in an easily digestible form for active executives.

This problem is further intensified with the realization that "only one or two persons out of ten thousand possess the necessary characteristics, personality qualifications, drives and motivation that are required for top management responsibility."³³ To intensify the problem, many potential executives are not attracted to the food industry as a career. The industry suffers because of its low prestige, relatively low starting salaries and inconvenient working hours. Actually, they neglect to take into account the long-range advantages of the food industry, rapid advancement, security, and good executive salaries.

This scarcity of leadership personnel necessitates a careful determination of sources from which talent is to be selected. Food chains use at least three methods: (1) rely on "natural selection," (2) recruit from other companies, and (3) discover and develop potential executives from within the company.

"Natural selection" depends on the "survival-of-the-fittest" concept in which the best executives are filtered to the top. This is usually too lengthy a process and does not supply executive manpower in the quantity required by modern food chains. Furthermore, this attitude overlooks the moral factor that a man should be given every opportunity to grow with his company.

³³John C. Harkness, "Planting and Growing Executives," American Business, Vol. 27, No. 1 (January, 1957), 20.

The second alternative of bidding for executives among other firms can become a costly expedient in this present tight manpower situation. Conceivably, pirating can generate ill will among businessmen. Filling top positions with outsiders can also have a demoralizing effect on junior executives. Nevertheless, this practice is still prevalent. More than forty per cent of all firms hire more than ten per cent of their executives from the outside.³⁴

The most effective means of securing a pool of executive manpower is through development from within. The search for executive talent should begin within the firm's own ranks. Of course, complete reliance on this method may mean sterility. When a food chain decides to merchandise non-foods for example, it might be advisable, even necessary, to secure the services of a variety or department store executive.

Many chains find it necessary and advisable to hire college graduates to supplement this source from within the company. Some chains still avoid college trained personnel preferring those with less education and more practical experience.

The major weakness of any selection process, however, is the lack of any precise means of evaluating executive

³⁴"Industry Beats the Bushes to Fill Top Management Jobs," Business Week, No. 1434 (February 23, 1957), 173.

ability. Edward R. Stettinius, late head of the United States Steel Corporation has been quoted as saying: "Is it not obvious that ways and means must be found to discover and evaluate the executive in accordance with pre-established standards? Isn't it at once desirable and imperative that we bring to this problem something of the scientific spirit?"³⁵ Almost every company can make successful strides in its selection processes by the full use of demonstrated techniques: interviews from the simple factual to the depth, clinical and group types, tests to secure interest, personality, intelligence, attitudes, and biographical data.

As an approach to scientific selection and appraisal, "specialists in the field of interviewing generally agree on several principles."³⁶ They suggest that interviews should be conducted only by those who have demonstrated their ability to size up other people. Interviewers should have extensive information about the job to be filled. They must know how to integrate results of appraisals, tests, and work history data with interview information. Whenever possible, several different interviewers should be used on a consecutive basis. Proper interviewing methods when used with psychological tests can perform a highly useful function in providing a reasonably objective yardstick in reaching personnel decisions.

³⁵Mandell, loc. cit., p. 45. ³⁶Ibid., p. 96.

Testing, too, is receiving increased attention in the selection of management material. Thirty per cent of a group of both large and small companies surveyed by the Bureau of National Affairs in 1956 used tests in executive selection. In 1952, twelve per cent of the larger and twenty per cent of the smaller companies used testing techniques.³⁷

The Kroger Company has found tests to be most useful in identifying "poor management risks." These tests are used with a full awareness of their limitations. The test result is merely one element among a variety of factors which are considered. A management prospect within the company is not eliminated from consideration on the basis of these tests alone. On the other hand, a management prospect from outside the company can be eliminated from consideration by an "Unfavorable" result on the mental alertness test.

Figure 1 shows the results of a five year study on the successes and failures of keymen according to their test estimate of potential. The two hundred and one successful keymen consisted of those who operated effectively at Branch Product Merchandiser level or above, plus men who (during the five years) successfully held at least one Administration Payroll job and moved up to a better job. The one hundred

³⁷ Ibid.

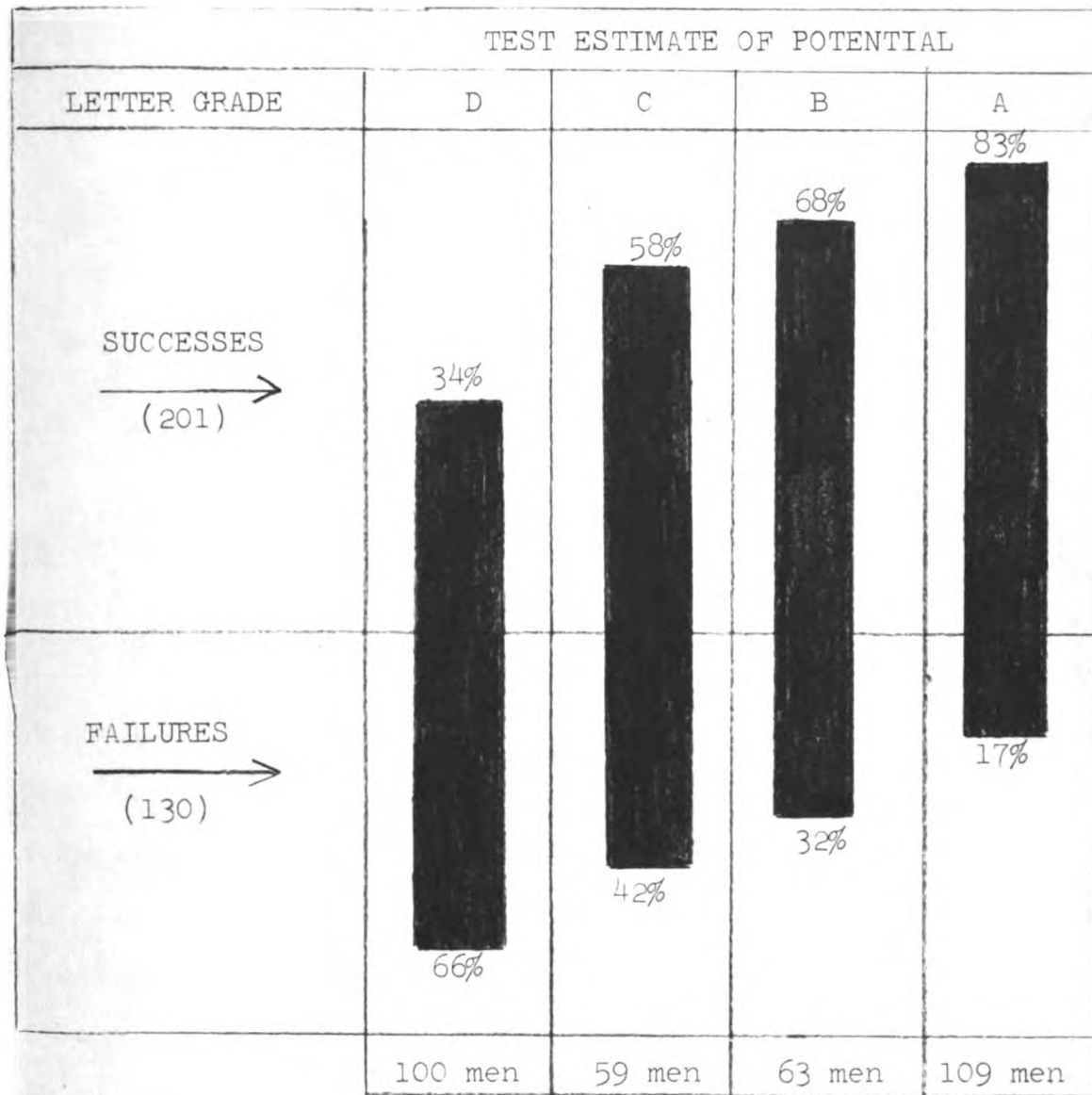


Fig. 1. Percentage of successes and failures according to test estimate of potential. Represented by letter grades: A, B, C, D

Source: "Personnel Selection," Descriptive Material Regarding the Development of Men. The Kroger Company, unpublished material, n.d.

thirty failures were men who were demoted from Administration Payroll jobs to weekly payroll jobs. This chart shows the percentages of successes and failures at each letter grade. These figures should be considered against the five-year average of sixty-one per cent successes and thirty-nine per cent failures. Of particular significance is the fact that there were almost four times as many failures at "D" than at "A"--sixty-six per cent versus seventeen per cent.³⁸

A variety of tests are now available to industry for use in the selection of executive personnel. Interest inventories are among the most valuable of written tests. Many kinds of personality inventories are also available, including the Bernreuter Personality Inventory, the Thurstone Temperament Schedule and the Personal Audit. In addition, projective tests are arousing increased interest among businessmen. They include the well-known Rorschach inkblots and the pictures of the Thematic Apperception Test. These tests are being used to learn more about the potential executive as an individual. They recognize that executive ability is not measureable by work samples; it is not a tangible, definable skill. Tests may indicate areas of satisfaction, the degree of an individual's motivation and the extent of his emotional controls and defenses. The

³⁸"Personnel Selection," Descriptive Material Regarding the Development of Men, The Kroger Company, unpublished material, n. d.

expense of using psychologists and consultants might preclude the use of these tests at other than top management levels.³⁹

A recent development in selecting personnel is the group appraisal method. The prospective trainee is exposed to a group of supervisors for appraisal after going through a battery of tests and depth interviews.⁴⁰ This recognizes the importance of personal judgment in the final selection of executive material.

While these tests may be helpful, an organization cannot go overboard on any one selection method. The general rule guiding the use of these test findings is that "no finding is to be accepted as valid unless confirmed by other evidence independent of the tests themselves."⁴¹ In the final analysis, subjective judgment factors form the bases for personnel decisions.

³⁹These tests are described in detail in a report by Milton M. Mandell, in his article, "How to Gage Executive Potential," Dun's Review and Modern Industry, Vol. 69, No. 5 (March, 1957), 43.

⁴⁰"Group Appraisal Plan Helps Find Executive Timber in Company Haystack," Business Week, No. 1420 (November 17, 1956), 185.

⁴¹James C. Worthy, "Case 3: Sears, Roebuck and Company," The Development of Executive Talent, ed. M. Joseph Doohar (New York: American Management Association, 1952), p. 356.

This initial selection is only the first step. Selection of prospective executives should be conducted on a continuous basis. To this end, rating or evaluation plans are often used by management.

Rating Techniques

Rating plans are set up to serve at least six purposes: promotion, transfer, improvement of employees, identification of areas where training is needed, establishing a yardstick for the evaluation of selection procedures, and layoff. These purposes are seldom served equally well by any one plan. In fact, the experience of those using this technique has been that a plan serving one of the purposes effectively causes considerable trouble if an attempt is made to use it for another purpose for which it is not adapted.⁴²

Modern businessmen use a variety of rating techniques, ranging from progress reports to standardized achievement tests. While management is not entirely satisfied with any rating system that has been developed thus far, the situation has been markedly improved during the past few years.⁴³ Changes have been brought about through military research conducted by the armed forces during World War II. The

⁴²Joseph Tiffin, "New Techniques in Merit Rating," The Development of Executive Talent, ed. M. Joseph Doohar (New York: American Management Association, 1952), p. 301.

⁴³Ibid., p. 306.

research was necessitated by military recognition that the traditional "efficiency ratings" (poor, fair, good, excellent) were not serving the purpose of identifying promotable men. A great majority of the men were rated "excellent" and thus discrimination was impossible.

This study of rating techniques will be limited to a brief examination of two new methods devised by military researchers. These methods are significant in that they lend a new emphasis to the problem of rating personnel.

One technique--the forced-choice method--was devised to avoid a piling up of the ratings at the "good" end of the scale and to also avoid the possibility of unrepresentative ratings being given because of favoritism.

In its original form, this method lists descriptive phrases, arranged in groups of four statements per block. Two statements are obviously favorable and two unfavorable. The rater is asked to check the one most descriptive statement of the subject and the one least descriptive. Actually, only one of the favorable statements differentiates between men of known ability, and this one is scored. The same holds true for the unfavorable statements. The scoring key is not available to the raters, thereby eliminating the possibility of favoritism.

This technique would seem to be a very good method of identifying men who are doing a superior job. Nevertheless, it is elaborate in design and would evoke union opposition

when implemented at the employee level. The fact that any rating given allows no credit for certain favorable statements that were checked but not scored (because they were not discriminative) might be difficult for a union representative to understand.

Another important new method is the critical-incidents technique. Records are kept by superiors of the actual occurrence of critical incidents in the job performance of the employees under them. Each recorded incident concerns something the employee did nor did not do at a critical point in his work experience. This method does not require any evaluation, only an accurate, written, and dated record of a part of employee behavior on the job. As these records accumulate over a period of time, they form the basis for an eventual rating.

This particular technique would seem to be more acceptable to labor than the forced-choice method. In addition, this method could highlight crucial areas where training is needed.

Post-Appraisal Interviews

Following the rating process, a supervisor should inform the trainee of his progress or lack of it. The manner in which this communicating takes place will determine, to a considerable extent, the trainee's attitude. Ideally, the supervisor should stimulate a desire in the trainee for self-appraisal and improvement.

A technique commonly used in the post-appraisal interview is counseling. In some cases, this counseling will be clear and direct; in other cases it may be subtle and non-directive. Spencer J. Hayden, Training Director for the Metal and Thermit Company in New York, seems to consider the latter method as actual counseling and the former one as coaching. The distinction is that in coaching, "the boss acts the part of the leader, through authoritative statements and decisions," while in a counseling relationship, "he acts the part of guide through perceptive questioning and commenting."⁴⁴ To facilitate this discussion, the term "coaching" will be used to signify the authoritarian approach to counseling.

Counseling should give the employee a clear picture of how he is doing with emphasis upon strengths as well as weaknesses. Strong personal relationships can be built between superior and subordinate in which both are willing to talk frankly about the job, how it is being done, what improvement is possible, and how it can be achieved. The counselor can get the subordinate to do a better job by making clear desired standards of performance.⁴⁵

⁴⁴Spencer J. Hayden, "Getting Better Results from Post-Appraisal Interviews," Personnel, Vol. 31, No. 6 (May, 1955), 543.

⁴⁵A detailed discussion of these objectives may be found in an article written by Earl G. Planty and Carlos E. Efferson, "Counseling Executives After Merit Rating or

How successful is coaching in achieving these objectives? In a recent survey, Business Week found that most executives seem to doubt that these person-to-person appraisals effect any deep changes in their juniors.⁴⁶ Perhaps, the reason for this may be found in Spencer Hayden's concept of coaching. This approach consists of "telling" people "something for their own good." A man cannot be expected to improve after another man has spent an hour telling him what he is doing wrong. After all, how can a man's ideas, attitudes and feelings be expected to change during the typical one-shot interview after appraisal?

Counseling, on the other hand, is not interested in finding out what this man should do to improve; it asks the questions: "Why does he act this way? How far does he recognize the nature of his trouble?" Counseling is a non-demanding, non-directive approach to people--an approach to which the ordinary executive has difficulty in adjusting. This method lets the trainee being rated initiate the discussion of his own rating and lets him rate himself.

The scientific, objective approach to improving executive performance is simple and practical, including only three steps:

Evaluation," The Development of Executive Talent, ed. M. Joseph Doohar (New York: American Management Association, 1953), pp. 239-240.

⁴⁶"Executive Coaching Catches On," Business Week, No. 1436 (March 6, 1957), 61.

- I. Setting performance standards.
- II. Rating, measuring, judging--as objectively as possible--how close a particular executive comes to the standings. Learning where the man exceeds requirements, where he meets them and where he misses them.
- III. Counseling with the subordinate regarding the findings of step II above.⁴⁷

In many cases, the first two steps are undertaken and completed more or less objectively and fully but the third step is rarely undertaken. Generally, executives do not seem equipped to approach this complex task of counseling subordinates. In the future, industry will either have to develop key men who can counsel, or arrange for subordinates to be counseled by those few persons who are specially trained and equipped. Qualified psychologists may have to be brought in as counselors to solve this problem of corrective interviewing.

