

**INTERVIEW  
WITH  
THOMAS KOCHAN  
and  
ROBERT MCKERSIE  
June 12, 2013  
Sloan Oral History Series**

T: Tom Kochan  
G: George Roth  
B: Bob McKersie

G: This is George Roth, interviewing Tom Kochan and Bob McKersie. What's a little different about this interview than the others is that typically Bob and I have played a role in facilitating people's recollections of their experience here. In this case, we're also going to ask Bob to participate in this, because the two of you have such a shared history together here, both in terms of coming here at nearly the same time, or close to the same time, but also having been partners and collaborators with one another. I have been after Bob for a while to get some of his recollections because he's been very knowledgeable, not just in the time he's been here but also what's gone on and the development of management and business schools with his own personal history and his own interests.

I am going to invite Bob to start, and to give me a little bit of his background, how he got here in particular, and the studies you have done, and what took you into the direction of labor relations and the work you have started and then pursued here and with Tom at MIT.

B: I'll cover some of the background before I got to Sloan quickly.

G: And we'll do the same for you, and then the two should merge.

B: Because I think we have a lot to cover since 1980 when I came to the Sloan School.

Before that, I studied at Harvard Business School, studied under Bob Livernash and got very interested in productivity and wage systems.

Int. w/R. McKersie and T. Kochan  
6/12/13

2

Then I went to University of Chicago and worked at a distance with Dick Walton...

G: So you finished...

B: ....my studies at HBS in 1959 with a doctorate of Business Administration.

G: ....and went to a faculty appointment at Chicago.

B: ...at Chicago, in 1959. I taught all kinds of courses in broad labor economics, industrial relations, productivity, etc. But what was a really important period was connecting with Dick Walton who was at Purdue University, about 100 miles away. We would get together regularly to work on what became *Behavioral Theory of Labor Negotiations*.

I also took a sabbatical during the 1960s and got interested in productivity bargaining in Great Britain, and worked for Lorie Hunter on a book that got published in the early 1970s.

And since we're talking about current anniversaries, everybody is looking back 50 years to the events of the civil rights period – Medgar Evers has been in the news this week since he was assassinated 50 years ago – I got quite involved in the civil rights movement in Chicago. And next month, I finally have a book coming out on that story. So that's the 1960s.

Then I moved from Chicago to Cornell in 1971, to head up the Industrial and Labor Relations School, which was a fascinating journey for most of the 1970s. I was smart enough to recruit a cadre of new faculty. It was around 1973 or so, Tom, when we hired about a half-dozen new faculty because the School, in a generational sense was at a stage where the founding faculty were retiring. So we had the opportunity to regenerate the faculty side of the School. Tom came to ILR in 1973.

I did teach a course once a year; I always try to stay in the classroom.

G: Were you a dean, or department head?

Int. w/R. McKersie and T. Kochan  
6/12/13

3

B: I was dean of the school. It's a state school on that side of Cornell. It is supported in part by the State of New York.

In terms of scholarship, I did do a monograph with Bob Aronson on plant shutdowns. This was before the subject became a major topic. We just had three examples in upstate New York, like Westinghouse, which shut down a plant; Brockway Motors shut down a plant in Cortland, etc. So we studied the impact of shutdowns on individuals who had to cope with job loss.

T: This was the 1970s.

B: Yes. I also was asked to chair, in the same subject area of economic dislocation, it was a period of deinstitutionalization, where because of medication etc., people who had mental problems didn't need to stay in mental institutions. So there was a lot of movement of people to outpatient status which meant big changes in employment for workers in all the state institutions. I chaired what was called the Continuity of Employment Committee, which was one of the most interesting experiences I've ever had. There were four people from state agencies, then four regional directors of the Civil Service Employees Assn, and we conducted studies and did demonstration projects. Two people (Tom knows both of them), Todd Jick and Len Greenhalgh, got their Ph.D. dissertations out of this project. That went on for about three years toward the end of the 1970s.

Then I was ready to do my normal faculty thing after eight years as dean of the ILR School, and Charlie Meyers here was getting ready to retire. He had headed up the industrial relations section for many years. So I came on a visiting basis for the Fall of 1979. I taught a class with Charlie for the Sloan Fellows. It was a pretty much classic course in industrial relations and collective bargaining, a required course for the Sloan Fellows.

Then I took a leave for the Spring of 1980, because I was still basically connected to Cornell. I didn't have a regular appointment here, I was just appointed as a lecturer for the Fall 1979.

In Spring 1980, I went to Warwick, in England, for a sabbatical. Then my appointment here was made regular, and I took up official residence here in the Fall, 1980. Abe Siegel was the person orchestrating my appointment.

Int. w/R. McKersie and T. Kochan  
6/12/13

4

And Tom came in 1980?

T: In 1980.

B: Oh, so you came the same time, Fall 1980?

T: Yes.

G: So Abe was the dean then?

B: He was really the Associate Dean. Very soon after, though, -- when you came was Bill Pounds still dean?

T: Yes.

B: I don't think Abe became dean for another year or two.

T: Yes, it was a couple of years. I can't remember if it was 1982 or something, but it was a year or so.

B: So do you want to bring Tom up to date and then we can start talking about who was here, and what was the School like, and what was going on in 1980 when we arrived.

G: Well, let me ask you the question, Bob: What brought you to MIT? What had you go here? The range of options? Which I assume also included staying at Cornell, or Chicago, or Harvard, or Yale?

B: Well, it was mainly between staying at Cornell or coming here. I'd always been intrigued by some of the pieces of the industrial relations picture here. There was the Scanlon plan, which interested me, because I was very interested in labor/management cooperation and

Int. w/R. McKersie and T. Kochan  
6/12/13

5

productivity. In fact, while I was studying for my graduate work at HBS, I had come over to MIT because they had the Scanlon Plan conference.

G: And Joe Scanlon was here?

