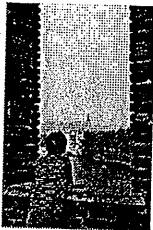# Workplace Discipline

Considering a New Approach

Workplace Discipline

■ Where did it come from?

■ How is it structured?

Traditional Progressive Discipline

INFORMAL
TRANSACTIONS

Coaching & Counselling

Traditional Progressive Discipline

FORMAL TRANSACTIONS

Step 1: Verbal Reprimand
Step 2: Written Warning
Step 3: Suspension – without pay
         Probation
         Final Warning
Step 4: Termination

What is wrong with Punishment?

What is wrong with Punishment?

- People who are disciplined are considered troublemakers

- Once tagged and being a "marked man:, superiors spend their time looking for negatives.

- Commitment and camaraderie disappear.

- Work gets done at a minimum level

- Industrial sabotage can occur

- Supervisors are reluctant to use it

- Morale suffers

What is wrong with Punishment?

Short-Term Consequence...

Can be some improvement

BUT

What is wrong with Punishment?

Can be some improvement

BUT

Long-Term Consequences...

Often includes anger, apathy, resentment & frustration

What is wrong with Punishment?

The basic premise of
the traditional system
is that
"crime"
must be followed with
"punishment".

PUNISHMENT

Warnings…
Reprimands…
Suspensions without pay…

Do not deliver what is really needed in the workplace.

The New System

- Where does it come from?
  - John Huberman
  - Dick Grote

- What is it called?
  - Non-Punitive Discipline
  - Discipline without punishment
  - Positive Discipline

The New System – How is it different?

- Informal Transaction
  - Positive contact
  - Coaching session

4

The New System – How is it different?

- Formal Disciplinary Transactions

  - Level 1:   Oral reminder

  - Level 2:   Written reminder

  - Level 3:   Decision making leave (paid)

  If this system fails then... TERMINATION.

Decision Making Leave

Why pay for the one day?

Why pay for one day?

- Demonstrates good faith

- Can change anger to guilt

- No 'score to settle'

- Easier for supervision

- Reduces hostility

Why pay for one day?

- Increased defensibility
- Removes money as an issue
- Consistent with values & vision / people
- Positive impact on working climate

A Disciplined Organization

Recognize & Reinforces
good performance.

Confronts & Corrects
poor performance.

Discipline without Punishment

The absolute
CORE TO SUCCESS

is the organization's ability to work on
POSITIVE CONTACTS

and the
RECOGNITION OF GOOD PERFORMANCE .

Making the Move

- Some misconceptions...

  - Employees won't take it seriously.
  - Supervisors wont be able to handle it.
  - The systems won't be upheld by 3rd parties.
  - Good employees will resent it.
  - People will take advantage of it.
  - WE will lose our power to control employees.
  - The program rewards misbehavior.

Discipline without Punishment

- Gives supervisors the tools they need to do a tough job right.

- Provides complete procedural guidelines.

- Clarifies the exact responsibilities of line management and HR.

Discipline without Punishment

- Develops accurate, complete and defensible documentation.

- Requires employees to take responsibility for their own behavior and performance.

- Requires managers to recognize and reinforce the good performance of the majority of employees.

Discipline without Punishment

Provides dramatic results:

- fewer discipline incidents
- fewer grievances and termination
- reduced exposure to arbitration / litigation
- better attendance, attitudes and morale.

Discipline without Punishment

Brings your discipline policies and practices into line with your mission, vision and values.

Discipline Without Punishment—At Last

David N. Campbell, R.L. Fleming, and Richard C. Grote

Discipline Without Punishment—At Last

David N. Campbell, R.L. Fleming, and Richard C. Grote

It was a particularly nasty incident involving a foreman that triggered Tampa Electric Company's decision to switch to a nonpunitive approach to discipline. The labor relations manager recalled the 1977 confrontation between the foreman and a lineman this way: "The lineman's confrontational behavior caused the working foreman to grab the lineman by his shirt collar and shake him severely. This is unacceptable behavior for a working foreman, and he was suspended for 13 days. I had no choice under the existing policy but to support that suspension, but I never felt good about it. All I did was penalize an employee and his family; I did not change his behavior in any way. I believe he would have done the same thing again. I forced compliance, but he will still believe the company was wrong."