Evaluating the Development Program

Executive development is a long-range project, and must be judged as such. Although some of its improvements cannot be measured directly, there should be some observable changes in the organization as a result of the program.

After the program has been in operation for a reasonable period of time, some tests should be applied to measure how well objectives have been accomplished. Without this

⁴⁷Planty, op. cit., p. 251.

evaluation to show their ineffectiveness, poor techniques are likely to be perpetuated. In addition, firms might continue to spend money for training programs that are not accomplishing their objectives. While the majority of evaluation techniques leave much to be desired, even a crude measure is better than none at all.

One method of measuring a program's effectiveness is that of testing the participants before and after the training to determine the extent of their learning. A serious weakness of this type of testing is that performance in the classroom need not correspond with performance on the job. To overcome this deficiency, the trainee's job performance might be evaluated. This type of evaluation may be made by the participant's supervisor by means of rating scales. This method has the advantage of involving supervisors in the training program through their participation in the evaluation process.

Another source of information in evaluating the training program might be operational statistics. For example, a store manager could be appraised on such data as employee turnover, labor rates, supply expenditures and sales increases. The problem in such an evaluation, is that these operational statistics could be affected by factors other than the manager's participation in a development program.

An interesting attempt to control variable factors is found in a method called "experimental evaluation." This technique involves four major steps:

1. Establishing Criteria. Quantifiable indexes of the change or changes in behavior which the program is designed to accomplish.
2. Imposing Controls. Experimental conditions or statistical manipulation to hold constant as many of the variables in the situation as possible.
3. Using Statistical Analysis. Use of accepted statistical techniques which meet the requirements of the particular criteria used to measure the changes associated with training.
4. Having a Built-In Design. The design for the experimental evaluation, including criteria, control and statistics, should be developed as an integral part of the training program not as an afterthought.⁴⁶

The B. F. Goodrich Company evaluated one of their training projects in this manner. They formed two groups of four hundred men each. Various criteria were tested in both groups before the training period. One group was trained while the other remained untrained. After the development period, both groups were tested again to determine the extent of change brought about by the training.⁴⁹ This seems to be one of the more realistic approaches to the problem of evaluating development programs.

⁴⁸Daniel M. Goodacre, "The Experimental Evaluation of Management Training: Principles and Practices," Personnel, Vol. 32, No. 6 (May, 1956), 535.

⁴⁹Ibid.

For many firms, however, experimental evaluation is too costly. They must rely on the more subjective approach of applying various criteria to determine how well the program's objectives have been accomplished. A successful program might be expected to effect several improvements. There should be a reduction of executive turnover. Desirable personnel are more easily attracted to the firm. Generally, executives should have a better appreciation of the economic, social, governmental, and other external forces which affect the business. The need to hire executives from outside the firm is reduced. The summaries of executive appraisals show fewer areas where performance is deficient--more where it is improved. Teamwork in the management group has been improved by a better understanding of each other's responsibilities and a greater desire to cooperate.

Of course, a management cannot expect to meet all of these criteria. Nevertheless, the attainment of as many of these objectives as possible, should be the goal of any development program. At the same time, an alert executive will try to learn more about what factors might influence the effectiveness of a training program.

Conclusion

The benefits of a properly executed development plan are many. Management skills are increased. Superior men are attracted to a firm which will advance them as rapidly

as their abilities permit. The lack of qualified personnel may impede company expansion. This is particularly true in many modern food chains where expansion has been restricted or even halted because there are no managers to operate new stores. More authority can be delegated down the line since lower levels of supervision are better qualified to assume greater responsibilities. A development program can supply the high-level executives needed to survive today's intense competitive struggle.

A well-conceived supervisory program develops executives through a process of careful selection, sound training, effective organization of functions and a judicious administration of rewards and penalties in the development process. In order to achieve a program of this caliber, it is necessary that (1) the firm's future needs are analyzed carefully, (2) the program is tailored to these needs, and (3) top-management lends its active support and participation. The third prerequisite--top-management's support--points up the fact that the development of executives is management's responsibility. The personnel department may give the program its initial impetus but the actual training is done by the manager on the job.

Management's responsibility to develop executives cannot be regarded lightly. "A management must fully recognize that the decisions it makes and the actions it takes in relation to management training are the decisions

and actions that will most nearly shape the long-run destiny of the organization."⁵⁰ Essentially, executive development is based on the precept, "We grow or we die."

⁵⁰ Willard E. Bennett, "Why Management Training Can Fail," Super Market Merchandising, Vol. XXXI, No. 10 (October, 1956), 108.

CHAPTER II

FLOW OF INFORMATION IN THE FIRM

Introduction

Communication has become a popular subject in both lay and academic circles. Lectures, seminars, college courses, and a multitude of magazine articles are devoted to this topic. Modern businessmen, in particular, have become increasingly preoccupied with problems of communications and their application to human relations, public relations, and management functions, in general.

Today's worker is often widely removed from his organization's policy-forming group. Few, if any, wage earners ever have the opportunity to receive instructions directly from the president or vice president. They normally receive information through a chain of command--from the immediate supervisor who, in turn, was informed by his superior. In the process of communicating, information may be interpreted in a variety of ways. Too often, information is distorted, retarded or completely stopped in its flow through channels. Herein lies one of management's problems--to see that communications move through channels, freely, effectively, and accurately.

The communication process is of vital importance to both superior and subordinate. In any organization, satisfactory progress toward objectives requires an integration of the thoughts and actions of all participants. To accomplish this integration and to achieve cooperation, an effective system of communication must be established and maintained. This communication is the complex, dynamic interaction that takes place every minute on the job.

The purpose of this report will be to study problems which may be found in existing communication systems and to examine various techniques and media. More specifically, some concepts of communication and its various directional flows through such media as suggestion systems, company manuals, newsletters, company publications, conferences, and the like will be discussed.

The Nature and Types of Communication in Industry

As previously suggested, a major responsibility of management is the establishment and utilization of an effective communication system. Through communication with subordinates, the executive is able to direct their efforts. He can define the goals of the organization, tell subordinates what is expected of them and what resources are available to accomplish these goals. In addition, the executive can reward or punish, thereby indicating what behavior is approved or disapproved. Thus, the subordinate

can stabilize his work experience. Without an effective flow of communication from the executive, a worker is unable to measure how well he is doing or ascertain in which direction he should be proceeding. This concept is concerned primarily with communication flowing in a downward direction--from superior to subordinate.

Communication that flows upward, from subordinate to superior, is equally important to management. Through this upward communication, the executive is afforded an opportunity to know his workers. He can evaluate how well organizational goals are being fulfilled, the success of his downward communications and whether employees understand their respective roles. An astute manager can, on the basis of these upward messages, see the role which he himself plays by analyzing the subordinates' attitudes toward him and thus adjust his behavior accordingly.

Modern management now devotes more attention to intra-management communication systems. Previously, emphasis was placed on communications through the management group without regard for the necessity of communicating within the group itself. Many food chain executives have come to realize that the lower levels of management (store managers, district supervisors, etc.) are especially vital in the organization's communication system. Accordingly, there has been an increase of interest in horizontal communication techniques, such as conferences, seminars, and committees.

The conference technique, in particular, "has been widely adopted by industry as a basic method of training."¹

Communication can occur in a formal and/or an informal environment. A formal pattern is built around a system of authority, with positions superior or subordinate to other designated positions, as visualized on an organization chart. Informal communications are made through personal contact not in accord with the formal structure--that is, communication with individuals not always immediately subordinate or superior to the communicator.

Basic Causes for Communication Failures

A basic deterrent to effective communications lies in the fact that everyone has different experiences and backgrounds. Messages are translated in the light of an individual's experience and environment. What the person transmitting the message means may be entirely different from the image which the recipient forms upon receiving the message; yet the recipient believes that he clearly understands what was really meant by the person sending the message. Consequently, true communication can only occur when there is understanding on the part of the recipient. How closely the image of transmitter and recipient coincide determines how good the communication was.

¹Stanley G. Dulsky, "Improving Conference Leadership," Effective Communication on the Job, ed. M. Joseph Doohar (New York: American Management Association, 1956), p. 274.

This difference in experience seems to be a starting point for communication failures, giving rise to more specific defects. Stuart Chase lists a number of failures stemming from environmental misinterpretation. Some of these failures are:

1. Failure to check abstract terms with concrete events. "Find the referent," the physical object or occurrence to which the term refers.
2. Spurious identification. This communication failure has been common on the front pages of newspapers in the form of guilt-by-verbal-association.
3. The wholesale application of two-valued logic. If an event is not black it must be white, with no allowance for shades of gray. The actual world is often many-valued, not just two-valued.
4. Failure to assemble the main facts before passing judgment. Prejudice, it has been said, is a great time saver; it enables the forming of opinions without bothering to get the facts.
5. Extrapolation. Plotting one or two points and then riding the curve to cloud cuckooland; another term for over-generalization.
6. Gobbledygook. Prolivity and obscurity; using ten words where one would suffice, or drowning meaning in polysyllables and technical terms. Very common in large offices and in some academic groves.
7. Failure to listen, to hear the speaker out; failure to assume he has something worth saying.
8. Failure to appreciate the other man's background and point of view. What are his needs and wants and how do they affect his talk?
9. Failure to appraise motives. Does the speaker mean what he says or something else?
10. Failure to allow for cultural differences. Delegates to the United Nations face this problem every day.²

²Stuart Chase, Power of Words (New York: Harcourt, Brace and Company, 1954), pp. 11-12.

An understanding of these common failures is of benefit to the executive since he can become more aware of possible communication pitfalls. The executive who becomes conscious of these failures in himself and attempts to correct them is, in effect, practicing self-improvement in communication skills. Consequently, he will enhance his effectiveness in performing the management functions of planning, organizing, actuating, and controlling.

Communications Techniques and Media

Having viewed the nature of communication, it might be appropriate to study some techniques employed in communication. More specifically, the discussion will be devoted to techniques and media utilized in the food distribution industry. These media are not intended as models to be used indiscriminately by the chain executive. Any communication program must be tailored to the needs of the particular organization. This study is designed to acquaint the reader with some communication techniques and media currently in use, and to describe their relative advantages and disadvantages.

Downward communication. The most commonly used channel of downward communication is the formal organization lines--the normal chain of command. The information flow travels from top management to the superintendent of store operations, to division manager, to store manager, to department heads,

and, ultimately, to all store personnel. Normally, orders concerning the work to be done are transmitted through this chain of command.

Unfortunately, one great shortcoming of executive communication downward is the lack of facts given along with an order. "When giving an order, it is advisable to point out the facts or conditions that have made the order necessary."³ Most communications require not only that they be understood, but that they be accepted and acted upon. "If the communication not only states clearly what is to be done but inspires the recipient to want to do it, then we have truly communicated."⁴ Employees, motivated through understanding rather than fear of punishment, will carry out orders with heightened interest and enthusiasm.

Another weakness in downward communication is the fact that messages may become garbled and distorted when transmitted through the chain of command. For this reason, many organizations insist on putting everything in writing. Although sometimes necessary, this practice creates considerable paperwork and, if not properly controlled, can degenerate into a "red tape" stereotype in which managers quickly file all communications into the nearest waste basket.

³Gerald L. Lund, "Fundamentals of Order Giving," Effective Communication on the Job, ed. M. Joseph Doohar (New York: American Management Association, 1956), p. 101.

⁴Frank E. Fischer, "A New Look at Management Communication," Personnel, Vol. 31, No. 6 (May, 1955), 490.

Executives must also "exercise discretion when deciding what information can be revealed."⁵ Total disclosure may create some problems. For example, employees should not be told about contemplated mergers, or proposed store sites until the business transactions are completed. Information of this nature, prematurely communicated throughout the chain could prove embarrassing if the final negotiations are not completed. By the same token, such information could be used by competitive firms in planning their market strategy.

Actually, there is "little conflict between what employees want to know and what management wants to tell them."⁶ An employee wants to know how his work is being received. He wants to know about his security--company plans for the future and how they affect him individually--opportunity for advancement and opportunity for participation. Generally, management has shown a willingness to communicate this type of information.

In addition to planning what should be communicated, an effective program will stipulate who should be informed. Many supervisors seem to think that telling everybody everything immediately is good communication. This type of all-

⁵W. F. Rockwell, Jr., "How Much Should A President Tell?," Dun's Review and Modern Industry, Vol. 65, No. 2322 (February, 1955), 48.

⁶Raymond Peters, Communication Within Industry (New York: Harper and Bros., 1949), p. 167.

inclusive communication will ultimately reach a point of diminishing returns in which people who are not concerned will waste many work-hours wading through reams of written material. "Communications should be directed to the right people at the right time."⁷ This directed flow also recognizes the problem of status in a work group; emotional conflicts easily arise when a superior does not receive the communication ahead of his subordinates.

In the practical application of vis-a-vis communication, the supermarket manager is an important link between executive and employee. He is in an ideal position to relay information to employees and can immediately clarify any ambiguous or confusing statements. He is in an excellent position to study employees and their problems, their opinions and ideas, and can therefore transmit valuable information upward to management. In the ensuing discussion of various communicative techniques and media, the general manager's role as a communicator will be more clearly defined.

To supplement the vis-a-vis method of communicating downward, many companies have implemented one or more of the following types of communication media:

1. Annual Reports to employees and/or stockholders
2. Letters and Newsletters
3. Payroll Inserts
4. Employee Manuals

⁷R. J. Simpson, ". . . But Why Wasn't I Told?," Supervisory Management, Vol. 2, No. 3 (February, 1957), 8.

5. Posters
6. Bulletin Boards
7. Booklets and Pamphlets
8. Company Publications⁸

An important point to remember is that the more popularly used media are not necessarily the most effective. A recent survey indicated that although management considered morale posters, "canned" pamphlets and payroll inserts least effective media, they were used by more than fifty per cent of the companies surveyed.⁹

Annual reports---The annual report is management's "report card" for the year and the most important single communication with the owners.¹⁰ More businessmen are beginning to appreciate the importance of these reports in transmitting information to the stockholders. Accordingly, annual reports are being "dressed up," as it were, with photographs, diagrams, bar charts, multi-colored print, and the like, to further stimulate stockholder interest.

Many companies are also making these reports (or less expensive facsimiles) available to employees. Some firms prepare special reports with emphasis placed on the relationship of the employee to the company. "For example, net

⁸"Does Your Communication Program Measure Up?," The Management Review, Vol. XLV, No. 5 (May, 1956), 400.

⁹"Downward Communications: A Survey of Company Practices," The Management Review, Vol. XLV, No. 5 (May, 1956), 344.

¹⁰Thomas Kenney, "The New Look In Annual Reports," Dun's Review and Modern Industry, Vol. 69, No. 3 (January, 1957), 44.

profits per employee, annual wages per employee, capital investment per employee, are shown."¹¹ When tailored to the particular audience which is being sought, the annual report can become an effective medium to be utilized as a tool in the organization's over-all communication program.

Letters and newsletters---Some companies transmit letters through the company mail to announce special news, such as changes in executive personnel, purchase of new stores and impending contests. The information contained in these letters is then relayed to store employees by the supermarket manager.

Letters from the president to employees' homes have become a popular communication medium. Ideally, this technique tends to elevate the worker's status by making him feel as though he is essential to company objectives. Unfortunately, too many companies decide to indicate an interest in workers' welfare only when labor problems arise. Then, they suddenly send out personal letters, wooing the employee and his family. The workers scoffingly characterize this "new interest" as being hypocritical, and lacking sincerity--the "love me suddenly" approach.¹² Management

¹¹Peters, op. cit., p. 57.