B: Yes. That would have been in the 1950s. They had the Scanlon Plan Conference every other year. There was a very strong group here. You had people like Doug Brown, Charlie Meyers himself, Abe Siegel, George Schultz who had been my mentor at Chicago and gotten his Ph.D. in the industrial relations group here. So MIT industrial relations section (and one needs to say something about that at some point, about how the Rockefeller money (I think it was Rockefeller money) put in place a number of these industrial relations centers or sections. One at Princeton, one here, and I think there's a third one I should recall. So, aside from the formal schools, like the one at Cornell, or where else did we have a formal school? Michigan State and Illinois, if you wanted to go to a business school and if you wanted to be part of an IR group this place was pretty special.

G: Was it a business school? Or a management school then.

B: Management school.

G: OK, because I know we distinguished that.

B: Yes, it's an important distinction. I had been in a business school at Chicago. Coming here felt very comfortable. There was a very strong presence in industrial relations here.

G: OK. We'll come back to the Rockefeller money. But let's give Tom a chance to start with where he went to school and how you became interested in industrial relations and eventually ended up at Cornell and then MIT.

T: Well, I was fortunate enough to go to the University of Wisconsin, by default basically, because I grew up in Wisconsin and that was the best university, and that's where I

Int. w/R. McKersie and T. Kochan  
6/12/13

6

went because it was a public university, it was an outstanding place, and it was the best if you were not going to some private university, then that was the best place to go. Private was never really an option, for financial reasons, and there were scholarships, etc. So I ended up in Madison at a time when everything was exploding. This was in the late 1960s. I did two years of community college. The State of Wisconsin had these extension programs, so I went the first two years in my home town, and then transferred as a junior. That was 1967-68. And we had the Dow Chemical demonstrations; we had Vietnam heating up; we had all kinds of things going on. So that was really a shock on my political system after not being very political about anything but all of a sudden thrown in to this cauldron.

I was majoring in business for practical reasons, thinking that was the way to get a job that would make you able to earn a decent living. But I was always interested in economics and political science. So I took this mix of courses and ended up, by mistake actually, in a course called "Trade Unions" which was taught by Prof Jack Barbash, who was an old labor intellectual and a VERY strong personality and a very, very good teacher. I ended up in the class by mistake, which I can't tell you why, but there I was. I was going to drop it, but I had to get his signature. And he started lecturing the first day before I could get to it, and I never left because he was so intriguing, and challenged my thinking so much about these issues of labor and conflict in the workplace. So then I took more courses and then went into the Ph.D. program after graduating.

I had an interview with an infamous employer called General Electric, and after the questions they asked me, I decided this wasn't the place for me. And a number of faculty members had encouraged me to go into the graduate program. And they had a very good interdisciplinary industrial relations program, probably the best in the country at the time. The best part of that program was, it was ahead of a number of others, including Cornell, in saying, "Look, you have to be a much stronger social science researcher and using all of the modern tools of research in our field. Good theory, good methodology, good research designs, and still have a deep commitment to the issues." That's the way we were trained.

The biggest issue in the labor field in those years was the explosion of public-sector collective bargaining relations. There was new, state-level legislation, Wisconsin was a pioneer in it, so there were a lot of opportunities to study that, and that's where I started my career.

Int. w/R. McKersie and T. Kochan  
6/12/13

7

Cornell was the best industrial relations program in the country, and I was fortunate enough to get a job offer....

G: So you finished in 1973, and that's when the job offer...?

T: Yes. Actually, I had a job offer from Chicago, from Cornell, and maybe some other places, but those were the two. And Cornell offered the best environment for studying labor and industrial relations because you had all these students and all these scholars and everything focused just around the issues of great interest. So it was a real fortunate opportunity.

And as Bob said, when I got there, there was this generational transition and all these other young people. There were 7 of us, and we all were trained in various similar ways but had very different interests, but we developed a cadre and community of interest.

G: Supported by the dean?

T: Yes. I can tell you a funny story about the dean. I was recruited to basically replace someone who didn't want to retire. Bob said they were all retiring, but he was retiring them! Gracefully, very gracefully, more patiently than most deans would have, but he was being very nice to them. One in particular, whom I was sort of replacing, didn't like the fact that I did quantitative research. He thought that was a waste of time, and he gave me a very hard time the first year. I sent him one paper, and I remember he sent me this formal memo back saying, "This paper will die the death it deserves!" [laughter] It was published in the *Industrial and Labor Relations Review*. The first year was sort of rough.

I remember Bob asking me to come in at the end of the year. He had observed some of this, he was not unaware that I was having a difficult time. And I described some of this. His advice was, "Well, look, just treat him like a grandfather. Be courteous. Listen to him. You don't have to do what he says. It's not going to have any impact. Just pretend he's like your grandfather." That was the best advice I ever got. "Be nice to him, respect him, don't ignore him," basically, and it all worked out.

There was also a real opportunity in New York State to study some new legislative changes in public-sector bargaining that came along, and that created an opportunity

Int. w/R. McKersie and T. Kochan  
6/12/13

8

to build a big research program on police and fire dispute resolution and arbitration. We had a lot of students work with us. Basically, what we did, with a lot of help from the school and other faculty, was to rebuild their Ph.D. program. We had Todd Jick and Len Greenhalgh – I could give you a list of 4-5 other really good Ph.D. students who then got trained in more modern ways because we developed a stronger theory class, stronger methodological courses, etc., with other faculty, mostly the young faculty at ILR.

Then I got tenure and had a sabbatical in 1979, and the task was to go to the Department of Labor and take on a one-year project to build a research program in industrial relations. I did that, and somewhere in the middle of the year, Abe Siegel came down (to DC) to see me and said, “Why don’t you come to MIT?” And since my wife and I couldn’t answer the question “Why not?!” .... We laugh about it because some people agonize and agonize, and we couldn’t answer why wouldn’t we want to do this? And I had been here to give seminars at least twice.

What I remembered from those seminars was the toughest questions, the best questions. Not particularly antagonistic, but really engaging. Those were the best seminars and I had been challenged to answer questions about what I was doing.

G: Do you remember who asked some of those questions?

T: Oh, Mike Piore was here. The last one, Hank Farber was here. Quinn Mills. Charlie Meyers, he would always ask good questions. The last one round, Harry Katz, was here. My friend, Tom Barocci was here. There was a vibrant group of young people and senior people.

