

INDUSTRIAL RELATIONS SECTION: EARLY AND ENDURING ROOTS

THE INDUSTRIAL RELATIONS SECTION at MIT goes back to 1937 – people born in that year are retiring in this one. The National Labor Relations Act had just been passed, the CIO had just been formed and millions of workers were joining unions. MIT's timing was right. "Men trained as engineers are likely to find themselves ultimately in high positions in industry that give them responsibilities for determining industrial relations problems that underlie the whole field," MIT President Compton told *The New York Times* (November 7, 1937).

That first year Douglas McGregor joined the Institute as the first faculty member in Social Psychology and settled the new Industrial Relations Section into the Department of Economics and Science. Douglass Brown – with a reputation for original thinking on unionism, collective bargaining and industrial relations – came along a year later; Charles Myers, the year after that. Results followed quickly. The Section began publishing the *Library Announcements Bulletin* – a quarterly annotated list of publications about industrial relations and personnel administration. In 1940, Myers and John Dunlop at Harvard (later University Professor there) published *Industrial Wage Rates, Labor Costs, and Prices*.

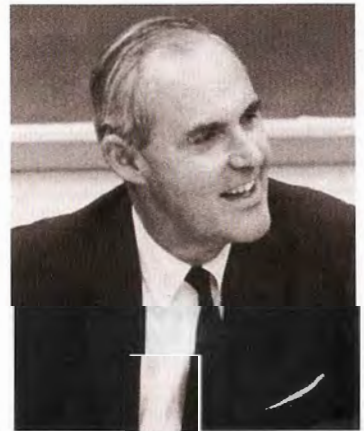
Joseph Scanlon, a retired Steelworkers' Union official, joined the Section in 1946. During the next ten years his annual conferences on the "Scanlon Plan" of labor-management cooperation won him – and the Section – an international reputation. He died in 1956 and Fred Lesieur, a disciple, carried on the conferences for thirty more years. Lesieur's book, *The Scanlon Plan: A Frontier in Labor Management Cooperation* (MIT Press, 1958), has been reprinted many times.

When the School of Industrial Management was established in 1952 and moved into the Sloan Building, the Section came too, bringing along its members from the Department of Economics and elsewhere at the Institute. Key new participants included Jack Coleman, later president of Haverford College and the Edna McConnell Clark Foundation; Abraham J. Siegel, later Sloan School professor and dean; and Stan Jacks, a popular Sloan teacher for decades.

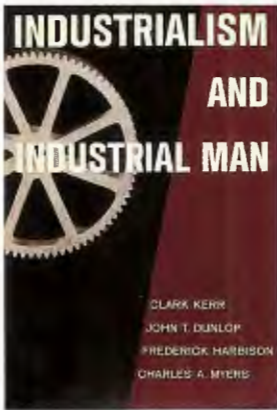
An important "output" of this period was newly minted PhDs. George Shultz – later Secretary of Labor, Secretary of the Treasury and Secretary of State; now Honorary Fellow at the Hoover Institution at Stanford University – recalls that, "As I bounced around from one job to another, I have found the insights



Professor Douglas McGregor, whose Theory X and Theory Y, published in his classic 1960 book, *The Human Side of Enterprise*, set the bar for virtually every book written on management today.



Professor Charles A. Myers, an early and long-time member of the Industrial Relations Section.



Industrialism and Industrial Man, a classic in its field that Charlie Myers and Frederick Harbison published in 1961 with their colleagues Clark Kerr and John Dunlop.

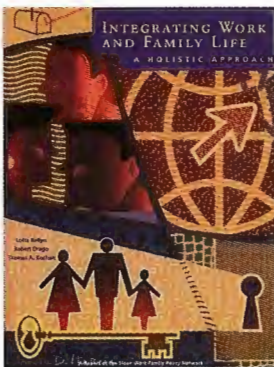


Professors Robert McKersie and Thomas Kochan, long-time leaders in the field of Industrial Relations and in the Industrial Relations Section.

gained from those early years [in the Section] to be extremely helpful: how to apply economics to practical problems; how to think about the ebb and flow and the conditioning and timing of negotiations; how to understand the workings of an organization, whether academic, business or government, as examples." Other PhDs included Arnie Weber, later president of Northwestern University; William M. Vaughn, III, later vice president of The Stop & Shop Supermarket Company; and Wayne Horvitz, who went on to head industrial relations for a number of Pacific Coast maritime employers.

Early in the 1950s, Myers initiated a weekly workshop where faculty and doctoral students from across Boston came to discuss their works-in-progress. The Section also took research leads in personnel and labor-management relations. *Viz.*, *Industrialism and Industrial Man*, the classic-in-its-field that Myers and colleagues – Clark Kerr (later president of the University of California and chairman of the Carnegie Commission on Higher Education), John Dunlop and Frederick Harbison – published in 1961; and *Personnel Administration* by Myers and Professor Paul Pigors, which went through nine editions. Grants enabled a conference and subsequent book, *The Impact of Computers on Collective Bargaining* (MIT Press, 1969), A. J. Siegel, ed., and a gathering of most living former Secretaries of Labor, their discussions recounted in *The Unfinished Agenda* (1977).