¹²R. Newcomb and M. Sammons, "The Sins of Employee Communication," Dun's Review and Modern Industry, Vol. 69, No. 6 (April, 1957), 112.

cannot expect to reap immediate benefits by "communicating" in this manner. Workers must be shown, through day-to-day management activities, that they are important to the firm and that their needs and interests are respected. Management's messages must be sincere, consistent, and insistent.

Payroll inserts---Closely related to the procedure of mailing letters to employees' homes is the practice of inserting a printed slip into the worker's pay envelopes. Generally, these inserts treat on information related to the employee's pay check, such as insurance, union dues, contributions, or bond deductions. A serious disadvantage of the payroll insert is that it must compete for attention with a more interesting piece of paper--the pay check.

Employee manuals---Many food retail chains use various kinds of employee manuals or handbooks. One type of handbook lists company policies and is usually presented to the new employee. The Grand Union Company has published manuals outlining operating techniques and policies in particular departments, such as a Meat, Dairy, or Produce Manual. These manuals are important as transmitters of company policies and as training devices.

To be effective, these manuals must be freely accessible to employees. Each supermarket could be provided with two copies of each manual, one for the store office and the other to be kept in the appropriate department. The employee

manual should be written as an informal document--written from the employee's rather than the company's viewpoint. The terminology which employees understand may be quite different from the wording of a president's resolution or a legal document. An example of such differences follows:

Original wording:

The company shall grant every employee who has completed one full year of continuous employment, a vacation period of one week with pay for forty hours at his basic hourly rate. Vacations shall be scheduled in such a manner as not to interfere with operations or require the hiring of additional personnel.

Revised for the employee manual:

If you have been with us for a full year, you are entitled to a full week's vacation with pay during the vacation season. When you are eligible for a vacation tell your foreman when you'd like to take it, and he will do his best to meet your wishes, provided it doesn't conflict with vacation schedules of other employees or with production requirements.¹³

An important consideration is that employees be informed of the availability of these manuals. Often, these manuals are distributed to the supermarket, stored there in some remote corner never again to be seen by human eye.

Posters---Another medium used for in-store communication is the poster. Several posters dealing with store safety or courtesy may be found in the typical supermarket. Manufacturers, such as the Scott Paper Company, provide food

¹³Lee H. Hill, "How to Organize for Good Employee Relations," Business Management Handbook, ed. Jacob K. Lasser (New York: McGraw-Hill Book, Co., 1952), p. 343.

retailers with free, colorful posters dealing with health, safety, and housekeeping.

In some instances, poster campaigns have proven ineffective since many employees have formed a stereotype of posters as propaganda tools, conveying a trite message abounding with cliches. Management may have relied too heavily upon poster campaigns, believing that such programs are a panacea for poor communication.

Nevertheless, colorful and interesting posters, strategically located in the supermarket, can be a helpful and inexpensive communication tool. They can convey messages quickly and dramatically in terms easily understood by all. While posters should not be relied upon as a sole communication medium, they can be effective in a well-balanced program.

Bulletin boards---According to a survey conducted by the Esso Standard Oil Company, "bulletin boards and posters are the most commonly used communication media in industry, used in ninety-six per cent of the companies surveyed."¹⁴ Bulletin boards are generally used to keep workers informed about rules, regulations, educational items, employee benefits, and management personnel changes.

¹⁴Peters, op. cit., p. 70.

At this point, it might be informative to list a few basic rules given by Roger Bellows in his book, Psychology of Personnel in Business and Industry, for the use of bulletin boards.

1. Any message on the bulletin board must be brief. Arbitrarily, it should aim at a maximum reading time of thirty seconds.
2. All such messages must be current; they must be "Flash" messages related to immediate events or immediate future action.
3. Any such message should tell something the employee is interested in learning--about working schedules, wages, rules, and privileges.
4. These messages should be confined to those which assist the employee in guiding his positive action, such as coming to work, planning a vacation, or registering for the draft.¹⁵

A fifth stipulation could be appended to this listing. The manner in which the message is written is important. While a notice should be clear and concise, it should also contain a personal touch which will stimulate employees to feel that there is a real human being and not a legal mechanism in top management's office. In addition, the board should be kept up to date and as "uncluttered" as possible.

Booklets and pamphlets---Another method of transmitting information to employees is through the use of booklets and pamphlets. These are usually handy pocket-sized publications

¹⁵Roger M. Bellows, Psychology of Personnel in Business and Industry (New York: McGraw-Hill Book Company, 1954), p. 73.

which may deal with a plethora of topics ranging from retirement benefits to the employee's role in the community.

Some organizations compile a series of booklets to be presented the new employee. This material normally includes information concerning insurance and hospitalization benefits, safety measures, company history, policy, philosophy, et cetera. Such material must be presented in an interesting yet simple format lest it becomes stereotyped as so much "gobbledygook." When employees discount these booklets as "mere propaganda," management's message will not be communicated. When this happens, the firm could have spent the appropriation for grocery sacks to better advantage.

Company publications---Practically every sizable food chain has, at one time or another, published some form of employee magazine or house organ. Three-fourths of all large companies now have house organs and some have them by the dozen. Du Pont has seventy-five company publications. "The Atlantic and Pacific Tea Company's 'Woman's Day,' which began as a company publication, has a circulation of three million, seven hundred fifty thousand readers and an advertising revenue of over nine million dollars."¹⁶ The company publication has been both widely used and, at the same time,

¹⁶"How To Play the House Organ," Fortune, Vol. L, No. 10 (October, 1952), 144.

misused. Too often, these magazines skillfully evade questions that are on the worker's mind and dwell largely on quality, productivity and the need for teamwork.

The contents of some company magazines or newspapers may be described without even reading them. A typical publication might contain a message from the president, an article on the company's progress, some news stories several days or weeks old, pages of social notes, gossip, a few jokes, a badly drawn cartoon, and an inspirational quotation or two. This stereotyped format led observers to label company publications as "Paragons of Pap and Paternalism."¹⁷

Today, this unflattering concept has been revised to some extent. A great many house organs have "gone slick." They now seek to reach various groups with different publications. The firms may issue "internal" publications for employees; "external" for dealers and/or customers; "external-internal" for everybody. To further improve the effectiveness of these publications, many organizations are hiring experienced and qualified journalists.

Indications are that workers want to learn about plans, policies, and operations that directly affect their jobs. They want "usable news" of general interest which would be read in a regular daily newspaper. In view of this,

¹⁷ Ibid., p. 145.

it is unfortunate that, all too often, the only knowledge that a company gives its people is either openly propagandistic or purely social. Paul Cifrino, General Manager of Supreme Markets located in Metropolitan Boston, contends that employees want to read articles dealing with business matters. The following is an illustration substantiating his argument:

Each large supermarket contains half a dozen key executives--the manager and the department heads; and also there are a number of general supervisors. At certain seasons, it is a problem to get a series of different bulletins, all on the same theme, to the right people in each of the supermarkets in the chain. Some years ago, in order to avoid overlooking anybody, we prepared a general sales bulletin of about twenty pages with different sections for each department, and sent a copy to all executives and supervisors.

We expected, of course, that the people in a given department would skip over material which did not apply to them. Instead, everybody read everything. The fact that each department felt it was under public scrutiny added to the interest. Ever since, we have sought to give broad circulation to all sales and operating bulletins. We make no attempt to "glamorize" the material, yet it continues to be studied very closely. The zeal of the worker for simple statistical data on his part of the job is boundless.¹⁸

While the preceding statement furnishes interesting information concerning bulletins as an effective communication medium, it further indicates that articles dealing with more factual businesslike matters will be read by the worker. In addition, employees will read articles dealing with topics in other than their own particular sphere of

¹⁸ Paul Cifrino, "The Mainspring of Business Leadership," Harvard Business Review, Vol. 34, No. 5 (September-October, 1956), 58.

interest. Worker interest is not aroused by "educating" them on the economic facts of American life. At any rate, no one yet knows what kind of information is most effective in selling the firm and its management to the employees.

In presenting these commonly used media, emphasis has been placed, on communications rather than communication. Communications are employee magazines, newsletters, and the like while, as previously mentioned, communication is the complex, dynamic interaction that takes place every minute on the job. These media are worthless without an effective day-to-day philosophy of communication. Unfortunately, many executives see communication as a gimmick, to be taken off the peg and used as needed. "Too few see it as the heart of all business and industrial operations, the most important tool management has for getting things done."¹⁹

An important point to remember is that the selection of a communication plan depends upon the particular firm's resources and objectives. An effective program is not one wherein all types of media are used and the rationale seems to be "What is needed is more communication." An important consideration is that all groups cannot be served with one medium. By expecting one medium to reach a diversified

¹⁹ Frank Fischer and Lydia Strong, "Communication: 'X Factor' in the Management Job," Effective Communication on the Job, ed. M. Joseph Doohar (New York: American Management Association, 1956), p. 16.

audience, management is trying to hit several targets with one bullet. More progressive firms use various media to reach different groups, such as stockholders, employees, employees' families, suppliers, and customers.

An excellent set of principles for effective communication has been devised by Frank Fischer and Lydia Strong and published by the American Management Association. Basically, these rules are applicable to the manager who is communicating downward.

1. Seek to clarify own ideas before communicating. The more systematically we analyze the problem or idea to be communicated, the clearer it becomes. . . "I don't advise you," says Clarence Randall, "to start talking until you have begun thinking. It's no good opening the tap if there is nothing in the tank." Management communications commonly fail because of the inadequate planning. Good planning must consider the goals and attitudes of those who will receive the communication and those who will be affected by it.

2. Examine the true purpose of each communication. Before you communicate, ask yourself what you really want to accomplish with your message--obtain information, initiate action, change another person's attitude? Identify your most important goal and then adapt your language, tone and total approach to serve that specific objective.

3. Consider the total physical and human setting whenever you communicate. Meaning and intent are conveyed by more than words alone. Many other factors influence the over-all impact of a communication, and the manager must be sensitive to the total setting in which he communicates. . . . Like all living things, communication must be capable of adapting to its environment.

4. Consult with others where appropriate, in planning communications. Frequently, it is desirable or necessary to seek the participation of others in planning a communication or developing the facts on which to base it. . . . Moreover, those who have helped plan your communication will give it their active support.

5. Be mindful, while you communicate, of the over-tones as well as the basic content of the message. .
 . . Subtleties of communication often affect a listener's reaction to a message even more than its basic content. Similarly, our choice of language--particularly our awareness of the fine shades of meaning and emotion in the words we use--predetermines in a large part the reactions of our listeners.

6. Take the opportunity, when it arises, to convey something of help or value to the receiver. Consideration of the other person's interests and needs--the habit of trying to look at things from his point of view--will frequently point up opportunities to convey something of immediate benefit or long-range value to him. People on the job are most responsive to the manager who takes their interests into account.

7. Communicate for tomorrow as well as today. While communications may be aimed primarily at meeting the demands of an immediate situation, they must be planned with the past in mind if they are to maintain consistency in the receiver's view; but most important of all, they must be consistent with long-range interests and goals.

8. Be sure your actions support your communications. In the final analysis, the most persuasive kind of communication is not what you say but what you do. When a man's actions or attitudes contradict his words, we tend to discount what he has said--and perhaps to view it as an attempt to mislead us. For every manager, this means that good supervisory practices--such as clear assignment of responsibility, adequate delegation of authority, fair rewards for effort, and consistency in policy enforcement--serve to communicate more than all the gifts of oratory.

9. Follow-up your communication. Our best efforts at communication may be wasted, and we may never know whether we have succeeded in expressing our true meaning and intent, if we do not follow up to see how well we have put our message across. This we can do by asking questions, by encouraging the receiver to express his reactions, by follow-up contacts, by subsequent review of performance. Make certain that every important communication has a "feedback" so that complete understanding and appropriate action result.

10. Last but by no means least: Seek not only to be understood but to understand--be a good listener. . . . Listening is one of the most important, most difficult--

and most neglected--skills in communication. . . . The complex art of listening demands concentration not only on the explicit meanings another person is expressing, but on the implicit meanings, unspoken words, and undertones that may be far more significant.²⁰

The ninth and tenth principles can be applied to the discussion of upward communication. Both these concepts of following through and listening will be examined in the ensuing section.

Upward communication. Management is being constantly exhorted to listen. Recently, many observers have stressed the philosophy that communication is a two-way street. Enlightened executives readily agree that communication must be facilitated in both a downward and upward flow. These men appreciate the many values that accrue to those "who listen willingly, who urge their subordinates to talk freely and honestly,"²¹ Overemphasis on upward communication, though, could conceivably result in a situation where management is spending all its time explaining actions and policies instead of formulating them.

Effective upward communication affords many benefits to both management and the worker. Earl Planty and William Machaver of Johnson and Johnson listed several benefits of

²⁰Ibid., pp. 23-25.

²¹Earl G. Planty and William Machaver, "Stimulating Upward Communication," Effective Communication on the Job, ed. M. Joseph Doher (New York: American Management Association, 1956), p. 142.

good upward communications which are equally applicable to the food chain organization.

1. It is through unobstructed communication upward that we learn how fertile and receptive the soil is for communications downward. Many of management's best ideas are sown on cold and sour soil not tilled and prepared in advance for the information.

2. If we are to gain understanding and full acceptance of our decisions, subordinates must be given the opportunity to participate in their making, or at least to discuss the merits and defects of proposed action. Appreciation and loyalty result from self-expression in a situation in which the subordinate feels there is personal sympathy toward him and his views.

3. From upward communication, we discover whether subordinates get the meaning from downward communication that is intended by the superior. It is highly unlikely that a subordinate left completely to his own interpretation will understand a directive or an action just as the originator intended it.

4. Effective upward communication encourages subordinates to offer ideas of value to themselves and the business. The need here is to devise and use every form of upward communication that will draw these ideas from all who are qualified to submit them.²²

Upward communication also helps to satisfy basic human needs. All subordinates look upon themselves as having inherent worth at least as great as the personal worth of their superiors. This is true even if they feel their own inferiority in managerial ability. This sense of personal worth is injured when workers do not get a chance to express their ideas--when they are merely told, without opportunity to comment or reply. This principle applies even if the

²²Ibid., pp. 142-143

telling is very well done. A district manager, who asks a store manager to express his reactions to a new idea, develops a close tie with his manager and will soon gain his respect.

Despite these apparent advantages in upward communication, surveys indicate that management does not really seem to be listening. In 1953, only fifteen per cent of all manufacturing concerns maintained suggestion systems. A study of two hundredeighty-seven firms employing about forty-five thousand white collar workers, revealed that eight per cent of the companies employing nineteen per cent of the workers used attitude surveys.²³ Executives have cited several reasons for not listening. First, they distrust the ability of supervisors to relay information from the workers. Secondly, these executives feel that unions, as a medium for upward communications, are not reliable in relaying workers' feelings. Finally, it is felt that employees are not capable of expressing themselves through these devices. These executives generally agree that there is a need for better information but they flatly reject major ways of obtaining that information.

Barriers to effective upward communications are not restricted to the three aforementioned problems. Another

²³Dalton E. McFarland, "How Management Can Improve Its Listening Technique," Business Topics, Vol. 1, No. 2 (September, 1953), 5.

significant barrier is the physical distance between employer and employee. In a food chain division, the distance between headquarters and a particular unit may be several hundred miles.

The complexity of the organization is another impediment to good upward communication. Food chain management is no longer a one-man affair. Buyers, merchandisers, sales promotion men, specialists in real estate, transportation, accounting, personnel, and many others are essential to the operation of a modern food chain. A problem resulting from this complex organization is the editing and filtering of information as it passes up through the various channels. Employees have a tendency to edit information and report only what they feel the supervisor wants to hear. This handicaps the management function since policies and decisions may be formulated on half-truths and untruths passed on from lower levels.