B: Jim Driscoll was here.

T: Yes, he was a student at Cornell.

B: But he bridged between organizational studies and industrial relations.

T: So it was a really vibrant environment, and it had a strong industrial relations group. But the reason they wanted us was that the Ph.D. program had fallen on hard times, and

Int. w/R. McKersie and T. Kochan  
6/12/13

9

historically they really had strong Ph.D. students. They had a long tradition – George Shultz, Arnie Weber came from here too, right?

B: Yes.

T: Dan Mitchell, a name you might not know. Dave Lipsky, the dean who followed a couple deans after Bob at Cornell. People like that. George Strauss, an eminent guy at Berkeley. But those were all 1950s and 1960s, and then not much. So that was the desire, that we build a Ph.D. program, and that was what interested me in coming here.

G: And you were in Washington at the time?

T: Yes, but that was just a one-year assignment.

G: But Abe came down to see you there....

T: Yes. First there was a letter, or formal offer, or something, I can't recall. But he came down. In fact, there is a funny story. He came down in the middle of winter. I had, for some reason, contracted pneumonia while I was there, and I wasn't working as hard there! I was pretty much over it, but not completely, and was not supposed to go outside a lot. It was snowing, and it was a lousy day. My office was right across from the Secretary of Labor's office, and Abe came. We decided to have lunch just up in the cafeteria, so he left his coat in my office. We came back and his coat was gone. He never forgave me. Every time, every year we'd have these conversations about salary increases, and he'd say, "You're going to have to pay for that coat!" He knew the Secretary of Labor, Ray Marshall for many years, and he never let Ray forget it either. Every time he'd go see him, he'd say, "You know, they stole my coat right out of your office." It was so funny. It wasn't funny at the time, but it was clearly someone.

G: [to Bob] this was actually occurring while you were just lecturing here. You hadn't made the shift, and Tom was given an offer. You arrive in the same year, even though you'd been here the year before.

Int. w/R. McKersie and T. Kochan  
6/12/13

10

B: I was here in the fall.

G: So who were your colleagues? Charlie Meyers, Doug Brown,

B: Tom Barocci, Jim Driscoll,...

T: Phyllis Wallace was here. Katherine Abraham, Harry Katz, Hank Farber, Mike Piore. That was the core, and it was a really, really talented group of people. Charlie and Doug...

B: I think Doug was retired...

T: He was retired, but he'd come in on the Tuesday seminars. Always willing to talk, sort of an "elder statesman", very nice man.

B: And we had someone in labor laws – Stan Jacks was here. Which just illustrates that we had courses in labor law. Amazing, the array of courses that we had.

The other thing that I think can be said was the Industrial Relations section started in 1937? 1938?

T: 1937

B: 1937, and it was in the Economics Department. That was very important because of all the disciplines that have traditionally informed labor, probably economics has been the most dominant.

G: And this was funded by Rockefeller money? When you said that it helped get that section started?

B: Right. And that was back – there's a lot I don't know about the early days. There was a Rupert Mc Lauren, who headed it for a while. And then Doug McGregor headed up the

Int. w/R. McKersie and T. Kochan  
6/12/13

11

Industrial Relations section at some point in the 1950s. And then Doug died, and at that point Charlie took it over, in the mid- to late 1950s.

So when Tom and I came here, Charlie had been heading up the Industrial Relations section for quite a long time. And of course, Abe had an appointment in Economics; Charlie had an appointment in Economics as well, and they both had moved over to the Sloan School. Mike Piore had not moved over to Sloan, but we just didn't care whether you were in Sloan or in Economics, you had the Industrial Relations section which brought everybody together.

G: And the section moved, as a section, to the Sloan School, is that right?

B: Yes, officially, as an organizational unit, it was when Charlie and Abe came over to the Sloan School full time from economics. And that wasn't exactly at the start of the Sloan School. Sloan started around 1952, and I don't think they moved over until a couple years later, officially.

G: But by the time you got here, everybody was on the 5th floor.

T: We were on the 4th floor. That was before the renovations on the 5th floor. And unfortunately, what had happened – and we're not quite sure what the personal dynamics of it were – but Organization Studies and Industrial Relations got separated. When Doug McGregor was the head, it was more integrated. But something happened to move the OS group more into Organizational Development, and the Industrial Relations group stayed more in work employment, labor management relations, labor market dynamics, etc. And that division – when I got here, I found it really perplexing because my work cuts across the two. But there was clearly a divide, and there was clearly antagonism, and there was clearly a history. But it's taken us a long time to bridge that history. Once the personalities evolved over time, there was a lot more informal work, as you saw. But now we're finally bringing the two groups together again, keeping our distinctive research traditions but coordinating as a single group. And why that took 30 years....?

Int. w/R. McKersie and T. Kochan  
6/12/13

12

G: I've in many ways been perplexed, because I've always found that Organizational Development inspires great mistrust with unions.

T: Yes. And it doesn't necessarily have to, but it does. And the understanding of unions is so limited within the people in Org Behavior. But that's the ground that a lot of us bridged. So I see this as a good development.

One of the things I think is worth noting is, one of the first things Charlie Meyers said to me was at our Tuesday seminar. It's been going on since the 1940s. And we don't teach from 12:00 to 2:00 on Tuesdays. We try not to travel, if we can, on Tuesdays. And it's part of our norms that everybody shows up, regardless of the topic. And we expect our students to be there. And that norm – Bob reinforced that norm with all of us, and with everybody who came subsequent, and we've been able to maintain that. That's a very, very strong norm.

G: It will be interesting to see what happens, because OSG has not nearly the same norm....