His prediction was accurate. Five months later another disciplinary situation arose with the same foreman. The previous suspension had proved ineffective in improving behavior.

The labor relations manager's frustration with the company's punitive approach resulted in a search for

Both Messrs. Campbell, senior vice president, administration, and Fleming, director of labor relations, participated in the implementation of a nonpunitive system of discipline at Tampa Electric Company of Tampa, Florida. Mr. Grote is president of Performance Systems Corporation of Dallas, Texas, a management consulting firm that specializes in helping organizations implement nonpunitive performance management systems.
Author's note: We thank Eric L. Harvey for his contributions to this article.

an alternative. The organization wanted a system that provided consistency, fairness, and lasting corrective measures without resorting to punishment. In September 1979, the production operations and maintenance groups replaced the old approach with a nonpunitive system for a one-year trial period. By January 1981, the new system was in effect companywide. The pilot project, which covered 1,000 employees, grew to include nearly 3,000.

After the program had been in place in production operations and maintenance for about a year, Tampa Electric surveyed the 100 managers and supervisors in the affected departments. All but 2 not only agreed that the program should be continued but also recommended its expansion. "When you get 98 out of 100 managers agreeing on anything," one senior executive commented, "you know you've got something that's very successful." Shortly thereafter, Tampa Electric expanded its nonpunitive approach to all operating, service, and administrative departments.

Since the program was adopted companywide in January 1981, Tampa Electric reports only favorable results: more effective and accepted disciplinary measures, fewer successful unemployment compensation claims after employees have been terminated, less absenteeism, and fewer arbitrations. In fact, in 1982, no union grievance proceeded to arbitration.

The decline in absenteeism alone resulted in sizable financial savings for the company. Sick time usage in maintenance and production operations

dropped from an average of 66.7 hours in 1977 to 36.6 hours in 1983. In one operating department, the average use of sick time per employee dropped from 58.8 hours to 19.5 hours per year in five years. Based on a 1983 average wage rate of $11.78 per hour, this reduction in sick time use saved the company $439,404, or 1.38% of the 1983 payroll—the equivalent of having 18 additional people on the job.

Tampa Electric's experience with its nonpunitive system was best captured by the words of a long-term supervisor who expressed relief over the elimination of the unpaid suspension. "I've never yet seen a guy come back from an unpaid suspension," he said, "feeling better about his boss, his job, the company, or himself." (See the insert, "Similar Results in Dissimilar Organizations," for more information.)

Resistance & acceptance

Twenty years after its introduction, a growing number of companies are finally moving to implement John Huberman's "discipline without punishment" approach.[1] Five reasons explain why it has taken so long for the new system to gain acceptance.

1. No perceived need. Throughout the 1960s and much of the 1970s, existing approaches to discipline were perceived as adequate, if imperfect. In the industrial sector of the economy, the traditional disciplinary series of warnings and suspensions was comfortable and familiar; managers didn't expect to bring about behavioral change and commitment to the organization's goals. In the professional and technical sector, organizations tended to discount the need for a formal discipline system. Formal disciplinary action was somehow seen as inappropriate for this more sophisticated, better educated portion of the work force; problems were as likely to be avoided as confronted.

Today, the old standard is not good enough. Pressures for quality and productivity demand a work force committed to meeting organizational goals and requirements. Companies are implementing nonpunitive discipline systems as a strategy to build commitment and productivity.

2. Understanding "corporate culture." Until recently, few companies recognized or cared whether they had a corporate culture that influenced the collective behavior of its members. Discipline was not perceived as a reflection of culture—represented, for

example, in the idea of a well-disciplined organization. Rather, discipline was merely something "done to someone" in response to misbehavior. With the new interest in a company defining its corporate culture, however, has come a recognition of the way discipline defines the relationship between managers and workers.