Other barriers might be the hesitancy of lower level supervisors to cooperate since they resent having their management practices exposed. They view upward communication techniques as evaluative instruments used to check upon the quality of their supervision. One of the strongest deterrents to upward communication is the failure of management to act on undesirable conditions previously brought to its attention. The result is that "the workers lose faith both in the sincerity of management and in the value of

communication."²⁴ Finally, listening is often considered to be too time-consuming. Many executives argue that they are too involved with daily problems and responsibilities to set aside adequate time for listening to their subordinates' ideas, reports and criticism. Nevertheless, "many time-consuming problems could be minimized or eliminated if superiors were free to listen to their employees, for in listening, they can discover solutions to present problems or anticipate causes for future ones."²⁵

Of course, there are also several barriers involving employees which may reduce the effectiveness of upward communications. Employees in many organizations are not free to intrude upon a supervisor's time for discussing a problem. Neither the facilities nor the talent are as readily available to the employee for upward communication as they are to management for downward communication. In addition, employees tend to view the problem solely from their own orientation and intermix facts with personal opinions and prejudices.

Methods and media---Various media have been developed to stimulate and improve the upward flow of communications in the firm. To list a few, they are:

²⁴Planty, op. cit., p. 146.

²⁵Ibid., p. 147.

1. Social Relationships
2. Grievance Procedures
3. Employee Meetings
4. Attitude Surveys
5. Suggestion Systems²⁶

Sympathetic listening in the many day-to-day informal contacts both within and outside the workshop is by far the most effective method of learning what subordinates think.

Social relationships---The social gathering or party is sometimes used by management to effect informal, casual communication between employer and employee. Christmas parties, picnics, participation in recreational programs and planned annual outings are examples of this communication technique. A major drawback to the use of social gatherings is the unfortunate tendency on the part of both employer and employee to "let their hair down" too far. Often, something may be said or done which reflects the true feelings of an individual but is hardly conducive to good employer-employee relations.

The Jewel Tea Company of Chicago holds a three-day convention in some major city each year for its store and

²⁶"Does Your Communication Program Measure Up?,"
op. cit., p. 400.

meat managers. These men meet with other members of the management team to exchange ideas and information.²⁷

Another technique in assembling employees for communicative purposes is Grand Union's annual "Clerks' Day." Promising employees are selected to fill executive positions for one day, thereby learning some of the problems and responsibilities faced by management.²⁸ Learning how each piece of the organization fits into the broad pattern has a tendency to further employee understanding and improve cooperation.

Employee meetings---Employee meetings are another useful communication tool. Generally, the geographical separation of each retail unit precludes the use of mass meetings for communication in the food industry. Small group meetings are more easily arranged. Group discussion meetings, labor-management committees and counseling can be used effectively for both downward and upward communication.

The disadvantages of most employee meetings include "high cost and the possibility that lines of authority may be circumvented."²⁹ In addition, supervisors, conducting

²⁷Personal interview with Merrill Morse, Vice President of Jewel Tea Company, April 5, 1957.

²⁸Personal interview with Lansing P. Shield, President of the Grand Union Company, February 14, 1957.

²⁹Peters, op. cit., p. 78.

these meetings require a high degree of skill to stimulate employee participation and discussion.

Supervisors are sometimes expected to communicate the results of these meetings upward to top management. If, at regular intervals management members are requested to report on employee attitudes toward specific subjects, they might be motivated to listen more attentively to employee expressions and opinions. This method may serve a two-fold purpose. First, it may foster the idea that management is sincerely interested in the employee and secondly, it encourages department heads to listen and interpret attitudes more closely. This philosophy of watchfulness coupled with employee meetings helps management discover possible sources of unrest before they become grievances and helps department heads prepare for greater responsibility in the future.

Grievance procedures---The grievance procedure is an important medium in getting ideas upward. However, this procedure cannot be expected to do the major job. A primary goal of upward communication is an awareness of the normal day-to-day attitudes and ideas of employees. A grievance may be considered an "abnormal method of upward communication, the basis of which is misunderstanding."³⁰

³⁰Planty, op. cit., p. 156.

Many excellent articles have been written concerning the handling of grievances.³¹ One study, in particular, gives some excellent advice on handling grievances in both union and non-union situations. A synopsis of some of these principles that will be helpful in handling grievances with non-unionized employees are:

1. Try first to put the employee at ease.
2. Be courteous. Have real consideration of other people's wishes, situations and feelings.
3. Tempers must be controlled, regardless of the employee's attitude.
4. Always begin with a question.
5. Try to get all the facts.
6. Give the employee ample opportunity to talk.
7. Keep an open mind.
8. Consider all the evidence.
9. Follow up with a second interview, if necessary.
10. If it is necessary to reprimand, remember that there is only one justifiable purpose for a reprimand and that is to be constructive.
11. Only when the person has indicated that he has talked himself out is the interview over.
12. Finally, keep a record of the grievance interview for personal reference.³²

In the case of a unionized organization, the technique is modified to some extent. The Aluminum Company of America

³¹The American Management Association has compiled a series of articles in one text, entitled Effective Communication on the Job. Two articles of particular interest dealing with grievances may be found in Chapters XX and XXI. They are a Western Electric study, "Complaints and Grievances; Getting at Causes," and a report by D. M. Welton of General Foods, "When an Employee Has A Grievance."

³²D. M. Welton, "When an Employee Has A Grievance," Effective Communication on the Job, ed. M. Joseph Doohar (New York: American Management Association, 1956), pp. 215-217.

has suggested four major points for handling grievances properly and without delay in a unionized firm. They are:

1. Receive the Grievance Properly.
 - a. Give the man a good hearing
 - b. Ask the man to repeat his story
 - c. Repeat the essentials
 - d. Tell him when he can expect an answer
2. Get the Facts.
 - a. Remember to handle the case from the beginning as if you expected to defend your case before an arbitrator
 - b. Check every angle of the complaint
 - c. Check the union agreement
 - d. Check company policy
 - e. Examine the employee's record
3. Take Action.
 - a. Make correction if the company is wrong
 - b. If company is right, maintain the decision but explain it to the employee
 - c. Pass on all facts to the next level as preparation for the next step in the grievance procedure
4. Follow Up.
 - a. Make sure plan of action was carried out.³³

Grievances should be received with an open mind, free from self-consciousness and class distinction. While settling grievances is not a particularly pleasant task for the supervisor, it does provide an opportunity for developing common understanding between employees and management. Justified grievances may also indicate weaknesses in the company's practices and policies.

³³"A Four-Step Approach to Handling Grievances," Effective Communication on the Job, ed. M. Joseph Doohar (New York: American Management Association, 1956), pp. 217-219.

Attitude surveys---The attitude survey is an important method of finding out what employees think. On the basis of information obtained through a survey, it may be possible for a firm to remedy situations which are found to be causing employee discontent. In addition, the survey may, itself, aid in reducing discontent by allowing employees an opportunity to "let off steam" and also by indicating to the employees that management is really interested in listening.

"The commonly used methods of accomplishing a survey may be broadly divided into two approaches, the questionnaire method and the interview method."³⁴ The questionnaire is probably more widely used, principally because of its ease of administration and its relatively low cost. The questionnaire makes possible the coverage of specific items in a uniform fashion, thereby facilitating the gathering and tabulating of data. The questionnaire, however, may be so specific that the employee feels restricted and is unable to discuss attitudes which may be pertinent to the situation. This handicap may be partially overcome by leaving adequate space at the end of the question so that the employee can write additional comments.

The interview is another method which may be used to determine employee attitudes and opinions. The interview

³⁴Robert Dawson, "Human Behavior: Feeling the Pulse," Psychology of Industrial Relations, ed. C. H. Lawshe (New York: McGraw-Hill Book Company, 1953), p. 62.

techniques may range from the non-directive interview, in which the employee is encouraged to discuss whatever may be foremost in his mind, to the formalized interview, in which the interviewer follows a list of questions and receives simple-choice responses. The latter type "may be similar to the printed questionnaire except that the questions are used to inquire into specific areas which may then be discussed in greater detail."³⁵

The non-directive interview may become a "tailor-made" questionnaire for each employee. This interview requires a trained and skilled interviewer who can probe for attitudes and then use the information to draw valid conclusions. This interviewer best performs his function by listening rather than by giving free advice and reassurance. By allowing the individual to talk freely and release pent-up tensions, he is clearing the atmosphere so far as the employee is concerned and he will perhaps be able to determine the underlying causes of this tension. If there is some change in the work situation that can bring relief or lessening of this tension, the interviewer is then in a position to communicate his information to top management where the required changes can be inaugurated.

Some firms, notably Sears, Roebuck and Company, make use of the questionnaire and interview in combination.³⁶

³⁵Ibid., p. 79.

³⁶Ibid., p. 80.

The questionnaire is used first "to take the temperature" of the organization. If the responses indicate employee problems, an interviewing team is brought in for a more thorough study of the situation. The questionnaire locates the problem area and the interview is intended to determine the "why" of any discontent.

These attitude surveys can be an effective means of securing upward communication. They are a valuable supplement to the everyday personal contact between the employees and management. Of course, when management receives the results of these surveys, it should use this information in its policy-making and personnel practices.

Suggestion systems---Suggestion systems have come into the limelight in recent years as a method of discovering and using employees' ideas. Much has been written about how to introduce and utilize a suggestion system. The widespread publicity and elaborate "success stories" pertaining to suggestion systems may have glossed over some serious problems encountered in implementing such a system. The fact that seventy per cent of all suggestion systems initiated in recent years have failed leads the writer to believe that these problems are of major importance.³⁷

³⁷"Stimulating Workers' Suggestions," Supervisory Management, Vol. 2, No. 6 (May, 1951), 11.

Generally, most supervisors feel that suggestion boxes are not paying their way. They list the following as common complaints:

1. Employees submit too many little ideas that don't pay off.
2. Few employees take the time or trouble to formulate an idea fully.
3. Employees are more interested in improving working conditions than efficiency.
4. Employees often resent it if their pet suggestion is rejected.
5. Even if the company accepts an idea, the employee may be unhappy about the size of award or bonus he receives.
6. Too many suggestion systems suffer from lack of control and inadequate records.³⁸

Another problem resulting from suggestion systems is the fact that they detour the normal channels of communication and thereby violate a fundamental management principle.

Despite these criticisms, a well administered plan can provide worthwhile benefits. An effective suggestion system can create better employee morale. In addition, it can pay off in real savings. While only thirty per cent of all employee suggestions turn out to be valuable, this figure, converted to dollars and cents, represents a substantial savings. In 1955, General Motors received 228,437 suggestions and paid out over three million dollars. In

³⁸Ibid., pp. 11-12.

1953, General Electric awarded six hundred eighty thousand dollars in prizes and, in 1954, Ford Motor disbursed seven hundred fifty thousand dollars.³⁹

The National Association of Suggestion Systems reports that its eight hundred association members accepted two hundred sixty thousand employee suggestions in 1955 and paid out seven million dollars in awards. Since actual savings are estimated at ten times their cost, employee suggestions saved industry approximately seventy million dollars in 1955 alone.⁴⁰

Perhaps, then, the weaknesses of a suggestion system are predominantly attributable to faulty administration. In order to develop a sound plan, management must commit itself to a very thorough study of each suggestion. Both the validity and the cause for a suggestion must be examined.

In implementing the suggestion system in a supermarket operation, the store manager plays a critical role in determining its success. He can guide the employee, when necessary, on how to write up suggestions. He may help screen out impractical suggestions before they reach higher management. In addition, he can cushion the blow of a rejected idea and encourage employees to try again.

The store manager, in turn, must be shown how he, as well as the employees, benefit from a suggestion system.

³⁹ Ibid., p. 12.

⁴⁰ Ibid.

He must be instilled with the thought that employees have valuable ideas which may help him operate his market more profitably. The store manager must be recognized along with the employee submitting a valid suggestion. This recognition is effected by having all suggestions answered by an executive above store level. In this way, managers may be encouraged to seek suggestions from their employees.

Giving the employee an opportunity to bypass the next level of supervision may encourage him to express himself; but it must be kept firmly in mind that the ultimate objective is to direct the communication through rather than around the store manager. In this way, emphasis can be placed on the quality rather than quantity of suggestions.

Open-door policy---Any discussion of upward communication inevitably leads to mention of the so-called open-door policy. This communication technique is claimed by many executives as evidence of their democratic philosophy. This method ignores the established procedure for handling grievances since an employee can circumvent the chain of command by approaching a superior on a higher level than his immediate supervisor. "The typical open-door policy creates havoc in most of the concerns where it is tried, because a company cannot build respect for the chain of command with one policy and tear it down with the rest."⁴¹

⁴¹Newcomb and Sammons, loc. cit., p. 112.

A district supervisor, in a chain where this policy is practiced, might be forced to spend a substantial portion of his work day in handling grievances which could normally be resolved by the store manager.

"The boss's open door may score a point as a symbol, but that it actually aids communication . . . is rather dubious."⁴² Do the employees really come streaming through that open door? If they did, the executive would soon tire of such a policy when he finds his time occupied with explaining decisions rather than making them. In addition, employees may not be overly eager to visit with a top executive. There is a certain stigma attached to the employee who becomes "buddy-buddy with the bosses."

Horizontal communication. In recent years, executives have become aware of the importance of communication within the management group. Previously, emphasis was placed primarily on communication through the management group without regard for the necessity of communications within, as the means whereby the organization's efforts could become more effective.

The relatively recent awareness that this horizontal communication is of vital importance to the continued effectiveness and efficiency of the firm may be traced to the following causes:

⁴²Robert Sheehan, "Business Manners," Fortune, Vol. LV, No. 1 (January, 1957), 206.



1. Many organizations gave impetus to the horizontal communications movement as a result of top management's desire to improve communication throughout the firm. Many top executives agree that the lower level of management (general managers) is an especially critical link in the organization's communication system. The general manager should be able to represent management to the worker in relaying organizational policies and other communications required by the worker.

2. An increase in the organization of rank and file workers has also increased the need for more effective communications in the management group. The union, in many instances, developed communication channels within itself that functioned more efficiently than management's. A union steward, as a result of inefficient management communications, often received the information before the lower levels of management.

3. Some organizations felt, too, that the promotion of rank and file employees into the management structure posed a problem resulting from their (employees) union background. The problem centered around integrating the labor-management concepts of new management personnel to include a fair and workable view of management's philosophy.⁴³

All of the foregoing factors point up the need for increased organizational attention toward improving the intra-management communications system as a means toward increasing efficiency and effectiveness.

A popular tool for intra-management communication (excluding the day-to-day personal contact of supervisors) is the conference. This method may be employed in various ways to serve different purposes. Human relations training may be an objective of the conference method. Other meetings

⁴³William W. Mussman, Communication Within the Management Group (New York: National Industrial Conference Board, 1947), p. 1.

may be designed to communicate specific information about the organization. Perhaps the most common type of conference utilized in the food industry is the sales meeting. Conferences may also deal with decisions concerning new merchandise, space allocation, site selection, and the like. Still other programs afford the opportunity of participation for all management levels in the formulation and development of personnel policies.

The question which logically arises at this point is whether the use of conference methods is too time-consuming. While this technique does require additional time, the extra effort may be compensated by the cooperation and increased efficiency in administration achieved through management's participation and understanding. The added emphasis on conference techniques leads the writer to conclude that many executives consider this method of communication worth the extra time and effort.⁴⁴

Conference programs should not displace the informal day-to-day communication contacts within the organization. Basically, the conference method should be applied as a supplement to an effective communication program.

The McCormick Spice Company has used a form of intra-management communication known as "Multiple Management,"

⁴⁴Effective Communication on the Job, ed. M. J. Doohar (New York: American Management Association, 1956) includes articles on effective conference leadership. See: United States Rubber Company, "How to Lead a Conference," Chapter XXIV; Stanley Dulsky, "Improving Conference Leadership," Chapter XXV.

since 1932. This unique approach provides for three junior boards of directors, one for each office, factory and sales function of the business. Original members of the junior boards were appointed, but three new members are selected every six months by means of merit ratings developed by the members themselves. Eligibility starts at the supervisory level. This approach extends active participation in policy making and high-level management problems to junior executives and supervisors. In addition to facilitating intra-management communication, this system also provides an approach to supervisory development.