T: And one of the conditions for merging is that our Tuesday and their (OSG) Thursday seminars continue, and that we will continue to have that. And the Ph.D. program, which we have rebuilt and are very proud of, because we have had the best Ph.D. students in the field, and we've placed them in the best jobs over the years, that will remain separate as well, because we really feel we have to maintain our commitment and our position in the field of work and employment. We have modernized the term to reflect the changes in the workforce and the economy. But those traditions, those values, and the research focus and the commitment as a community is going to continue. I don't want to overstate that, but I don't want to understate it. I think Bob McKersie has modeled how you build a research community, an intellectual community, but also a social community. That people have their differences from time to time, and we certainly have our differences on issues, but there is a shared commitment to the field, and a shared commitment to each other that says, "You need to do good work, and we're here to help you do good work, and we're here to work together in that community." It's very rare. And it's maintained over the years, and McKersie has been the guy who has built it and maintained it, and the rest of us saw it as the way we should carry on this tradition.

Int. w/R. McKersie and T. Kochan  
6/12/13

13

B: I want to focus on the Ph.D. program, which is what really becomes the rationale. Over the years, interest in traditional industrial relations courses has declined dramatically in terms of interest on the part of MBA students. But MIT – and this is Tom, and then pretty soon thereafter Paul Osterman – senior faculty here who have made a major commitment to recruit and to train and to place (Tom might have the number) but since the early 1980s until today, it's in the mid-30s, maybe 40 of our students ....

T: ...36...

B: ...have gone on to very important positions. Just last week, when we were at the annual meetings of our professional association, LERA, I counted on the program 9 or 10 of our graduates with important slots. To give some examples: we've had Joel Cutcher-Gershenfeld, who has been a dean; Jody Hoffer-Gittell, who has a whole new program on relational coordination, she just had a major meeting a couple weeks ago at Brandeis in the health area; I guess we would put John Paul MacDuffie, who has headed up LEAN, the go-to guy for the automobile industry. And there are others. I'm just singling out some individuals who have really made their mark in our broad field, and they were trained here. I'm only mentioned 3 or 4 of the 36. But I think the field would say that MIT has been the "breeder", the breeding ground.

G: I have to say, and as a Ph.D. student here at the time, I was always jealous of the connection that the Industrial Relations students had with the Group and the faculty, because it seemed like there was much more concern for the whole. Which is not to be critical of OSG, but it was more about individual relationships with faculty than as a group. There are certain issues with individual relationships. Like, for example, I was very close with Bob Thomas, but he didn't end up staying here. So there's a big risk of that, versus a group that has that. So, as a Ph.D. student, it is noticed.

T: I think that's really important, and it's been important part. And the students themselves have maintained that community. The fact that many of them are taking on leadership roles both in the Labor Employment Association, and also the Industry Studies Group

Int. w/R. McKersie and T. Kochan  
6/12/13

14

and other groups like that. We're seeing it all over. One of our former students Rose Batt is the editor of the *Industrial and Labor Relations Review*, the leading journal in our field. And we can go on and cite other examples. But maintaining that community. And what's most gratifying is to see the people out there, getting to know our students while they are in our program. So I think this community of scholars, and the networks that have been built, have a really powerful impact in our field. If we've done nothing else, we've done that.

G: And it may be very obvious to you, but I think it would be helpful to hear. What are the bedrocks of the Ph.D. program? Is it methods? Is it what you study? Is it how you connect students to real-life programs? How would you describe that?

T: I would describe it as a real shared commitment to addressing important issues in our field from a phenomenon standpoint, but using state-of-the-art theory and methods to tackle them. From time to time we've seeded that by having bigger projects.

The first project that Bob and Harry Katz and I led collectively was this transformation of industrial relations in the 1980s. When we got here, it was clear the world was changing in ways that we didn't understand. It was very hard to figure out what was happening, but it was clear to us that it was changing. So we started, with the support of the Sloan Foundation, a project on industrial relations transitions, as we called it then. And that supported Ph.D. students for 6-7 years, and even beyond. So probably I would say at least 7 dissertations came out of that, starting with the first two students we had here when we got here, who were admitted the same year as we got here: Jan Klein and Anil Verma, who is at the University of Toronto now. From there, we could go down the list. Casey Ichniowski, John Chalykoff, Joel Cutcher-Gershenfeld a bit later, and others after that as well. Building a common initiative around a set of problems I think is the core of what holds it together.

But then, also, being willing to adapt and change. So in the 1990s, when all of the various industry studies supported by the Sloan Foundation – auto, steel, apparel – we recognized that there was an opportunity, starting with John Paul MacDuffie's study in autos, that you could actually measure how industrial relations actually affected performance outcomes. We had done some of that, Harry Katz and I, in autos, and then John Paul and John Krafcik figured out ways to do it on a broader scale. Then there were studies like that in steel. Casey

Int. w/R. McKersie and T. Kochan  
6/12/13

15

Ichniowski, one of our Ph.Ds., with Kathryn Shaw at Carnegie Mellon after he graduated, they led the steel industry study. And Rose Batt did her work on telecommunications. We had two students do work in health care and other industries. Jodie Hoffer Gitell doing her work on airlines. So all of those were in a series that said, "Let's try to understand how this field is changing and how innovations in work practices can affect organizational performance and worker outcomes. And then Paul Osterman picked up on that in a big way by doing a major survey, the landmark survey, measuring how much of this was actually going on in the economy. And if it's so important, why isn't it spreading? That was a major contribution. So, it's those kinds of exciting questions, really good students, a little bit broader support, and then letting them find their own place.

There is one legacy here, which we should not lose sight of. Bob mentioned that he had gone to Scanlon Plan conferences in the 1950s. Well, we still were having Scanlon Fund conferences when Bob and I got here in the 1980s. They held them every two years, and each time money from these conferences went into a Scanlon Plan Fund. That fund, which we've carefully husbanded our resources and as the stock market went up and down, it is investment in the endowment. So as the endowment for MIT grows, so does that fund. Well, that fund is now very sizable, and we can support Ph.D. students in perpetuity with that fund if we are careful.

G: And you're not even in Finance!

T: Well, when you work with Bob McKersie, you learn to be frugal and careful (laughter). We always had other funds too, we had other research grants, so we didn't have to draw on this. And for a long time we didn't draw much on it. And we still only draw on it for summer support, and Ph.D. research. We can't use it for faculty.

G: So you preserve it.

