Becoming the Organization of the Future

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ABSTRACT. Becoming the organization of the future is the number one challenge facing every organization. It is more important than a major technological breakthrough, developing a new product or implementing a successful marketing strategy.

Building an organization for the future is not a side issue. We must carefully study what we do and how we do it. We must consider the human qualities that give our organizations their vitality and potential as well as considering conditions outside our organizations.

The kind of organizations we want for the future must be planned now and a process established to see that it happens. In General Motors, we are devoting considerable effort to such a process. I would like to describe what is being done to establish it as a continuing effort, an effort which has gained wide acceptance in our organization as the quality of work life process.

When we began to use the term ‘quality of work life’, we had some people who misinterpreted, what it was all about. There were some who:

- thought it was a happiness program. That’s not what quality of work life is all about, although happy employees may certainly be a by-product;
- felt that it was a personnel department program, and of course, it’s not;
- felt that QWL was a subtle employee incentive program. It is not, although employees motivated to achieving the goals of the organization certainly ought to be one of the outcomes;
- perceived it as another productivity program. Our quality of work life effort isn’t that either, although better productivity is certainly one of the important by-products.

Its objective isn’t to make working fun, easy, or undisciplined. Rather, its objective is to make working effective, challenging, involving, and to put some quality into human work, from top to bottom in a work organization.

What then does quality of work life mean to us?

- More employee involvement at the factory floor and in the office,
- Improving relationships, especially between supervisors and the people reporting to them;
- Better cooperation between union and management.
— Innovative and more effective design of jobs and organizations.
— Improved integration of people and technology.

All of these are important aspects, and each can help contribute to a better work environment. But there are other, more basic considerations in a successful, total-organization approach to quality of work life.

— The first of these is that quality of work life is a process. It’s not something you can turn on today and turn off tomorrow — or package in a neat little presentation.
— It is utilizing all of our resources, especially our human resources, better today than we did yesterday, and even better tomorrow.
— It is developing among all the members of an organization an awareness and understanding of the concerns and needs of others and a willingness to be more responsive to their concerns and needs.

— Finally, quality of work life is improving the way things get done to assure the long-term effectiveness and success of the organization.

These are the key elements of our quality of work life philosophy. We purposefully encourage a broad understanding of the concept so that within our divisions, plants, and departments the opportunities for innovation are not limited. Most important, we want our managers and other employees to be free to develop innovations that best meet the unique circumstances of their organizations.

Our current view of quality of work life was not developed overnight. It has evolved from a philosophy of management and has been shaped by events and experiences occurring over a considerable period of time. I would like to discuss some of those major developments of the last decade and highlight some of the activities in progress today.

Our planned and organized approach began in 1969. We had just experienced a series of sporadic strikes in several of our car and truck assembly plants across the country. They were crippling. It was decided the adversary environment had to change — and if it was to change, management must find the way.

We started out with the direct involvement of our late president, Ed Cole, who got us involved in a project with the Institute for Social Research at the University of Michigan.

Initially, four GM plants were involved in research and organization development activities. Major emphasis was placed on employee involvement, information sharing, and training.

What we learned is that there is a close relationship between an organization’s performance and how employees feel about the organization — how they feel about the work climate, the quality of management, and employee-management relationships. The project showed us that we could improve performance and human satisfaction by creating conditions in which people can become more involved, work together, and experience personal growth and development. Since then, a number of developments have helped shape our philosophy and the various approaches that were taken.

A key development occurred in 1973. In conjunction with labor contract negotiations that year, GM and the UAW established a National Committee to improve the Quality of Work Life. Representing the UAW on the committee are two high-level officials of the International Union. The corporation is represented by the officer responsible for personnel matters and the vice president in charge of industrial relations.

The committee meets periodically to discuss joint activities under way in the corporation. For us, it is a focal point for management-union cooperation on quality of work life. One of its chief functions has been to educate executives of the union and the corporation about quality of work life and its applications. Twice in the past four years, the committee has sponsored one-day seminars for union and management executives.

The first meeting took place in 1975 and a follow-up session last year. About forty people attended that first meeting — twenty from the corporation and twenty from the union. It was a good learning experience for both sides. We talked about things important to all of us, and a lot of managers and union people were surprised to see just how much we do have in common. Some operating managers and local union people also attended and told us how they are applying