The grapevine. A discussion of communications within the food chain would certainly be incomplete without due reference to the grapevine. This amazing aspect of communication never seems to break down as do other types of more formal communication.

Since the grapevine is such an effective means of disseminating information, why can't it be made to work for management? According to Juliet Halford who has conducted several studies on "grapevines," the news is spread among clusters of about two or three people. The news is kept going by a few "liaison individuals" who are job-centered informal leaders. They are intensely interested in anything that may possibly affect their jobs or those of the people

with whom they work and they are quite vocal about it.⁴⁵ Why then can't management find these informal leaders and see that they have the right facts and attitudes to pass along?

At least one executive has used the grapevine to ascertain employee reactions to an impending management change.⁴⁶ Usually, the grapevine is thought of as unplanned and uncontrollable, more likely to spread insecurity and create tenseness than serve any useful purpose. Nevertheless, this supermarket operator fed a rumor into the grapevine experimentally to check the acceptability of an employee he had tentatively selected as department head. This manager circulated the name of the young man as the next department head and then, through feedback reports, checked the acceptance or rejection of this man by the employees.

This strategy, while successful on this particular occasion, could cause serious repercussions. If the employees discover that they have been misled in such a manner, they could conceivably grow resentful at having been "used." A store manager who depends upon employees to screen

⁴⁵Juliet M. Halford, "The Care and Feeding of the Grapevine," Supervisory Management, Vol. 2, No. 2 (December, 1956), 16.

⁴⁶B. J. Speroff, "Grapevine Helps Pick Supervisor," Personnel Journal, Vol. 351, No. 7 (December, 1956), 12.

promotions in this manner may suffer a loss of prestige and respect.

A better understanding of how rumors incubate and spread might suggest methods for their control. Rumors travel only when the story has importance for both the speaker and the hearer and the true facts are shrouded in some kind of ambiguity. Most rumors that fly in the face of fact can be traced to a breakdown in communication between management and the worker.

Robert Hershey, personnel director of the Bulova Watch Company, suggests some measures which may be taken by supervisors to curtail the flow of rumors. They are:

1. Keep normal communication channels open--rumors flourish in the absence of reliable information.
2. Don't use the public address system to debunk a rumor; this method seems to make the rumor better remembered than the refutation.
3. Prevent idleness and monotony in the plant wherever possible.
4. Debunk a rumor by presenting solid facts about the topic rather than by trying to disprove the logic of the rumor.
5. Campaign against rumors and rumor-mongering.
6. Educate supervisors in the dynamics of the rumor.
7. Distract people's attention from the rumor area.
8. Don't just deny a rumor and leave it at that.
9. Interpret the rumor as a psychiatrist would a symptom. Ask yourself what anxiety or attitude does this rumor reflect? Then try to relieve the

tension by correcting the situation which caused it.⁴⁷

These precautions might be expected to reduce rumor-mongering because those concerned are more in touch with the facts and less unsure of themselves.

Conclusion

"If the people around you are spiteful and callous and will not hear you," wrote Dostoevsky in 1880 in The Brothers Karamazov, "fall down before them and beg their forgiveness; for in truth you are to blame for their not wanting to hear you."⁴⁸ This counsel is still good today. The crux of the communication problem is getting one's self understood. In communication, either oral or written, "management must take the time and pains to make sure it is reasonably understood."⁴⁹

In this regard, the lower level of management, the store manager, is the key to what most experts consider the best type of communication--the everyday face-to-face relationship. Accordingly, the manager should learn to develop

⁴⁷Robert Hershey, "How to Control the 'Rumor Factory'," The Management Review, Vol. XLVI, No. 3 (March, 1957), 45.

⁴⁸Fyodor Dostoevsky, The Brothers Karamazov (New York: The Heritage Press, 1933), p. 246.

⁴⁹George Smith, Jr., "Questions the Business Leader Should Ask Himself," Harvard Business Review, Vol. 34, No. 2 (March-April, 1956), 49.

habits of being precise in giving instructions. He should tell why something is being done in a certain manner.⁵⁰

In helping workers to keep daily facts in line with appropriate feelings and worthwhile purposes, Paul Pigors of the Massachusetts Institute of Technology says that management has three major responsibilities:

1. To make the facts of work and of daily work relationships such that they do not necessarily deaden appropriate feelings.
2. To communicate its own purposes about work, and its feelings about the employment relationship, in such a way that employees can understand and assent.
3. To develop better communication, so that the suitable feelings and purposes of management and workers can be put to work to strengthen the bonds of group living.⁵¹

A good communication system is based on the particular organization's specific needs. The answer to the communications problem is not more communication but a plan tailored to the firm's needs. Above all, the program must be implemented on a regular basis. Management cannot suddenly initiate a communication program and expect satisfying results immediately.

⁵⁰The text Effective Communication on the Job, ed. M. Joseph Doohar (New York: American Management Association, 1956) contains an interesting series of articles dealing with the manager's day-to-day communications job. Chapters VII to XIII discuss such topics as how to introduce new employees, how to get an idea across, how to instruct and give orders, how to reprimand, et cetera.

⁵¹Paul Pigors, "What Is Meaning and How Can We Share It?," Effective Communication on the Job, ed. M. Joseph Doohar (New York: American Management Association, 1956), p. 51.

Finally, management must learn to listen attentively. In this way, supervisors can learn what workers want and how they react to various communication methods. Of course, as has been pointed out in this study, there are definite costs in establishing an intensive communication program. Nevertheless, there are also costs accompanying poor communication, such as less efficiency and more labor disputes. While this traditional rationale of self-interest is often cited by executives, a few have come to look upon communication as a moral obligation--that of enabling the employee to participate in a democratic organization. Whichever motive he acknowledges, the businessman is still faced with the basic task of improving the organization's communication system.

CHAPTER III

INTEGRATING THE CHAIN AND THE COMMUNITY

Introduction

Within the past twenty years, public relations has grown into an important profession in American Industry. The press agent of yesterday has been transformed into today's dignified public relations consultant. Many colleges and universities now offer public relations courses and one, Boston University, has a School of Public Relations which awards a Master of Science degree.¹

Businessmen, too, have begun to recognize the importance of public relations. According to a recent study, nearly five thousand corporations now support public relations departments or engage public relations counsel. In addition, at least half a billion dollars are spent in annual salaries for personnel engaged in the work of public relations.²

The concept of "caveat emptor" (let the buyer beware) which may have prompted William Vanderbilt's notorious

¹Robert Heilbroner, "Public Relations: The Invisible Sell," Harper's Magazine, Vol. 214, No. 1285 (June, 1957), 23.

²Ibid.

utterance in 1879, "The public be damned," is diametrically opposed to the current philosophy of public relations.

Today's executives generally appreciate the fact that business successes are closely related to the degree of public approbation they enjoy. Within the retail food industry in particular, public acceptance can mean the difference between an operation's success or failure.

Historical Background of Public Relations in the Food Industry

History has taught the food retail industry that effective public relations cannot be attained passively. During the 1930's when the chains underwent a period of rapid expansion their relations with the general public were quite unfavorable. Public opinion was directed toward stunting and even reversing the expansion trend as evidenced by punitive legislation and organized anti-chain group activity.³

Chains soon discovered the effectiveness of organized minority activities in influencing the action and opinion of the general public. Housewives were told that the chains were taking money out of the community and driving local retailers out of business. At the same time, chains failed

³M. M. Zimmerman, The Super Market (New York: McGraw-Hill Book Company, 1955), p. 5.

to associate their continued expansion with a need for communications to the various groups. Generally, the chains failed to foresee the need for understanding the various groups or for these groups' understanding the chains.

The virulence of anti-chain campaigns combined with legislation to abolish the advantages of procurement which the chains enjoyed would seem to provide insurmountable obstacles for food retail executives to overcome. Ironically, the need to allay this resistance may have provided the stimulus required to achieve the industry's present status in the United States. Faced with these common problems, individual chains combined efforts, hired professional public relations men to initiate counter-campaigns and concentrated their operational endeavors on the improvement of their distributive activities. Both plans were successful and, today, more people appreciate the fact that chains can afford a lower price to the consumer because of economies in distribution, shifting of functions and integrated, more efficient management.

The chains did not limit their public relations activities to the consumer group alone. Some organizations actively sought better relations with farm groups. An ideal opportunity presented itself in February, 1936, when the California cling peach growers were suffering considerable losses due to an under-consumption of canned peaches. The chains acted quickly and effectively in this situation.

The Food and Grocery Chain Stores of America, a national association which a few months later became the National Association of Food Chains, launched a nationwide drive to promote this surplus to the public. Instead of suffering a seemingly inevitable disaster, the peach growers were able to dispose of their crop at a substantial profit because of this intervention.⁴

Later, when beef prices dipped due to the abnormal rate of slaughter necessitated by drought, the chains again demonstrated the value of organized distribution. On another occasion, they earned the gratitude and respect of California's dried fruit producers by moving an unprecedented volume of produce into consumption. Following these experiences, the food chains developed a permanent agricultural relief program which has channeled many surplus crops to the American consumer.⁵

Many food retailers have not forgotten those troubled years of public hostility. They have learned the importance of effective public relations. Consequently, many chains have become actively engaged in programs designed to gain the understanding and acceptance of the various publics. Unfortunately, too many programs never achieve this objective. Reasons which might cause a public relations program to

⁴Godfrey M. Lebharr, Chain Stores In America (Clinton, Massachusetts: The Colonial Press, 1952), p. 11.

⁵Ibid.

either fail or succeed will be examined in the following sections. Accordingly, this study will be concerned with an analysis of the public relations director and department, the different publics and some tools of public relations.

Public Relations Defined

Before undertaking a study of public relations planning, it might be helpful to define what is meant by public relations. To some, the most effective public relations is largely an application of the "Golden Rule plus publicity; it is a matter of doing good and seeing to it that the light shines as far and as brightly as possible."⁶ The objective of public relations may be defined as "making people like you, understand you and appreciate the value of the products which you sell or the services you perform."⁷ Public relations may be described simply as doing the correct thing and then telling the public about it. This concept involves more than saying things people like; it is doing things people know are right. An organization must have integrity in order to merit the public's confidence.

Perhaps the basic formula for public relations as conceived by Paul Garrett, formerly vice president of General

⁶Ed Lipscomb, Grassroots Public Relations for Agriculture (Little Rock, Arkansas: Democrat Printing and Lithographing Co., 1950), p. 29.

⁷Paul Sayres, Food Marketing (New York: McGraw-Hill Book Company, Inc., 1950), p. 199.

Motors and now public relations consultant, would depict a clear and concise image. In essence, he states that management policies, as applied through people connected with the company, determine the acceptance of the company and its products. Figure 2 might aid in the visualization of this concept.⁸

This formula can provide a guide within which retail food chains may plan and implement an aggressive public relations program. An important point to remember is that public relations is a function of all levels of management. Every executive who has contact with employees, customers, suppliers and the other publics has a major responsibility for public relations. Every employee has a similar responsibility to make a good public impression for his firm.

The Public Relations Director and Department

To facilitate this work, many organizations have staff public relations departments. This department is not designed to relieve the organization's personnel of the responsibility for public relations but to advise, plan and program public relations activities. In addition, the department can provide management with the specialized skills and communication tools needed to carry out public relations policies.

⁸Bertrand R. Canfield, Public Relations: Principles and Problems (Homewood, Illinois: Richard D. Irwin, Inc., 1952), p. 6.

BASIC FORMULA

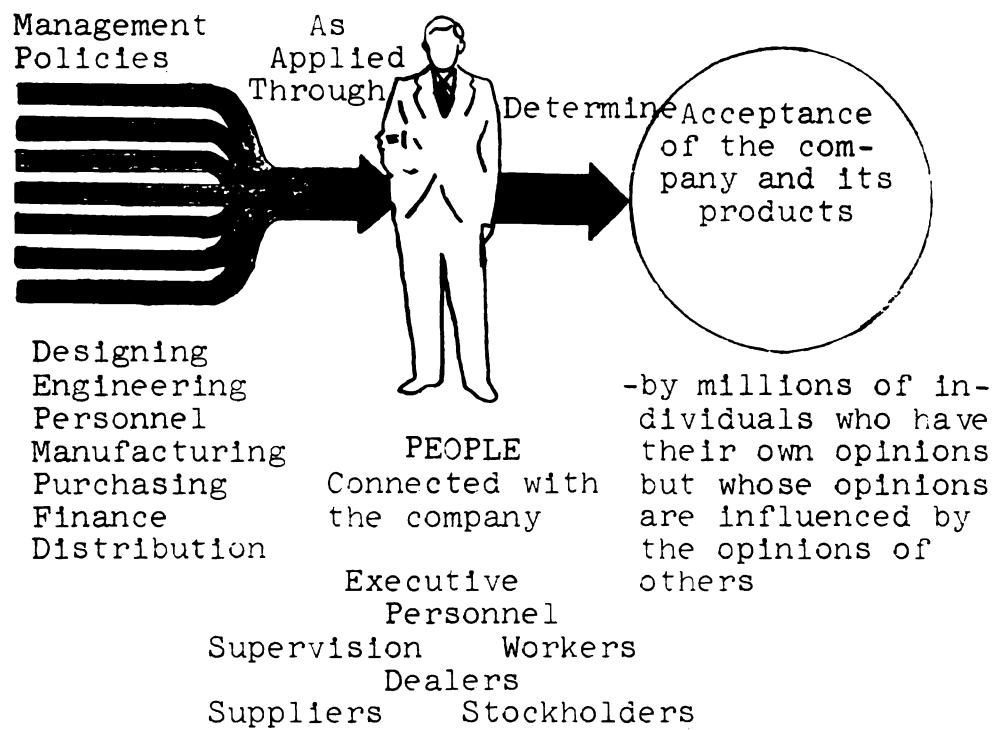


Fig. 2. Basic formula for public relations conceived by Paul Garrett, formerly vice president of General Motors and now public relations consultant

The work of this department is normally supervised by a public relations director who must possess a variety of unusual skills. A successful public relations director has been described as one who must possess:

1. Common sense
2. News sense
3. Business sense
4. Dramatic sense
5. Ability to write
6. An understanding of the editorial and printing practices of newspapers and other periodical publications
7. A knowledge of the workings of radio (and television)
8. Specialized knowledge of the field in which the publicity is sought⁹

At least one more requirement should be added--management ability. A public relations director must be able to plan, organize, and control the operations of his department.

In selecting the public relations director, it must be decided whether he is to be taken from within the company or from an outside source. The advantages and disadvantages of either choice should be carefully weighed. If a company man is used, the benefits are that he is well acquainted with the company, its internal operations and difficulties. The principal disadvantage is that he is usually untrained in the public relations field. In most cases, the responsibility is assigned as a secondary duty to a staff executive

⁹Milton Wright, How to Get Publicity (New York: McGraw-Hill Book Company, Inc., 1945), pp. 194-195.

who can devote only part of his work day to this particular job. This restricts the scope of the program since the staff executive will be limited in his ability to appreciate the individual problems of each public.

Many more companies employ or retain professional public relations people today than was the case five or ten years ago.¹⁰ By choosing an outsider, the chain can be more discriminating and select a person who is experienced in the public relations field. In addition, the aforementioned "key executive" will be released for his primary duties. On the other hand, this outside man would not be familiar with the chain's specific problems and therefore might find it difficult to determine the source of troublesome situations. This disadvantage, of course, should be offset in time as the public relations man becomes oriented to the firm.

Some companies utilize both internal and external public relations administrators; one as the departmental director, the other as a public relations counselor. The latter is retained by the company but remains independent of its organizational structure. He provides an objective approach to the firm's public relations program, serving as would a professional attorney, engineer, or accountant.