3. Lack of an effective implementation process. Huberman's 1964 article merely suggested replacing a series of punitive steps with a series of nonpunitive steps. But simply renaming the steps has little impact on the day-to-day behavior of supervisors confronted with employee misbehavior. For an organization to change its approach to discipline, it has to review and reevaluate its entire approach to performance management. With more experience, managers have found methods to use in moving an organization from the old style to the new one.

4. Changing work force values. At the time Huberman introduced his approach, the "baby boomers"—the huge population born between 1946 and the mid-1960s—had not yet entered the work force. The traditional values of hard work, diligence, obedience to authority, and self-discipline still prevailed. Today, with approximately 48% of the work force consisting of people born between 1946 and 1964, managers have to deal with employees who grew up in an era that spurned discipline for permissiveness, rejected authority figures, and insisted on immediate gratification and participation in decision making. When managers today complain that the "new breed" is different, they're right.

Moreover, baby boomers not only make up the great majority of young employees in an organization, but also "senior boomers," in their middle and late thirties, are now assuming positions of authority where they are required to set disciplinary standards. In their new tasks, many continue the unconventional attitudes and approaches they brought with them to the organization.

5. Changing perceptions. Twenty years ago, discipline was perceived as a distasteful task best left to line supervisors and the labor relations department. Discipline did not deserve senior management's attention.

Because of the tremendous increases in wrongful termination suits and challenges to disciplinary action by outside third parties, discipline has assumed a more significant place on the corporate agenda. Senior managers are recognizing that the traditional approach to discipline is out of alignment, both with other human resource systems and, more important, with most of our beliefs about the worth of the indi-

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1 John Huberman, "Discipline Without Punishment," HBR July–August 1964, p. 62.

vidual and the best ways to manage human resources.

These five factors have contributed to the increasing interest in and introduction of nonpunitive discipline systems in a variety of organizations. As a result, the purpose of the disciplinary transaction has changed from a punishment meted out in response to a violation to a process that requires individuals to accept responsibility for their own behavior, performance, and continued participation in the enterprise.

The discipline dilemma

Few systems in American organizations seem more accepted yet less productive than the old-line "progressive discipline." In the desire to enforce rules in the work force, organizations frequently act in ways that prevent real self-discipline. Consider:

□ In a plant of a major food-processing company, disciplinary problems became so severe that in a space of nine months, managers fired 58 of the 210 employees. Supervisors eagerly wrote up infractions with the intent of running off "troublemakers." The atmosphere turned poisonous; obscene messages began appearing in the plant's products.

□ A Midwestern office-furniture manufacturer, responding to demands from supervisors for a consistent discipline system, concocted a point scheme that rated the seriousness of every conceivable disciplinary offense. An employee accumulating 200 points earned a written warning; an employee accumulating 350 points in a 12-month period earned automatic termination. Supervisors passing workers loitering by the time clock called out, "That'll cost you 25!" Every disciplinary action was grieved; "point shaving" was commonplace.

□ A glass factory's system made final action an unpaid suspension, the length to be determined by the facts of the case and the employee's record. An employee who had previously been suspended for one day would be suspended for three days for repeating the offense; a five-day suspension might be ten the next time. A frustrated personnel manager complained of one individual who was now on his fifth suspension—this time for one month—and admitted that when he returned he would be no better than when he left. "What should we do next?" he asked. "Suspend him for a year?" In the meantime, production was disrupted as less-skilled employees had to fill in. Overtime increased, and other employees kidded the supervi-

sor about how they too would like a month's "vacation."

□ A middle manager in a fast-growing high-tech company was disturbed by a senior engineer's performance. A long-term employee, the engineer demonstrated his apparent resentment of younger colleagues by leaving work early, disregarding deadlines, and producing second-rate work. The manager, asked if he had talked to the engineer about the situation, replied, "No. I know I should, but I hate that kind of confrontation. I'd really like to give him a written warning, but that's only for factory types."