T: Yes. I think it's in the by-laws, actually. We can use it for student travel, and for support, and to buy a computer for a student. But I can't use it to support a faculty member for a summer salary or stuff like that. I think that would be inconsistent. It's grown now to the point

Int. w/R. McKersie and T. Kochan  
6/12/13

16

where we can pretty much live off the interest, although we draw it down a little bit. But it will last for a very very long time. And that has been a real source of support.

B: Let me just bridge from the Scanlon thing, because I think it illustrates another feature of the story of industrial relations now, and more broadly, work in employment relations. Charlie Meyers had developed a lot of connections to the outside world. Scanlon was great because it connected to unions AND management. Charlie put together a group of companies that supported the Industrial Relations section with small amounts of money. Many of them had unions, not all of them did. Shawmut Bank, for example, which wasn't unionized. So the Scanlon Plan was an example of connecting to things that are happening in practice. Charlie, with his industrial relations group, would bring these people to campus. There was another group called the IR at MIT Group that met once a month. I couldn't believe the number of times it met, about 6-7 times a year here in the Faculty Club. What this captured were connections that could be used for our students. But also sources of support.

Now we've evolved. We don't spend time going to individual companies asking for support, although we did get some support from a network of companies when we did the transformation project. So I think a theme has always been a strong connection to the world of practice, in one fashion or another.

G: So you would add that to the questions, good questions, good students, good support and resources, but also connections.

T: Yes. A lot of those dissertations came by either Bob, or Harry Katz, or myself having links to a company or an industry where we could get students up there and engaged. From TRW with Anil Verma, to Xerox with Joel Cutcher-Gershenfeld, to paper companies that Bob was well-connected to, etc.

B: And that's been carried forward into the industry concept. Now we get into connections between our work and the rest of MIT, because certainly the auto project was MIT-wide, and we could say something about the airline industry project (which is still ongoing), largely based in Aero/Astro. But it became a very important platform for activities across MIT.

Int. w/R. McKersie and T. Kochan  
6/12/13

17

Money coming from the Sloan Foundation initially and now it's self-financing. And that's where Jodie did her dissertation. Tom has been heavily involved, and we had a session as recently as last week in St. Louis, still on the airline industry, which comes out of that project.

G: It still has lots of opportunities for that as other airlines merge and you have different cultures.

T: Oh yes. That was the subject of that symposium. And that tradition continues. For example, MIT now has this big manufacturing project called the Production and Innovation Economy (PIE), and a couple of our Ph.D. students and Rick Locke have been very much involved in that project and are anchoring the employment, and jobs, and labor dimension to it, and doing some of the most important work. You'll see that in the books that are in press or in production at the moment.

I think healthcare is just on the verge of becoming a big MIT initiative, and I think we will be involved again in anchoring the workplace dimensions of healthcare. I have a meeting at 1:30 with Kaiser with some colleagues from the Engineering School on this, because I have some connections. I have been doing some research at Kaiser and now they want a broader look at some of the challenges with the new affordable care act. So those links are really important. That we are not just in the Sloan School, we are in MIT. I think we take that quite seriously.

When the Leaders for Manufacturing program first started, Bob Thomas and I were very active. Bob was involved in LFM at that time, and those are initiatives that fit very well with what we do in the field.

We should talk a little bit about some of the intellectual challenges, and maybe the way to start that is with the Industrial Relations in Transition project. When we got here, we had sensed something was changing in pretty important ways. But a lot of people just felt, "Oh, this is just another business cycle." You had the confluence of changing politics with the Reagan Administration coming in to office; you had a deep recession in 1982 where all kinds of jobs in manufacturing were getting either lost or wage concessions. There were innovations in the workplace in terms of employee participation, quality circles etc. going on. That was posing constant challenges to traditional labor/management relations, but nobody quite knew how to

Int. w/R. McKersie and T. Kochan  
6/12/13

18

interpret them and how to understand them. Many people thought it was just a fad and it will all go away. So we got support from the Sloan Foundation, and we started this project.

G: So the thought was that industrial relations was a fad and would go away? When you say “this will go away....”?

T: No, no. Employee involvement, the wage concessions, it was all a product of the business cycle. And collective bargaining would continue.

So we started a whole bunch of projects, because we couldn't understand it, and a lot of our mental models were not working so well in what we saw. Everything from the oil industry (Sun Oil); the paper industry; the auto industry; back to Xerox and the electronics industry because we had some good contacts there; TRW was a really good place to look because it was both old and new, it had old divisions and new divisions. And we could name a whole bunch of other companies like that.

We started to just do case studies, and then opportunistically, students would find, “Gee, we could collect more systematic data for dissertations, etc.” We used some other surveys that we did of workers' views of participation in unions, and organized a major conference at Endicott House, bringing leaders from the labor movement with papers that we all wrote to say, “how do we understand what's going on in the early 1980s?”

That created a big debate in our field. “Is this a fundamental change in the structure of industrial relations? Or is this just a cyclical kind of thing?” And after a lot of work, we came to the conclusion that this is a structural change; we are not going back. We wrote this book called *The Transformation of American Industrial Relations*, which was the culmination of eight years of Ph.D. dissertations, case studies, Masters Theses, our own work in the field. A big contribution of data from General Motors and UAW, and Ford to some extent; actually all three of the auto companies. That work then became the lightning rod for this debate. And in the end I think – well, we might be biased – but it's pretty clear that we were right, there were big changes going on and the system didn't go back to the way it was. But that was an intellectually engaged debate. We had some very strong, powerful intellects who were opposed and had a different view. So it was a lot of fun.

Bob, you might have more to say about this?

Int. w/R. McKersie and T. Kochan  
6/12/13

19

B: No, I think that covers it very well. I think it was important in its own right, but I think it was the methodology and the orchestrated project that could pull together Ph.D. students. I know more recently we have asked ourselves the question: “What today could be a comparable project?” We’ve had smaller versions of that, but I don’t think anything quite as encompassing as the Transformation project for a kind of method, for really getting energy, and getting a lot of things happening out of one design.

G: And do you think that’s still possible today?

B: I think health could be.

G: Especially at MIT.