¹⁰John McCaffrey, "A Company President Looks at Public Relations," The Management Review, Vol. XLV, No 4 (April, 1956), 278.

The next step in organizing an adequate department is to determine its functions. These functions will be dictated by the number, size and importance of the publics served by the chain; the size and financial resources of the business; the attitudes of the public toward the business; and the external social, economic, and political conditions of the community. The specific functions of the department should include research, planning, coordination, administration, and production.

Research might involve opinion surveys of the various publics, interpretation of social, economic, and political trends and studies of public relations techniques.

Planning should include the determining of basic public relations policies. In addition, planning would involve establishing objectives, selecting methods of communication, timing, assigning personnel, and budgeting.

Coordination is the process of bringing all departments of the organization together into a harmonious unit. This necessitates the internal contacting, informing and advising of directors, key officials, operating executives, department heads, and field public relations representatives.

Administration involves the rendering of service to all departments of the business. The control of budgets, the supervision of services and personnel and the employment and direction of the clerical and stenographic force are activities related to the administrative function.

Production involves the actual contact work of the public relations department. This includes the implementation and development of publicity, motion pictures, slide films, publications, special events, community participation, public appearances, correspondence, and institutional advertising.

Carleton P. Adams, in his article, "How to Organize an Effective Public Relations Department," enumerated ten practical guides which should be considered in establishing a public relations department. They are:

1. Fix responsibility. The director should be able to report directly to a major executive.
2. Establish a budget.
3. Set up a program. What does the company want to publicize and how widely?
4. Develop news sources.
5. Secure approval for release.
6. Set up a filing system.
7. Develop a mailing list. Don't mail blindly.
8. Develop a master photo file.
9. Make monthly reports.
10. Merchandise the results.¹¹

To attain maximum efficiency, the department should be placed in the organization at the top-management level and made responsible directly to the president and board of directors. Since every action and policy of the company affects at least one public, it is only logical that public relations should be a top-management function and the public

¹¹Carleton P. Adams, "How to Organize an Effective Public Relations Department," Industrial Marketing, Vol. 41, No. 12 (December, 1956), 46.

relations director a major officer. In this position, the director can maintain better coordination and closer contact with the various department supervisors and gain their support in different activities.

The organization's degree of emphasis on public relations is often reflected in the position of the director in the company's hierarchy. Though titles may not be a completely true reflection of organizational philosophy, it is noteworthy that a number of chain public relations departments are administered by vice presidents. Marshall Field has a special vice president in charge of civic affairs.¹²

To summarize, the supermarket executive should keep close contact with his public relations director and department. He should cooperate with the director in accomplishing the following objectives:

1. Establishing public relations objectives before initiating publicity actively.
2. Phasing the program as a high-level function of management, assigned to a senior executive.
3. Educating the company on the nature and purpose of public relations, and developing a cooperative attitude on a company-wide basis.
4. Understanding what to expect from public relations and learning the difference between public relations and advertising.
5. Understanding the tools of public relations.
6. Being open-minded about recommendations that differ from familiar ideas.

¹²"Today's Civic-Minded Executives," The Management Review, Vol. XLVI, No. 2 (February, 1957), 28.

7. Periodically renewing both the objectives and the accomplishments of the program at a high level in an atmosphere conducive to creative redirection of a program to meet changing needs.
8. Establishing a budget adequate for the successful execution of a program designed to meet the specified objectives.¹³

Favorable public opinion can be achieved only through the efforts of every employee in each department. When every employee and executive recognizes his role in the public relations task, the department is then in a position to effectively guide and stimulate the actions of these workers in integrating the chain with society.

The Various Groups in Public Relations

Public relations must serve the interests of all groups; it should not be directed to any one particular group. To attain optimum results, general policies and philosophies must be presented in different aspects to various publics. At least eight types of social groups, toward which a modern organization must promote public relations, have been suggested. They are:

1. The employees. This includes everyone from the newest worker to the highest executive.
2. The general public. Present customers constitute a large proportion of this group but potential customers should not be disregarded.

¹³"Here Are Your 1957 Public Relations Resolutions," Industrial Marketing, Vol. 42, No. 2 (February, 1957), 55.

3. The community. This indicates the people surrounding an area in which the chain is operating.
4. The suppliers. Each chain has numerous suppliers--wholesalers, brokers and the like.
5. The governments. This includes local, state and federal governments.
6. The special groups. Labor unions, church and youth organizations may be categorized as special groups.
7. The stockholders. Any individual who holds shares in the chain is a stockholder.
8. The people who disseminate information. These are members of radio, television, newspapers and other communication media.¹⁴

Of course, there may be overlapping of interests between these groups. For example, one who is a member of the employee public, may also belong to the community and stockholder groups. Nevertheless, for practical purposes, each group must be treated as a separate entity. In case of conflicting interests, the public relations director must not attempt to impress a particular group with one side of an issue and then seek to impress another group with the other side.

Employee Relations

Good public relations "begins at home," by developing understanding and creating enthusiasm among the employees;

¹⁴John W. Darr, Public Relations for Profit (New York: Funk and Wagnalls Co., 1945), p. 7.

not only store employees, but every member of the organization up to and including the president. Only when personnel are enthusiastic about their work and their company can they radiate a positive attitude toward the other publics. "Employee ambassadorship is governed to a large part on how the individual feels about his job and the company."¹⁵ In addition, each employee must feel that he is an important element of the organization and thus closely identify himself with the company. This association must be extended to such a degree that the employee will feel criticized when someone criticizes the organization, or rightfully feel responsible for part of the praise bestowed upon the enterprise.

In order to develop effective employee relations, management should first try to determine the employees' attitudes toward the company. Do they think that wages are fair? Are they satisfied with working conditions? Do employees feel that they are receiving adequate recognition? Do they believe that promotions are given those with the most ability or that the best jobs are being handed to friends or relatives of executives? Are workers satisfied with the company's security measures--pensions, health, accident and life insurance, sick leaves, and other benefits

¹⁵Keith S. McHugh, "Your Most Important Spokesman," Dun's Review and Modern Industry, Vol. 68, No. 1 (July, 1956), 34.

designed to improve employee job satisfaction? These surveys offer employees an opportunity to express their satisfactions and dissatisfactions and may reveal ways of improving personnel policies and working conditions. Recognizing the importance of satisfied employees to public relations in general, management often conducts these surveys prior to the implementation of a full-scale public relations program.

Although public relations is the responsibility of each food chain employee, the supermarket manager occupies a strategic position in this continuing battle for consumer favor. The manager represents his company at the store level. A customer's attitude toward a particular chain is affected by her relationship with the store manager. Even deeper than this relationship is the impact that the store manager can exert upon store personnel. First, he can impress all employees with the importance of their particular jobs within the supermarket. This attitude may be further developed by offering adequate wages, satisfactory working conditions and reasonable opportunities for promotion. Lansing P. Shield, president of the Grand Union Company, conceived four major planks which should improve employee satisfaction. They are:

1. Security
2. Opportunity
3. Rewards to each man in proportion to his contributions

4. Fulfilling the employee's desire to belong¹⁶

A satisfied employee can mean satisfied customers. If the workers are content, they will perform their functions well and will create a pleasing atmosphere in the supermarket.

Good employee relations is also promoted by investing status in each worker's role in the supermarket organization. Unfortunately, too many people still perceive of the food store as a sweat shop where employees work long and arduous hours at dirty and unsavory tasks. Some think of the supermarket as a place where a high school boy may earn a few dollars working part-time; but where no one with any intelligence and ambition would ever seek a career. Indeed, such judgments must be deeply-rooted, for they are still retained by many despite the impressive supermarkets of today, shorter working hours and the use of progressive personnel techniques for selection, placement and training. Because of these unfavorable attitudes, the retail food industry is confronted with a fundamental communication problem--how to inform the public of the opportunities provided for useful and satisfying careers.

As the public becomes more aware of this changing concept in food retailing, they will develop a greater

¹⁶Speech presented by Lansing P. Shield, President of the Grand Union Company, at a Food Distribution Club meeting, Michigan State University, February 14, 1957.

respect for the "professionalism" of the food industry. Consequently, this will improve the grocer's status as a productive and respected member of the community. Such education while within the realm of public relations can be promoted by each employee reflecting credit upon both himself and the industry.

As previously mentioned, the supermarket manager is in an ideal position to create a feeling of good will among his employees. He can instill in each employee a spirit of cooperation--a feeling of working with rather than for the company. Although it may be of some benefit to apply such public relations techniques as illustrating the dollar value of each shopper or explaining what the loss of several good customers can mean to a supermarket's earnings, this treatment seems somewhat superficial. A more basic approach is to engender in each employee a feeling for the customer as a person rather than a statistic. "Warm, friendly action comes from having a real feeling for people and their problems."¹⁷ Employees with this attitude are public relations ambassadors, true administrators of any effective program.

The importance of friendly employees to a modern food chain cannot be over-emphasized. Due to the high degree of

¹⁷"The Friendly Store: Manager's Training Course," Chain Store Age, Vol. 33, No. 2 (February, 1957), 67.

self-service in a supermarket operation, employee-customer contacts have been limited to such areas as the checkstand, bottle-refund desk and pick-up station. Consequently, the impressions a customer receives during these infrequent contacts will determine, to a considerable degree, her attitude toward the particular supermarket.

A chain, to be successful, must develop a favorable personality; it must create a psychological label or sign. "This personality is built through a combination of factors--merchandising, advertising and public relations."¹⁸ Personality though is not based merely upon a unique pylon or quaint cartoon character. A chain's personality depends upon its merchandising policies, its employee relations, store layout, services offered, et cetera.

An alert executive will critically evaluate his chain's public relations "output," so to speak. Some have devised checklists designed to appraise each unit's "personality." A well-planned checklist might attempt to determine whether:

1. Friendliness and prompt attention are extended to all customers.
2. Accurate and courteous directions are given to all customers.
3. Courtesy is extended to the "hard to please" shopper.

¹⁸Pierre Martineau, "Your Company Personality--How Important Is It?," Business Topics, Vol. 4, No. 1 (July, 1956), 6.

4. Enthusiastic salesmanship and service is demonstrated where customers refund bottles, cash checks or order special cuts of meat.
5. Quality is religiously maintained and the customer is treated honestly at all times.
6. Every employee has adequate knowledge of the store's merchandise.
7. Prompt and cheerful adjustments are made.
8. The entire market radiates cleanliness and orderliness.
9. The store offers good food, attractively priced and displayed.
10. In general, customers are treated as company.¹⁹

While these conditions may be difficult to attain, the feat is not impossible. Every store manager should strive for the achievement of these high standards. In so doing, he should be able to mold favorable public opinion and encourage loyal customer patronage.

The General Public

Another group which demands careful consideration when formulating policies for a public relations program is the general public. The chain must appeal not only to those who already patronize their supermarkets but also to potential customers. To larger food chains, such as the Atlantic and Pacific Tea Company and Safeway Stores, the general

¹⁹"The Friendly Store: Manager's Training Course,"
op. cit., p. 67.

public is practically the national population. Chains which do not enjoy these advantages of "bigness" have pooled their resources in trade associations, such as the National Association of Food Chains and Super Market Institute, to promote the industry in general. These groups have implemented institutional advertising to inform the public of the many social and economic benefits resulting from the food chains' productive efforts. Americans are better fed and enjoy greater dietary education because of the industry's activities. Despite increased living costs and a lower valuation of the consumer dollar, an average laborer can purchase more units of food with his hourly earnings than ever before. These and various other benefits are brought to the general public's attention in an effort to foster better public relations throughout the industry.

The Atlantic and Pacific Tea Company, while traditionally secretive about its policies and activities, is intensely interested in promoting good public relations. The Atlantic and Pacific Tea Company advertises nationally that it is an integral part of the American way of life; that no community is complete without one of its markets. The company publicizes every occurrence which might favorably impress public opinion. Typical of such advertisements is the following excerpt:

Now a 5 day week for A&P employees throughout the nation. Stores will be open 6 days a week as usual but no employee will work more than 5 days.

This, we believe, constitutes the first 5 day week and the shortest general working hours of any major food retail establishment.

For many years, it has been a source of pride to us that we have been able to maintain the highest average wage scale and the shortest working hours in a field where long hours have been traditional.²⁰

Through such releases, the company attempts to inform the public that its employees are treated fairly and paid well. The chain promotes the fact that it is a good corporate citizen sincerely interested in the welfare of its employees.

Of course, the majority of food chains cannot approach the magnitude and scope of such a public relations program. The size and far-flung interests of the Atlantic and Pacific Tea Company make these large-scale promotions profitable. Nevertheless, the philosophy behind these campaigns can be applied to advantage by the smaller chains. Wrigley Stores, Incorporated, of Detroit has made a number of outstanding contributions which inevitably resulted in favorable reactions from the general public. A shipment of foodstuffs was flown by Wrigley's to hurricane victims in Haiti. During the same period, Wrigley's had shipped a cargo of canned vegetables through the American-Korean Foundation to institutions and hospitals in Korea.²¹ Such manifestations of

²⁰Tom Mahoney and Rita Hession, Public Relations for Retailers (New York: The MacMillan Co., 1949), p. 239.

²¹"Wrigley's is Active in Civic Affairs," The Spirit of Wrigleys, Vol. 9, No. 12 (December, 1954), 10.

the food industry's willingness to devote its facilities and know-how to serving not only the American public but people of all nations are gradually eliminating the traditional concept of food retailing as a non-productive and low status form of endeavor.

Community Relations

Closely allied with influencing the general public is the problem of integrating the chain and the community which it serves. One of the major problems confronting any chain is that of gaining acceptance as a business with vested interests in a particular community. A large chain operating in several hundred small communities has difficulty in maintaining a close relationship with each and every one of them. An independent grocer has a decided advantage in that his business has developed within and is dependent upon the community. In many instances, he is a native or owns a home in the area.

Chain stores labor under two inherent handicaps. First, in a decentralized operation it is sometimes difficult for home office executives to visualize problems in small and distant towns. Secondly, store managers must frequently be moved from community to community as part of their own personal development as well as to meet the needs of the company. Thus, they may not have the time to become as widely acquainted with the communities in which they work

or to develop as much civic pride as do the independent retailers.

Nevertheless, the task can and must be accomplished. "The bigger and more widespread an outfit grows, the more its strength must stem from local understanding and support."²² In order to secure this local support the communities should be told how the company functions--what it makes, the nature of its business, how many people it employs, what it pays in taxes, what it spends locally, how it regards its community responsibilities and what it contributes to the social and economic life of the community. Good community relations can be expressed in simple terms as:

1. Having a policy of doing only those things which are right and decent.
2. Acting according to these principles, doing the things which all good citizens do for their home town.
3. Doing everything possible to make people know who the company is, what it is doing and why.²³

Today's retail food executive has at his disposal various tools and techniques which may be utilized to accomplish these aforementioned objectives. The chain may

²²Lawrence M. Hughes, "General Electric Builds Community Relations on Product Sales Method," Sales Management, Vol. 76, No. 3 (February 1, 1956), 32.

²³G. H. Achenbach, The Community and Your Business are Inseparable, National Association of Food Chains' Management Clinic on Public Relations, Summary Report, February 1-2, 1954.

participate in community affairs, distributive education programs, civic improvement, social and charitable projects. An important rule to be remembered is that under no circumstances should the chain participate in political campaigns. Although the chain's viewpoint may be sanctioned by the majority, patronage will inevitably be withdrawn by many local citizens. An adage appropriate to this note of caution is, "You might win the argument, but you'll surely lose the sale."

There is a wide assortment of channels for promoting community relations, such as the Chamber of Commerce, the Parents and Teachers Association, church and fund raising campaign organizations. Of course, a majority of the chains will not be expected to emulate the generous contributions of the huge Kroger Company, which pledged sixty thousand dollars as prizes in cooperation with the General Federation of Women's Clubs to sponsor a "Build a Better Community" contest.²⁴ The Kroger name and its civic contributions are well-remembered in communities ranging from Lamoille, Nevada to Marianna, Florida.