These examples illustrate the dilemma of discipline. Attempts to establish a disciplined environment by using a traditional approach cannot produce employees who are committed to the goals of the company and the policies and rules by which it operates.

Other problems abound. Supervisors resist and resent a discipline system in which they suffer more pain than do the employees on the receiving end. Simply from doing their job, supervisors may face apathy, hostility, reduced output, and an uncomfortable personal relationship with a subordinate.

Old-line approaches require the supervisor to play the heavy and wear a black hat. By definition, the job demands that he or she write up, suspend, place on probation, or deliver a "final warning" to members of the work group. Because they consider it an obstacle to developing a professional image, most supervisors today avoid this role.

Not only do they catch flak from below but supervisors also discover that maintaining discipline may produce reversed decisions "upstairs," pressure from peers and bosses who are more tolerant of rule violations, or subtle messages not to "rock the boat." Even more insidious is the perception that a supervisor who takes many disciplinary actions demonstrates a lack of administrative competence.

Furthermore, some supervisors believe that the goal of a disciplinary action is to build a case justifying an individual's termination. Reluctant to enter a one-way street, supervisors often spend too much time in unproductive counseling sessions to avoid taking any formal measures before they have made up their minds that discharge is the answer. They then begin the discipline process with the objective of termination rather than rehabilitation. But this approach has its own perverse twist: should the employee improve following a disciplinary step, the supervisor may feel frustrated about losing the grounds to justify recommending dismissal.

Finally, the most significant problem with a traditional punitive approach is that it leaves the worker

Similar results in dissimilar organizations

Many organizations that have adopted a nonpunitive system have found results similar to those at Tampa Electric. The Texas Department of Mental Health and Mental Retardation, with 26,000 employees spread over 30 facilities, was suffering from high turnover and absenteeism, low morale, and low quality of patient care. It was also plagued with assorted labor relations, recruitment, and regulatory problems. The implementation of its system, similar to Tampa Electric's, produced significant and sustained results. The first quarter alone produced a retention of 853 employees, a 30% reduction in turnover from the baseline evaluation period. Using a conservative replacement cost of $2,000 per employee, the change to a nonpunitive system saved the department more than $1.7 million.

Union Carbide has reduced absenteeism, turnover, and disciplinary actions at ten locations with its positive discipline program and is now expanding its use of the system. W.R. Hutchison, director of personnel programs at Union Carbide, believes that the company is in a better position to defend itself against wrongful termination suits because the system obliges a poor performer to make the decision about his or her job. "In 90% of the cases where an employee has been placed on a decision-making leave and confronted with the need either to quit or to formulate a list of actions he will take to keep the job," explains Hutchison, "employees choose the latter alternative, improve their performance, and save their jobs. Once employees set their own standards and agree to them, it's a lot more difficult for them to say they didn't understand the rules."

According to Susan N. Cook, vice president of personnel at Liberty National Bank, the Oklahoma bank's implementation of a discipline-without-punishment approach produced significant reductions in absenteeism, turnover, and disciplinary problems. "The intangible benefits have also been great," she explained. "We have found a noticeable improvement in morale and greater supervisory self-confidence in confronting employee problems as well as reduced exposure to equal opportunity complaints or lawsuits resulting from unfair or inconsistent disciplinary action."

The Somersworth meter business department of General Electric, recently featured in an article on rehabilitated plants, adopted the approach in April 1981.* According to Alan W. Bryant, employee and community relations manager, while disciplinary problems had never been significant in this nonunion facility, it made operational the company philosophy of positive, mature employee relations. "Implementing a positive discipline program produced the results we expected—fewer disciplinary problems and transactions, improved employee morale, greater supervisory self-confidence, more consistency in administration. Our experience in installing positive discipline, moreover, provided two other subtle but important benefits. First, it fostered the development of a more collaborative climate between operating managers and the employee relations function. Second, and most important for us, it promoted a shift in supervisory attention toward the forgotten workers—that greater majority of employees who do their jobs well and never encounter any disciplinary problems."