T: And it would be a little more diverse group, not just our students, in this. We have all kinds of people interested in doing work on health. The same with manufacturing. There are a lot of big manufacturing issues, but the fact that Paul and Rick and some of our students were part of a bigger picture, I think that’s more likely.

I do think healthcare will be the next big intellectual puzzle taken on here by MIT and I think we’ll play a role in it. There could be others. We have a jobs crisis in the US and the world.

G: That’s what I keep thinking....

T: Yes. We should be doing more. We’ve been writing. We just had a conference on what we called “Great Companies, Great Jobs.” And again, there are good companies that create good jobs.

G: Did you see this week’s *Business Week*? Costco.

T: No. I just did a Wal-Mart piece with the Sloan Fellows

Int. w/R. McKersie and T. Kochan  
6/12/13

20

B: Is it celebrating Costco?

G: No, it's saying that here's Costco, the second-largest retailer, but it's cheap in everything except how they treat their employees.

B: That's what I meant, they are celebrating the employee aspect.

G: Yes, the employee, the job components.

T: Very timely now, because the new Sloan Fellows class is struggling with a case on Wal-Mart. Should Wal-Mart change its sustainability initiative to bring employees and other stakeholders into it? And the comparison is always Costco. I'm sure some of the Sloan Fellows must be reading *Business Week*. So yeah, there is that issue.

And then Rick Locke's big project on global labor standards is the equivalent of the Transformation project. He amassed, over a decade (well, maybe not 10 years, but it goes back 10 years), a series of projects to get the best data on compliance with global labor standards in companies like Nike, Hewlett Packard, a couple other clothing manufacturers. He just came out with a book called *The Limits of Private Power*, which is now, given the publicity of Bangladesh and the tragedy there, is now getting enormous play and feedback and having an impact on people's thinking. It's the best work in our field on that subject, ever! And it will have enormous impact, and already has had a big impact. So there's a tradition carried forward. He's had political science students and students in our program engaged in that process. And he was engaged in our Transformation project in the later stages. He helped do some of the checking of footnotes. He was in the IR theory class that I taught, as we were just wrapping up that book and trying to make sure we had our arguments tied down. He read that in some draft form as a graduate student, and that helped get him interested in our field. He saw this community. And Rick is also a community builder by nature and personality, and he's carried that on in political science and with our group. And now he'll carry it on at Brown, I'm sure.

There are examples like that, and it's nice to see that book having such an enormous impact.

Int. w/R. McKersie and T. Kochan  
6/12/13

21

B: And some of the faculty. You and Michael and Paul had a project, and you got a book out of it.

T: In the late 1990s we developed this project on what is happening in the labor market, and why does there seem to be a lag between changes in the nature of work and the changes in the workforce. There seems to be a mismatch. The workforce was changing, the economy was changing, the nature of work was changing, but our policies were mired back in the legacy of the 1930s. So we organized a project around these transitions in the labor market. Paul Osterman was the leader of that and we did a book on *Work in America* in 2009. This was a group effort, though smaller in scope, again trying to get us to think a little more creatively about what's happening in our field.

B: One other subject area would be the curriculum or coursework.

G: Yes, that was exactly where I wanted to go as well. What's changed in the teaching?

B: Particularly for MBA students. There are some interesting examples where Tom tried to build bridges between our group and OSG. Tom joined other BPS faculty to create this important course so we have a synthesis in that course. But you were mentioning earlier that we had an elaboration of the traditional courses back in the 1980s. We don't have those courses any more, and of course, the requirements have been boiled down to just one semester for our MBA students.

I think one development that has made it possible to support a cluster of faculty is that we picked up the generic subject of negotiations. As far back as 1983, 1984, when Max Bazerman, who was in the OSG group here, and I, did the first negotiation course. Now I don't know how many sections. Tom presides over the staffing.

T: There are about 6 sections.

Int. w/R. McKersie and T. Kochan  
6/12/13

22

B: 6 sections and it's a very important development since a majority of the students opt to take this class.

G: Also I wrote down here the work with the Harvard negotiation project...

B: It's related to that.

G: But that's an example of an outside organization that you're strongly connected with and contributing to.

B: Yes. And that also brings in one other person we haven't mentioned: Mary Rowe, who has an adjunct appointment in the Sloan School. Her interests are both in OSG and with ours, with her work in the Ombudsman office. Mary started teaching negotiations on a regular basis sometime into the 1990s, she was teaching negotiations regularly as part of her portfolio at MIT.

The other thing, since we are celebrating the 100th anniversary, is the undergraduate program. We should say something about this Tom, you have been heavily involved in teaching undergraduate students. I remember when I first came, Mike Piore was teaching a social history course to undergraduates

T: We developed a course called People and Organizations about 7 years ago and that was for the Management minor. But it's also for undergraduates in science and engineering majors, who needed to learn something about the world of work and organizations they are going to enter, in order to be more productive. So we teach it from the standpoint of the student coming into the workforce, not as how are you going to be a manager, but how you're going to be a productive participant; and with leadership influence from below, how do you get your ideas accepted; negotiations; understanding diversity; understand organizations using the organization processes course which we developed jointly with OSG. We used that framework. And that course has gone well, and it's great fun to teach.

Int. w/R. McKersie and T. Kochan  
6/12/13

23

I have to go now, but I'll bring you a copy of the little newspaper that the students created at the end of the semester this year, which is the most creative thing that's ever come from a class. They had the former editor of the student newspaper *The Tech*, so they created a summary of the course, and mocked it up as a newspaper. Very creative and very nicely done. That's been really important.

G: Two quick questions: What, in your own career here at MIT, are you proudest of?

T: Well, it's the Ph.D. students, no question. Absolutely. And the fact that we built this community of people who really are recognized as leading the field in new directions, not afraid to address the big questions, but using rigorous methods to do so, and not afraid to recognize that the world is changing, and we need to adapt to it and try to understand it. And to do something about it as well, because it's a strong commitment to public policy and to improving conditions of work and society and to do it in a productive way. That's what we stand for.