Many opportunities are open to the executive who wishes to improve his community relations. These opportunities are limited only by the executive's imagination and

²⁴ Joseph B. Hall, "Build A Better Community," Kroger Pamphlet, p.1.

ingenuity. One food chain president, Fred C. Pockrandt of Acme Markets, has his own local radio program.²⁵ While he refrains from promoting the chain directly, the community knows him as "the Acme Man." Community acceptance of "the Acme Man" has gained favorable local identity for the Acme organization itself.

At this point, it might be appropriate to discuss specific techniques used in fostering community relations. This study will include some observations on corporate giving, membership in community functions, guided tours and cooking courses. Perhaps, through this discussion, general principles pertaining to each of the aforementioned subjects can be evolved.

Contributions. The question of how to handle contributions properly has been subject to considerable controversy. Who will make the actual contribution? How much should be donated? What limitations should be placed on contributions? These are only a few questions which must be resolved by the public relations department.

Some chains have instructed the store manager to refer the solicitor to the central office. When a donation is requested, the manager supplies the solicitor with a printed

²⁵Fred C. Pockrandt, "Acme's Business is Public Relations," Super Market Merchandising, Vol. 22, No. 6 (June, 1957), 86.

form and explains the procedure of writing directly to company headquarters. This system seems to defeat the chain's objectives of closely allying its supermarket with the community. For example, if the chairlady of a local women's league has requested a contribution from the store manager for a proposed civic center and is told she must refer the matter to a central office, she is clearly reminded that the particular market is only one in a huge, corporate chain which is "merely in town to make money." This attitude will be reinforced when the local merchant next door immediately responds by going to the cash register and making a direct contribution.

Other chains allocate a specific sum which the supermarket manager must budget to cover his annual donations. This arrangement, too, contains obvious weaknesses. Often, the manager may exercise poor judgment and expend this budget long before the year has expired. He may establish a precedent embarrassing to the entire chain by donating to a local solicitor. For example, using his own discretion the store manager might contribute to a municipal volunteer fire department fund. The managers in the neighboring communities who have not included this group in their contribution plans might be forced to donate anyway when solicitors use the first manager as an example. In effect, this store manager would be setting a company policy for donations.

Headquarters, of course, should determine the policy for handling contributions. They could establish beforehand what donations are to be made, to whom and in what amount. An analysis of "all continuing contributions could be made annually to see whether each organization's objectives are valid and their expenditures reasonable."²⁶ A sound program would include an estimation of the donations budget for the coming year. The total budget figure is normally represented as a percentage of net income before taxes. (Nationally, contributions average 1.23 per cent of net income before taxes.²⁷) A good contribution plan should have a written policy, proper administration and a donation budget.

Memberships. Most food retail chains encourage participation in community organizations such as the Chamber of Commerce, Retail Merchants Association, and the Board of Trade. The National Association of Food Chains sponsors an industry-wide contest to select supermarket managers who have demonstrated "outstanding achievement in promoting better community relations." The winners receive inscribed bronze medallions and other enviable recognition when they

²⁶Claude Alexander, "Ground Rules for Giving," Public Relations Journal, Vol. XII, No. 8 (August, 1956), 21.

²⁷"The Art of Corporate Giving," Public Relations Journal, Vol. XII, No. 6 (June, 1957), 19.

gather in Washington, D. C. to attend an awards banquet. At that time, these civic-minded managers are also given an opportunity to meet with many important officials of the federal government.²⁸ Promotions such as this will certainly help elevate the status of the supermarket manager and the chain which he represents in each local community.

Of course, membership alone is insufficient. The manager must become an active participant in these organizations. He should attend meetings regularly and make himself available for committees and special projects. Unfortunately, many managers honestly feel that they do not have sufficient time to engage in these extra-curricula activities. They contend that their store duties consume ten to twelve hours each day and consequently leave them little time for joining clubs. This unwillingness to participate in community activities may be due, in part, to the short-range objectives of many managers who regard their current store assignment as being of limited duration. Accordingly, they are more concerned with showing a good sales and profit figure in the present than building good will in the future. Most managers rightfully feel that they are being judged on their present production figures and not how many friends they are making for the company.

²⁸"Winner of NAFC Good Citizenship Award Announced," Chain Store Age, Vol. 33, No. 2 (February, 1957), 11.

To offset this short-range viewpoint, greater emphasis might be placed on other managerial responsibilities such as employee development and public relations. Of course, the intelligent manager realizes that the new friends he gains will be reflected in the store's present and future earnings.

Tours. As part of their public relations program, a number of chains conduct tours through their stores and distribution centers. The companies that conduct these tours believe the customers, local citizens and school children should be familiar with behind-the-scenes operations in food chains. In fact, many are deeply interested in seeing the operation of a food chain. The range of interest of these visiting groups is wide and may vary from school and college associations to farm bureaus and women's clubs. A properly planned tour involves learning the particular interests of the group. In this way, the tour can be made more interesting by being directed specifically to each group. A general type of tour is not usually appealing to all groups.

Store tours for school children are also part of a mass education program designed to acquaint them with economical shopping methods. These youngsters represent a potentially large group of future chain store customers. An extension of this idea is found in tours conducted for high school students and teachers to emphasize the many employment opportunities in the food field.

Scholarship programs. Along these lines, some chains and chain associations offer scholarships to outstanding local high school graduates. These scholarship programs establish good public relations with the family and community of each winner, with the faculties of the colleges and with all those who read the widespread publicity accompanying the granting of scholarships. The most important advantage is that, in helping worthy students, the chains are helping train future leaders in agriculture, home economics and food distribution.

Cooking courses. Some food chains sponsor cooking courses for their customers. By conducting these classes, the chain impresses each housewife with its interest in her family's welfare and health. The housewife, in turn, may develop a feeling of obligation to the chain.

These courses are designed to educate the housewife in planning balanced diets, selecting and preparing nourishing food. In addition, these courses can be used to stimulate the sale of private label merchandise. Such programs definitely improve community relations and promote the company name with a most potent propaganda weapon--the housewife.

The Suppliers

Another area for promoting good public relations lies in the chain's association with suppliers: manufacturers,

packers, jobbers and brokers. Suppliers, as a result of their business dealings, will develop definite opinions about various chains. These opinions are quickly spread to other suppliers and food chains in the industry. A broker operating in the Detroit area recently commented on the different methods of handling suppliers in three large food chains. He judged each chain according to the treatment received in the buying office and openly expressed a definite preference to other members of the industry.²⁹

Many companies, cognizant of the supplier's role in shaping public opinion, have devoted considerable attention to the vendor-buyer relationship. An example of this can be found in the Grand Union buying offices at East Paterson, New Jersey. The company has developed a purchasing schedule designed to reduce the time wasted by salesmen when calling upon buyers.

Above all, any supplier and retailer relationship must be predicated upon the principles of honesty and fair play, which will generate mutual respect, understanding and confidence.

The Government

When one tries to influence a local banker or the president of a women's club, he is conducting a public relations program. When he does the same with a politician,

²⁹Personal interview with Richard Grimes, Vice President of Fellmen Associates, Coldwater, Michigan, April 18, 1957.

he is called a "lobbyist." Actually, there is only one kind of lobbying that is sure to pay off, and that is lobbying with the public. The Atlantic and Pacific Tea Company discovered this in 1938 when it appealed to the citizens and caused a bill imposing chain store taxes to die in committee.³⁰

On the local level, a sanitation officer's opinion of a chain may affect his judgment of an organization's sanitation practices. Along these lines, a supermarket manager must be careful in his business dealings with the town officials. An incident may be recalled which involved a dispute between a town mayor and a supermarket manager. The mayor, who regularly purchased hamburger meat for his restaurant from this particular supermarket, complained of having been sold rancid meat. In the ensuing argument, the mayor threatened to sue. In retaliation, the supermarket manager threatened to sue the mayor as proprietor of the restaurant for having served pie containing some foreign matter. As a result, the supermarket manager was dismissed and the chain was placed in a bad light in that particular community.

When dealing with local, state and even federal governments, the chains should keep the officials fully and

³⁰"Carl Byoir's Death Recalls His Aid to A&P Public Relations," Supermarket News, Vol. 6, No. 6 (February 11, 1957), 8.

accurately informed of policy changes which might attract a government's attention. A realistic public relations program will avoid alienation of government groups since the ensuing expense to tell the public the chain's viewpoint can become quite prohibitive.

Recently, the National Association of Food Chains was able to improve its government relations by cooperating with the United States Department of Agriculture on a special project--the installation of an American-style supermarket in Rome, Italy.³¹ Relations were also improved with the foreign public who visited and shopped in this supermarket. The chain executives who aided in the work of this project proved to be excellent ambassadors for both the United States and the food industry. This first project was so successful that another model market has been scheduled for September, 1957, at the International Fair in Zagreb, Yugoslavia.³²

Special Groups

Public relations objectives in appealing to special groups such as unions, church and youth organizations have been discussed to a limited extent earlier in this study.

³¹"American-Style Supermarket in Rome," Food Topics, Vol. 12, No. 11 (June 3, 1957), 9.

³²"First American Supermarket to be Seen in A Communist Country," Bulletin, National Association of Food Chains, Vol. XXIV, No. 27 (July 6, 1957), 2.

The policies have been viewed with respect to employee relations and community affairs. Managers and store personnel should be encouraged to participate in church and youth activities.

Union relations continue to pose serious problems. Difficulties may be minimized through better communications with labor and by maintaining sound employee relations. An astute public relations man realizes that the improvement of labor relations may be reflected in relations with other publics.

As an example, the management and employees of a small firm worked together to raise ten thousand dollars for a Community Fund. Each man donated half a day's wages. This was combined with an open house to which local business and civic leaders were invited. The results were threefold:

1. It improved labor management relations (the local union conceived the idea).
2. It increased the amount of the company and employee Community Fund donation.
3. It attracted notice in the press by performing a useful service in a novel way.³³

Stockholders

The field of stockholder relations is a large one and pleads for more attention. The objectives are simple and

³³"Employee-Customer Relations Get A Lift," Industrial Marketing, Vol. 41, No. 2 (February, 1956), 124.

attainable. "Do everything that is practical to promote and deserve the loyalty and friendship of stockholders."³⁴ The results would be varied and profitable. For example, new investor interests in the company might be stimulated or stockholder patronage of the food chain increased.

In order to cultivate the investors' good will and loyalty, the company should:

1. Keep the stockholders' welfare constantly in mind in every decision which could possibly have a bearing on the investor; fair play is an unbeatable force in good stockholder relations.
2. Strive for corporate attainment and leadership which will build stockholder confidence and pride of ownership.
3. Gain their steady interest by keeping them informed about the things that matter to them; try to give them advance notice of company events and developments in which they might be interested.
4. Enlist their active help in promoting the company's welfare; educate them in corporate problems, in product promotion and in their tasks as corporate members.
5. Take full advantage of every opportunity to increase the investors' confidence, respect and appreciation for the company and its management.³⁵

To effect these objectives, the chain may utilize the following techniques:

1. The annual report. A company's report of its year's progress and operations.
2. Interim publications. Booklets, periodicals and the like.

³⁴ Glenn and Denny Griswold, Your Public Relations (New York: Funk and Wagnalls Co., 1948), p. 227.

³⁵ Ibid., p. 213.

3. Correspondence.

4. Annual Meetings. The public relations director's problem here is to plan an interesting and informative program which will encourage attendance. Some companies schedule annual meetings in various key cities simultaneously so that more stockholders can attend without traveling great distances.

The People Who Disseminate Information

Good relations with members of radio, television, and the press are essential to any successful public relations program. Since communication is vital to the development of favorable public opinion, the importance of any support and cooperation which these publicity people may provide cannot be over-emphasized.

In order to achieve and retain a favorable press, the public relations director must remember several basic considerations. First, he cannot exert pressure to have any release publicized. To put the power of radio, television, and newspaper behind his public relations program, the director should be straight-forward and friendly with the appropriate executives. These men, it must be remembered, are interested in items with news or human interest values. If it is news, they will expect "newness," reporting the happening or event as quickly as possible after it occurs.

Human interest stories capitalize on the fact that people would rather read about people than anything else

and would rather have their emotions played upon than their intellects. Recently, the Bell Telephone Company managed to inundate local newspapers in New York City with human interest anecdotes relating the perseverance of many switchboard operators in securing transportation to their jobs during a tie-up due to heavy snowstorms. Practically everything but dog sled was used and these stories provided interesting reading. The result was that more people came to regard the Bell Telephone Company as a human organization, comprised of people interested in performing their jobs well. In addition, employee relations were improved by elevating the status of the switchboard operator.

In effect, the public relations director can display considerable cleverness and imagination in promoting the company name. Rather than pay for a television commercial the astute director will devise a method whereby the same promotional material becomes a news or human interest item. Grand Union was able to present a meat-cutting demonstration on Steve Allen's "Tonight" television show. The result was an interesting and amusing session, publicizing the company name at an extremely low cost. Another example of alert public relations was provided by the same company when its president, Lansing P. Shield, appeared on a television panel show. This type of imaginative and aggressive thinking separates the true public relations man from the office clerk who merely issues drab blurbs from day-to-day.

There are several do's and don'ts which might be useful guides for the public relations man who is attempting to disseminate company information to the press. These are:

1. Do make the first paragraph tell if possible: Who--What--When--Where--Why--How. Keep the meaning clear and put the most important facts in the first paragraph.
2. Do stay away from ten dollar words and all efforts to be "literary."
3. Do remember that names make news. Use as many of them as possible and be careful--very careful--about their spelling.
4. Do type the story double-spaced on one side of the sheet.
5. Do deliver the story, in person, if possible.
6. Don't include opinions in a straight news account unless they are put in quotation marks and credited to the proper person.
7. Don't be disappointed when the long account written for the front page appears in five inches on the back.
8. Don't raise the roof about minor errors in editing or about typographical misprints.³⁶

A potent self-restraining influence might be imposed by the public relations director who asks the question, "How will this release benefit the company?" Obviously, an attempt to merely place the company name in the public eye is not enough. The publicity release must serve a specific purpose in keeping with the general public relations objectives of the firm.

³⁶Lipscomb, op. cit., p. 71.

Other communication media which may be utilized in promoting good will are house organs, slides and films, trade magazines and newspapers, booths at county fairs, et cetera. In a very real sense, public relations is the "publishing of a house organ to build worker morale."³⁷

Benefits of Public Relations Summarized

Up to this point, the various publics, how they may be reached, and some public relations policies and objectives have been discussed. In addition, benefits resulting from effective public relations have been suggested in the analyses of these publics. For greater clarity, it may be illuminating to re-state these benefits more concisely. An effective public relations program will afford:

1. An assured labor supply.
2. Better community life and improved morale of workers.
3. Better consumer sales opportunities.
4. Better civic service to the business.
5. An additional source of new capital.
6. A defense against discriminatory local legislation.
7. Favorable local identity.
8. A better understanding of the economic system.
9. Prevention of misconceptions about the company by presenting knowledge of its operations to the public.³⁸

Chain executives should be acutely aware of what public relations can and cannot do. Under today's concept of the

³⁷Robert McIntyre, "What's Public Relations? It's Many, Many Things," Editor and Publisher, Vol. 88, No. 1 (July 7, 1956), 117.

³⁸Canfield, op. cit., p. 137.

public relations function in business, it is not the proper job of a corporate public relations staff to devote its primary efforts to the direct selling of products or services. This is the function of the marketing or sales department. The primary function of public relations is "to achieve broad public understanding of the manner in which the company operates to satisfy those for whom it was created to serve."³⁹

Above all, it must be remembered that these benefits cannot be accomplished or measured over-night. Constructive results come only from patient effort in building toward long-term, carefully defined objectives.