When Charlie Myers retired in 1980 (he had directed the Section since 1948), leadership passed to Professors Robert McKersie, Phyllis Wallace and Thomas Kochan. *Industrial Relations* as a field had changed since the Section had been estab-



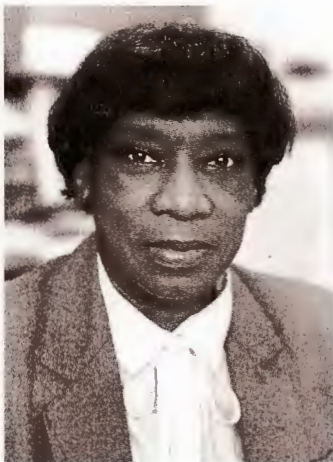
Integrating Work and Family Life: A Holistic Report (2001) by Professors Bailyn and Kochan and Professor Robert Drago of Penn State is a project of the Sloan Work-Family Advisory Network. It recognizes the effect of work-family pressures on society and explores family problems and work structures that do not fit today's reality.

ished, as documented by Kochan, McKersie, fellow faculty member Harry Katz and several PhD students in their award-winning book, *Transformation of American Industrial Relations* (Basic Books, 1986). Other current topics that attracted faculty research included employment policies and training systems, incentive structures, the politics of industrial change, new forms of organization and modes of production. The resulting material that they taught in their classes – some of the most popular at Sloan – was then, and still is, “the real stuff.” Sloan students learn the art of effective bargaining from concepts developed in actual labor-management negotiations and the actual resolution of employee grievances.

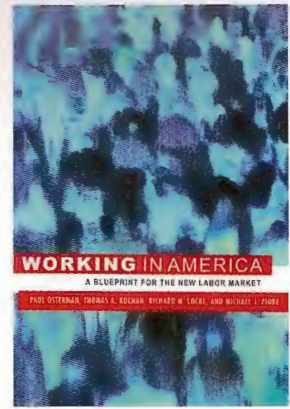
In 1997, the Industrial Relations Section acknowledged how dramatically the workplace had changed since 1937 by renaming itself the Institute for Work and Employment Research (IWER). Like the Section, IWER is MIT-wide and conducts research across a range of current work and employment issues.

For example, with funding from the Ford and Rockefeller Foundations, IWER brought together a Task Force on Reconstructing America’s Labor Market Institutions – researchers and leaders from community-based organizations, business, labor and government – to examine the changing nature of work, employment relationships and labor market institutions in the United States. IWER published the Task Force’s findings, first in a periodic newsletter and subsequently in a book, *Working in America: A Blueprint for the New Labor Market* (MIT Press, 2001), that one reviewer gave this high five: “Few books both analyze an issue and suggest solutions as succinctly and persuasively as this one. The issue is the serious mismatch between old institutions and regulations and the new realities of a transformed American labor market. The broad menu of suggested solutions focuses on making the institutional and regulatory framework work better for everyone, both workers and their families and the businesses that use their services.”

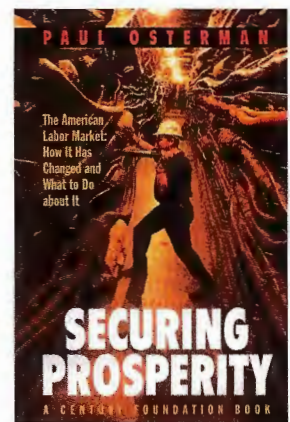
With the Industrial Relations Research Association, IWER also publishes *Perspectives on Work*, a semiannual magazine for professionals in the field. It still publishes the *Library Accessions Bulletin*, and Charlie’s workshop still meets every Tuesday.



Phyllis A. Wallace, a researcher, teacher and consultant on issues of human resource management, became professor of Management at MIT in 1973 after years of studying and seeking to remedy issues of discrimination in the American work force. Wallace continued that work at Sloan, authoring several books including *Pathway to Work: Unemployment Among Black Teenage Females* (1974), *Women, Minorities, and Employ-*



Working in America: A Blueprint for the New Labor Market (2001), IWER’s examination of the changing nature of work.



Securing Prosperity: The American Labor Market: How It Has Changed and What to Do about It (1999) by Paul Osterman, professor of Human Resources and Management.

ment Discrimination with Annette LaMond SM '74 (1977), *Black Women in The Labor Force* (1980), *Women in the Workplace* (ed., 1982), and *MBAs On The Fast Track: The Career Mobility of Young Managers* (1989). She became professor of Management Emerita in 1987 but maintained a close association with the School until her sudden death early in 1993.