G: The other question relates to bringing OSG and IR together. Your vision and hopes for that. What I will say is, one of the things that's been different about OSG than IR is that I think the value commitment has always been much clearer in the IR section. I know you've written about that, and I've read some of your work on that. OSG is more of a stand-back, study the phenomena, whereas IR has been really clear about that its values are, and support them too.

T: My hope is that this new group will take on the big issues in management, with a diversity of views and methods and disciplines and perspectives. I think we have an opportunity now to address the really big challenges that management organizations face, which are not being addressed effectively in most business schools. And we can do better.

That's my input. Sorry I have to run.

*Continuation of interview with Robert McKersie and George Roth*

Int. w/R. McKersie and T. Kochan  
6/12/13

24

G: Earlier you talked some of the important people that were here. And you told the story of Phyllis Wallace....

B: Yes. I wanted to fill in the personnel roster. When I got here, Phyllis Wallace was a faculty member, which was wonderful, because I had gotten to know Phyllis when I was doing research at the EEOC, where she was research director. This was while I was at the University of Chicago, civil rights legislation had been passed, data was becoming available, Phyllis was working for scholars around the country to analyze the data. She asked if I would tackle the Chicago data, which I did, in her report for EEOC. So I got to know Phyllis.

G: And where was Phyllis then, when she was...?

B: She was research director at the EEOC in Washington.

G: So she was working for the government.

B: Yes. I don't want to go too far out on a limb, but I think Phyllis was brilliant, she had a Ph.D. from Yale, but being African American she had trouble in the 1950s and 1960s when she was looking for work. In fact, I think Phyllis worked for the CIA. She never talked about it. On the Russian desk, for quite a long time. And then when the EEOC was established around 1964, she got that job. And that was a good job for her, being African American, and being a strong, academically trained economist. So I knew Phyllis through the research.

So when I got to Cornell, I had some chances to hire people at the ILR School, and I went after to Phyllis. I brought her to campus, and she visited, but we weren't successful in recruiting her because simultaneously Abe Siegel was recruiting her to come here to the Sloan School. So when I came to Sloan in 1980, Phyllis and I laugh – "I couldn't get you to Cornell, so to become your colleague I had to come here to MIT."

And another, more recent piece is, I was talking with Lisa Lynch, who is dean of the Heller School at Brandeis. She was reminiscing about how important Phyllis was to her

Int. w/R. McKersie and T. Kochan  
6/12/13

25

career. First when she was an undergraduate at Wellesley, taking a course over here that Phyllis was offering. Then Phyllis tried to get her in to the Ph.D. program, but Lisa preferred to go to London to LSE. But then we recruited or hired Lisa to our faculty and then Lisa became a colleague of Phyllis', and said how much she owed to Phyllis.

G: And we heard in the interview with Annette how Phyllis had groups of people that she was both friendly with as well as professional. So she was a great social connector – much like Tom was saying about you and Rick Locke in Political Science, and bringing groups of people together.

It sounds to me like an important part of what the IR group has done to magnify its impact.

B: The other thing I was going to say is, we've heard the number 37, an amazing number of Ph.D. graduates since Tom took over the Ph.D. program. 37 out there, populating important roles. Primarily in business schools. And we've been sending out people who started here as junior faculty and are doing well. Lisa Lynch who was here who is dean at the Heller School; Katherine Abraham has a professorship at the University of Maryland, and was an economist for the Dept. of Labor. Some have gone in to business, like Tom Barochi, who is a consultant. Jim Driscoll has become an activist; he doesn't have a base. And Harry Katz, who was here, has been dean of the ILR, in his second five-year term.

So even though they did not acquire tenure here, they've done very well in their careers.

So, any more questions, George, on your end?

G: What has your proudest contribution been when you look back on your time at MIT?

B: I think some people wonder whether it's possible to have a career after being a dean, and coming here and joining with Tom and the others we discussed, and having the transformation project, really re-energized me and got me back into a research mode.

Int. w/R. McKersie and T. Kochan  
6/12/13

26

What I think I'm most happy about was getting the field of negotiations as a teaching area established here. I had studied negotiations from a labor-management perspective, collective bargaining. But to take it into a more generic, general study. The Program on Negotiations based at Harvard was starting right about that time, in the early 1980s, and I became involved there, an inter-university program. So putting that subject on the map, and now Tom says we have six sections a year, with maybe 70% of our students taking the course.

On the practical side I along with three others offered a two day seminar for many years for labor and management negotiators interested in improving their bargaining skills by learning about the concepts and tools of interest based bargaining. At last count we had put almost 4000 participants through this experience.

I'm also very proud of having been associated with the Sloan Fellows Program, right from the beginning. I think I have taught the Sloan Fellows every year that I've been here. I've chaired the Sloan Fellows Committee, and I had a Sloan chair for a while. Currently I teach the course entitled Choice points that use literature to explore leadership issues. So mixing it up with people who have this practical experience has always been very rewarding.

And then just being part of the group here, and participating not only in the transformation study, but the study of Kaiser with the book that has come out of that. That was a very intense relationship for some of us, to be out there in California, studying negotiations, studying the partnership, and then the implementation of partnership ideas currently in what they call these unit-based teams, where you bring all the specialties together.

Another area that I became interested in is corporate governance as a result of serving over 12 years on two boards of directors as a union nominated director. In one case I brought suit and obtained a \$4M settlement for workers who had been hurt by a company welching on its commitments.

So those are some of the highlights of the last.... What's amazing is I spent 12 years at Chicago, 8 years at Cornell, and now it's going on 33 years here. So the numbers show that I must like it here at MIT.

G: And you said, was it possible to have a career after being a dean? That was pretty early on in your life, and you've had so many years here. I know you've contributed in many

Int. w/R. McKersie and T. Kochan  
6/12/13

27

ways and you've been a great partner to me over the years. And we taught that class together for 2 years, the structured thesis class.

B: That's right. It was over in the building they now have for – didn't we meet in the building that's now the Dean's Office?

G: In E-60 for a while, and I think we also met for a while in a conference room right off the second floor in the Library, because we couldn't find space.

B: That's right.

G: I know your contributions also to the LFM program, and then just as a citizen who is always available.