Conclusion

Any public relations program in order to be effective must appeal to people in terms of their own self-interest. Each person decides for himself whether he likes or dislikes a particular chain. He takes opinions and impressions gained from a variety of sources and pieces them together into a pattern. On the basis of the information he finds plus his prejudices, values, et cetera, he forms judgments--always keeping personal welfare foremost in his mind. Accordingly, the mass approach directed at the different

³⁹Franklyn Waltman, "Corporate Public Relations Problems Stem from Marketing Operations," Editor and Publisher, Vol. 90, No. 13 (March 23, 1957), 11.

publics through mass communication techniques, although fairly effective, must be reinforced by the more important person-to-person contacts between members of the organization and the public.

Competition has now centered about customer conveniences. Supermarket patrons demand clean, neat stores, adequate checkout facilities, high quality and good variety merchandise; sufficient parking and friendly, courteous service. Chain stores, in turn, are deferring to these demands. When the organization consults its present and potential customers, complies with their wishes in regard to facilities and presentation of merchandise, it is working in the field of public relations as well as operations.

This public relations work does not involve a complicated set of formulae directing the use of communication media and techniques, but rather a down-to-earth way of business which should stem from a philosophy of life in general. This is particularly true when it is realized that all the fancy frills, high pressure promotions and gimmicks commonly associated with public relations are not worth the expense and endeavor which produce them if the message they convey is not radiated in each market in the chain. A customer may not always remember what she reads in the papers, but does remember that Bob at the Food-O-Rama told her a new way of cooking pot roast. She will also remember the last time she was treated rudely in a particular market

and, in all probability, that was the last time she shopped there.

This simple fundamental approach to human relations is conducive to the development of a most effective public relations program. Essential to this human approach is the realization that public relations begins at home. All the participation in community affairs will go for naught unless sound relationships are established with employees. A happy, well-adjusted working force will ensure customer satisfaction at point-of-sale. This aspect of public relations combined with an intelligent program to communicate worthwhile information to the various publics, will assure success in gaining new food friends. In the final analysis, the chains must return to this emphasis on personal contacts. While this technique is most effective, it is also least expensive, for in fact, it costs not a penny to smile and extend a warm, friendly greeting.

BIBLIOGRAPHY

BIBLIOGRAPHY

Books

- "A Four-Step Approach to Handling Grievances," Effective Communication on the Job, ed. M. Joseph Dooher. New York: American Management Association, 1956.
- Bellows, Roger M. Psychology of Personnel in Business and Industry. New York: McGraw-Hill Book Company, Inc., 1954.
- Bradford, L. P. and K. Lippitt. "Role-Playing in Management Training," The Development of Executive Talent, ed. M. Joseph Dooher. New York: American Management Association, 1952.
- Canfield, Bertrand R. Public Relations, Principles and Problems. Homewood, Illinois: Richard D. Irwin, Inc., 1952.
- Chase, Stuart. Power of Words. New York: Harcourt, Brace and Company, 1954.
- Darr, John W. Public Relations for Profit. New York: Funk and Wagnalls Co., 1945.
- Dawson, Robert. "Human Behavior: Feeling the Pulse," Psychology of Industrial Relations, ed. C. H. Lawshe. New York: McGraw-Hill Book Company, Inc., 1953.
- Dostoevsky, Fyodor. The Brothers Karamazov. New York: The Heritage Press, 1933.
- Dulsky, Stanley G. "Improving Conference Leadership," Effective Communication on the Job, ed. M. Joseph Dooher. New York: American Management Association, 1956.
- Fischer, Frank and Lydia Strong. "Communication: 'X Factor' in the Management Job," Effective Communication on the Job, ed. M. Joseph Dooher. New York: American Management Association, 1956.
- Greenly, R. J. and E. B. Mapel. "The Trained Executive: A Profile," The Development of Executive Talent, ed. M. Joseph Dooher. New York: The American Management Association, 1952.

- Griswold, Glenn and Denny Griswold. Your Public Relations. New York: Funk and Wagnalls Co., 1948.
- Hill, Lee H. "How to Organize for Good Employee Relations," Business Management Handbook, ed. Jacob K. Lasser. New York: McGraw-Hill Book Company, Inc., 1952.
- Koontz, Harold and Cyril O'Donnel. Principles of Management. New York: McGraw-Hill Book Company, Inc., 1955.
- Lebhar, Godfrey M. Chain Stores in America. Clinton, Massachusetts: The Colonial Press, 1952.
- Lipscomb, Ed. Grassroots Public Relations for Agriculture. Little Rock, Arkansas: Democrat Printing and Lithographing Co., 1950.
- Lund, Gerald L. "Fundamentals of Order Giving," Effective Communications on the Job, ed. M. Joseph Dooher. New York: American Management Association, 1956.
- Mahoney, Tom and Rita Hession. Public Relations for Retailers. New York: The MacMillan Co., 1949.
- Peters, Raymond. Communication Within Industry. New York: Harper and Bros., 1949.
- Pigors, Paul. "What is Meaning and How Can We Share It?" Effective Communication on the Job, ed. M. Joseph Dooher. New York: American Management Association, 1956.
- Planty, Earl G. and Carlos E. Efferson. "Counseling Executives After Merit Rating or Evaluation," The Development of Executive Talent, ed. M. Joseph Dooher. New York: American Management Association, 1952.
- _____. "The Guided Experience Method," The Development of Executive Talent, ed. M. Joseph Dooher. New York: American Management Association, 1952.
- Planty, Earl G. and William Machaver. "Stimulating Upward Communication," Effective Communication on the Job, ed. M. Joseph Dooher. New York: American Management Association, 1956.
- Reilley, Ewing and Bernard Muller-Thym. "Planning an Executive Development Program," The Development of Executive Talent, ed. M. Joseph Dooher. New York: American Management Association, 1952.

- Sargent, Dwight S. "The Job Rotation Method," The Development of Executive Talent, ed. M. Joseph Dooher. New York: American Management Association, 1952.
- Sayres, Paul. Food Marketing. New York: McGraw-Hill Book Company, Inc., 1950.
- Tiffin, Joseph. "New Techniques in Merit Rating," The Development of Executive Talent, ed. M. Joseph Dooher. New York: American Management Association, 1952.
- Welton, D. M. "When an Employee Has a Grievance," Effective Communication on the Job, ed. M. Joseph Dooher. New York: American Management Association, 1956.
- Worthy, James C. "Case 3: Sears, Roebuck and Company," The Development of Executive Talent, ed. M. Joseph Dooher. New York: American Management Association, 1956.
- Wright, Milton. How to Get Publicity. New York: McGraw-Hill Book Company, Inc., 1945.
- Zimmerman, M. M. The Super Market. New York: McGraw-Hill Book Company, Inc., 1955.

Periodicals

- Adams, Carleton P. "How to Organize an Effective Public Relations Department," Industrial Marketing, Vol. 41, No. 12 (December, 1956), 46.
- Alexander, Claude. "Ground Rules for Giving," Public Relations Journal, Vol. XII, No. 8 (August, 1956), 21.
- Allen, Lewis A. "Can You Eliminate Assistants?," Dun's Review and Modern Industry, Vol. 69, No. 2 (December, 1956), 118.
- "American-Style Supermarket in Rome," Food Topics, Vol. 12, No. 11 (June 3, 1957), 9.
- Andrews, Kenneth R. "Is Management Training Effective? Part II, Measurements, Objectives and Policy," Harvard Business Review, Vol. 35, No. 2 (March-April, 1957), 7.
- Bennett, Willard E. "Why Management Training Can Fail," Super Market Merchandising, Vol. XXXI, No. 10 (October, 1956), 108.

Blansfield, Michael G. "Executive Development Started With Conference Leadership," Personnel Journal, Vol. 35, No. 5 (October, 1956), 182.

". . . But Who Will Do the Coaching?," Supervisory Management, Vol. 2, No. 4 (March, 1957), 18.

"Carl Byoir's Death Recalls His Aid to A & P Public Relations," Supermarket News, Vol. 6, No. 6 (February 11, 1957), 8.

Cifrino, Paul. "The Mainspring of Business Leadership," Harvard Business Review, Vol. 34, No. 5 (September-October, 1956), 58.

Corson, John. "Managers Need Three Smart Teachers," Nation's Business, Vol. 45, No. 1 (January, 1957), 81-82.

"Does Your Communication Program Measure Up?," The Management Review, Vol. XLV, No. 5 (May, 1956), 400.

"Downward Communications: A Survey of Company Practices," The Management Review, Vol. XLV, No. 5 (May, 1956), 344.

Eittington, Julius E. "Facts and Fallacies of Executive Development," Personnel Administration, Vol. 18, No. 1 (January, 1955), 33.

"Employee-Customer Relations Get a Lift," Industrial Marketing, Vol. 41, No. 2 (February, 1956), 124.

"Executive Coaching Catches On," Business Week, No. 1436 (March 9, 1957), 61.

Fischer, Frank E. "A New Look at Management Communications," Personnel, Vol. 31, No. 6 (May, 1955), 490.

Fredriksen, C. W. and Helmer Martinson. "Helping Supervisors Train Themselves in Human Relations," Personnel, Vol. 31, No. 4 (January, 1955), 323.

Goodacre, Daniel M. "The Experimental Evaluation of Management Training, Principles and Practices," Personnel, Vol. 32, No. 6 (May, 1956), 535.

"Group Appraisal Plan Helps Find Executive Timber in Company Haystack," Business Week, No. 1420 (November 17, 1956), 185.

Halford, Juliet M. "The Care and Feeding of the Grapevine," Supervisory Management, Vol. 2, No. 1 (December, 1956) 16.

- Harkness, John C. "Planting and Growing Executives," American Business, Vol. 27, No. 1 (January, 1957), 20.
- Hay, Edward N. "Your Boss is Your Training Director," Personnel Journal, Vol. 35, No. 6 (November, 1956), 220.
- Hayden, Spencer J. "Getting Better Results from Post-Appraisal Interviews," Personnel, Vol. 31, No. 6 (May, 1955), 543.
- Heilbroner, Robert. "Public Relations, The Invisible Sell," Harper's Magazine, Vol. 214, No. 1285 (June, 1957), 23.
- "Here Are Your 1957 Public Relations Resolutions," Industrial Marketing, Vol. 42, No. 2 (February, 1957), 55.
- Hershey, Robert. "How to Control the 'Rumor Factory'," The Management Review, Vol. XLVI, No. 3 (March, 1957), 45.
- "How to Play the House Organ," Fortune, Vol. L, No. 10 (October, 1952), 144.
- Hughes, Lawrence M. "General Electric Builds Community Relations on Product Sales Method," Sales Management, Vol. 76, No. 3 (February 1, 1956), 32.
- "Industry Beats the Bushes to Fill Top Management Jobs," Business Week, No. 1434 (February 23, 1957), 173.
- Johnson, Howard. "Where Management Development Belongs," Nation's Business, Vol. 45, No. 6 (June, 1957), 36.
- Kenney, Thomas. "The New Look in Annual Reports," Dun's Review and Modern Industry, Vol. 69, No. 3 (January, 1957), 44.
- Mandell, Milton M. "How to Gage Executive Potential," Dun's Review and Modern Industry, Vol. 69, No. 5 (March, 1957), 45, 95-96.
- Martineau, Pierre. "Your Company Personality--How Important Is It?," Business Topics, Vol. 4, No. 1 (July, 1956), 6.
- McCaffrey, John. "A Company President Looks at Public Relations," The Management Review, Vol. XLV, No. 4 (April, 1956), 278.
- McFarland, Dalton E. "How Management Can Improve Its Listening Technique," Business Topics, Vol. 1, No. 2 (September, 1953), 5.

- McHugh, Keith S. "Your Most Important Spokesman," Dun's Review and Modern Industry, Vol. 68, No. 1 (July, 1956), 34.
- McIntyre, Robert. "What's Public Relations? It's Many, Many Things," Editor and Publisher, Vol. 88, No. 1 (July 7, 1956), 117.
- Newcomb, R. and M. Sammons. "The Sins of Employee Communication," Dun's Review and Modern Industry, Vol. 69, No. 6 (April, 1957), 112.
- Pockrandt, Fred C. "Acme's Business Is Public Relations," Super Market Merchandising, Vol. 22, No. 6 (June, 1957), 86.
- Randle, C. Wilson. "Building Tomorrow's Management Today," The Management Review, Vol. XLVI, No. 1 (January, 1957), 84.
- _____. "How to Identify Promotable Executives," Harvard Business Review, Vol. 34, No. 3 (May-June, 1956), 126.
- "Retailers Join the Talent Hunt," Business Week, No. 1425 (December 22, 1956), 111.
- Rockwell, W. F., Jr. "How Much Should A President Tell?," Dun's Review and Modern Industry, Vol. 65, No. 2322 (February, 1955), 48.
- Sheehan, Robert. "Business Manners," Fortune, Vol. LV, No. 1 (January, 1957), 216.
- Simpson, R. J. ". . . But Why Wasn't I Told?," Supervisory Management, Vol. 2, No. 3 (February, 1957), 8.
- Smith, George, Jr. "Questions the Business Leader Should Ask Himself," Harvard Business Review, Vol. 34, No. 2 (March-April, 1956), 49.
- Spates, Thomas G. "What's Wrong With Executive Development?," The Management Review, Vol. XLV, No. 12 (December, 1956), 1077.
- Speroff, B. J. "Grapevine Helps Pick Supervisor," Personnel Journal, Vol. 351, No. 7 (December, 1956), 12.
- Stewart, Nathaniel. "Building Tomorrow's Management," Dun's Review and Modern Industry, Vol. 67, No. 1 (January, 1956), 4.

"Stimulating Workers' Suggestions," Supervisory Management, Vol. 2, No. 6 (May, 1957), 11.

"The Art of Corporate Giving," Public Relations Journal, Vol. XII, No. 6 (June, 1957), 19.

"The Executive Shortage," Newsweek, Vol. XLIX, No. 8 (February 25, 1957), 87.

"The Friendly Store: Manager's Training Course," Chain Store Age, Vol. 33, No. 2 (February, 1957), 67.

"Today's Civic-Minded Executives," The Management Review, Vol. XLVI, No. 2 (February, 1957), 28.

Tricket, Joseph M. "Fulfilling Individual Needs in Management Development," Personnel, Vol. 33, No. 6 (May, 1957), 523.

Waltman, Franklyn. "Corporate Public Relations Problems Stem from Marketing Operations," Editor and Publisher, Vol. 90, No. 13 (March 23, 1957), 11.

"Winner of NAFC Good Citizenship Award Announced," Chain Store Age, Vol. 33, No. 2 (February, 1957), 11.

"Wrigley's Is Active In Civic Affairs," The Spirit of Wrigley's, Vol. 9, No. 12 (December, 1954), 10.

Learned Organizations and Government Publications

Achenbach, G. H. The Community and Your Business Are Inseparable. National Association of Food Chains Management Clinic on Public Relations, Summary Report, February 1-2, 1954.

"First American Supermarket to be Seen in a Communist Country," Bulletin, National Association of Food Chains, Vol. XXIV, No. 27 (July 6, 1957), 2.

Hall, Joseph B. "Build A Better Community," Kroger Pamphlet, p. 1.

Mace, M. L. "The Growth and Development of Executives," Harvard Research Bulletin. Cambridge, Massachusetts: Graduate School of Business Administration, Harvard University, 1955, p. 7.

Mussman, William W. Communication within the Management Group. New York: National Industrial Conference Board, 1947.

Unpublished Material

"Junior Conferences in Management Development," Descriptive Material Regarding the Development of Men. The Kroger Company, unpublished material, n. d.

"Knowledge is Power," Descriptive Material Regarding the Development of Men. The Kroger Company, unpublished material, n.d.

"Personnel Selection," Descriptive Material Regarding the Development of Men. The Kroger Company, unpublished material, n. d.

[REDACTED] LIBRARY

MICHIGAN STATE UNIV. LIBRARIES



31293014051191