B: The other thing I did, and I really enjoyed it – I remember Lester came up to me one day and said, "Bob, you probably don't want to get back into 'dean-ing' kind of work."

I said, "Well, I believe in stepping up."

And he said, "OK, how about being a Deputy Dean?"

So I was Deputy Dean for either three or four years, and worked very closely with Steve Graves, and we had a wonderful relationship.

That was the time when Lester was really putting the School on the international map and making important decisions as to whether we should go into India or China. And we decided we'd go into China. But to work with him, and the vision he had for the School, was very rewarding.

G: We have very little on Lester. Do you want to say anything else on Lester?

B: Well, people were really surprised when Lester agreed to be dean, because he had such a national role underway. He had his books coming out; every second or third year a new book would come out. He was a commentator on TV. He was a celebrity.

Int. w/R. McKersie and T. Kochan  
6/12/13

28

G: Probably the most famous person from Sloan for quite a time.

B: And I really admire his willingness not to shut some of that down, because he did keep some of that active. But the kind of time he had to put in to be dean. And he was really a good – Lester is wonderful in terms of making a presentation. He would often try out some of the subsets of the presentations on us. We'd be in a meeting with him, and he'd have some idea or something, and he'd roll it out, and then a week later we'd say, "Hey, that's what he was trying out on us." So he was always thinking about ideas and how to articulate on paper or in presentations.

Lester must have stayed on as dean – he went through a whole other set of deputy deans. I think Arnoldo was with him for some time. So he must have been dean 6, 7, 8 years. It was a very important period for the School.

G: In the 30 years that you've been here, you have seen a lot of changes in the educational program here. Do you have any thoughts or reflections on that? I think, in many ways, at that time, Sloan School clearly established itself as a top-tier business school. Certainly, when I came here, it was pre-eminent, or it was a top-tier, but it certainly wasn't there in terms of the ratings, the traditional way in which things are measured. To get there, Sloan has had to go through a number of changes from what it was that probably attracted you to being here.

B: I don't think I really appreciated the fact, when I came here, that it was a school of management, as distinguished from a school of business, which I had been at in the University of Chicago, which was in the mainstream of business schools. When I came, we did have programs in the health area, and we had a master's thesis, which I thought was really important. I had some good people who did theses under my guidance. We had faculty members who were taking advantage of all that "person-power" that was involved, like Arnoldo's structured thesis seminar, etc. I sort of realized, I thought for the Sloan Fellows while it was often a heartburn for them to do a thesis, it was really a very important learning experience for them.

G: And it builds a relationship with the student's advisor too.

Int. w/R. McKersie and T. Kochan  
6/12/13

29

B: In those days, we had sponsored students who were able to go back to their company and work on an interesting problem, pretty much like the LFM students do with their internship and a thesis that comes out of it. But we've moved either away, or beyond, for better or worse, as you said – we're pretty much now a business school with an MBA, much like the others. We're in the Top 5 or the Top 10. I think we've lost something in that process. We gained visibility, we became strong application-based, maybe we've gained the ability to attract funds in a different way and we're not seen as this kind of hard-to-define management school. Like Yale, they have had all kinds of problems defining itself as a management school. So, there are some good things, and there are some things we have lost.

G: What I've never understood – and this is a real question too – maybe it was from some of the people we interviewed in OSG. Now the course for teaching is the core Course 311, and that pretty much covers your teaching requirement. There isn't really a lot of benefit or drive toward doing electives. So I'm guessing the same thing is happening – you've got IR faculty that are teaching 311 or teaching Negotiations as meeting their teaching requirements. I'm guessing there are still seminars, but they are probably much more oriented toward research and not toward the Masters students in the way that I think things were different when I was here as a Ph.D. student in the late 1980s and early 1990s.

B: I think that's true. The specialized courses or seminars, aimed at our Masters students, we used to have a lot of those.

G: And it seems to me, just to follow up on that, that in some sense the variety that that provided has been replaced by these action learning projects, which has teams out there actually engaging in a project. So a different way of learning and connecting and applying ideas. But that's where I see the big shift.

B: Yes. I've been away from the curriculum except for the one course I teach, the literature course called "Choicepoints," which I've been teaching 10-12 years now, since Abe passed it to me. So the action learning, and all the different labs we have, I'm aware that they are happening, but I'm just not connected with that part of the School.

Int. w/R. McKersie and T. Kochan  
6/12/13

30

G: I want to go back to your thoughts about this merger of OSG and IR. You have observed the two groups for a long time, and I'm guessing you've had some pretty close personal relationships with people in OSG: not that there was any aversion to the group as a whole, but they just operated very differently.

B: Yes. Tom said earlier: it was always a kind of puzzle. I think when Abe created the Behavioral and Policy Sciences area, and put John Little in charge, he was hoping that that might bring us a little closer together. And the fact that he put an outsider in charge, I think Abe's assessment was that he couldn't put anybody from OSG or from our group in charge of BPS, otherwise it would just..... But that didn't bring us together. And part of it is, we've always had enough energy with our faculty and Ph.D. students, and with the ability to teach negotiations as the other courses left the curriculum. So we had a viable ....

I owe it to Tom, because you heard him say he reached out for this processes course. I really admire him, to take the time to meet with the colleagues, and then to teach that course. That was terrific. I don't think all of our other faculty – I'm not sure I would have been willing to take the time, if I were still full-time, to do that. But he did that.

So it's been slow in coming. I think it's an important development. I think the design they have reached is the right one, because I think our Ph.D. students and I think the Ph.D. students on the OSG side, got a little nervous that we all of a sudden are throwing things together. So we have the two seminars.

But certainly teaching for the undergraduates and the MBAs will now have one person putting the plan together. And I think, over time, I hope there are some major research projects that cut across. When you heard Tom, a few minutes ago, saying we really have some major issues with the way corporations are operating today.

G: Yeah, jobs in America....

B: Yeah, we ought to get some people from the larger group called Organization and Work, or Work and Organization (I don't think they are really set on the title yet).

Int. w/R. McKersie and T. Kochan  
6/12/13

31

END OF INTERVIEW