In installing its system, General Electric tracked not only the number of disciplinary discussions but also "positive contacts"—formal discussions between a supervisor and a subordinate about a job well done. In a two-year period, the company recorded over 6,200 positive contacts.

The solid data collected from a variety of organizations (see Exhibit II), reinforced by the personal reactions of the managers themselves, supports the case for a positive approach to the application of discipline. By confronting the issue from this different, more adult perspective, managers perceive the entire issue of discipline from a different angle. No longer caught up in trying to determine the punishment that fits the crime, managers now explore positive ways to build commitment, generate self-discipline, and ensure individual responsibility.

*See Jonathan King and Robert E. Johnson, "Silk Purses from Old Plants," HBR March–April 1983, p. 147.

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freed of responsibility for future good performance. To the employee, the slate is now clean: "I did the deed, I paid the price, now everything's back to normal." Management, on the other hand, has neither requested nor received commitment to future good performance or acceptance of reasonable standards. The worker has been absolved of wrongdoing by accepting the punishment.

The traditional industrial system assumes that crime must be followed by punishment lest chaos reign. It requires managers to sit in judgment of the individual to determine the penalty that fits the crime. It seems irrelevant that this approach produces few beneficial results.

While layoffs, probations, final warnings, and so on may produce initial compliance, over time this

approach generates more problems than it solves. A worker punished with a written warning or unpaid suspension responds with resentment or apathy; absenteeism and grievances increase; communication and trust decline; "get by" or "get even" performance results. In fact, it is the prevalence of these very problems that has led organizations to change to a nonpunitive approach.

Basics of a nonpunitive system

Like Tampa Electric, many organizations are now adopting an approach modeled on Huberman's system. The differences in method show up not only in the formal steps but also in the organization's administrative policies and in management's attitudes, beliefs, and behavior.

The first step of formal nonpunitive discipline is to issue an "oral reminder." The manager meets privately with the employee to discuss the problem. The manager's primary goal is to gain the employee's agreement to solve the problem. Instead of warning the employee of more serious disciplinary action to come, the manager reminds the individual that he or she has a personal responsibility to meet reasonable standards of performance and behavior. In most organizations the manager documents the discussion but retains the documentation in a working file. In this way the manager extends a strong incentive for improvement by advising the individual that although this is the first formal step of discipline, no record of the transaction will appear in the employee's permanent record unless the problem arises again.

Should the problem continue, the manager moves to the second step, the "written reminder." The manager talks to the employee again in a serious manner but without threats. The manager reviews the good business reasons why the rule or standard must be observed, discusses the employee's failure to abide by the original agreement, and, through counseling, again gains the employee's agreement to solve the problem. Together they create an action plan to eliminate the gap between actual and desired performance. Then the manager writes a memo to the individual summarizing the conversation, and places a copy in the employee's personnel file.

In both steps, the main objective of the conversation is to gain the employee's agreement to change. This agreement is important for several reasons. First, the employee is more likely to improve if he or she makes an agreement to change than if the company mandates compliance. Second, and more important, if the problem continues and another disciplinary discussion is necessary, the subsequent discussion will focus not only on the continuing problem but also on the employee's failure to abide by the original agreement—a much more serious concern. Finally, should the employee refuse to agree to meet reasonable employer expectations, the documentation of that refusal in the second step strengthens the company's position if a record is needed to justify the employee's termination.

Issuing reminders instead of warnings involves more than a mere semantic sleight of hand. *Warnings* threaten future disciplinary action should the employee be caught misbehaving again; *reminders* restate the essentialness of the rule and the individual's responsibility to uphold it (see *Exhibit I*). The point is not to reprimand for past misbehavior but rather to create an action plan for the future.

The decision-making leave

When disciplinary discussions have failed to produce the desired changes, management places the individual on a paid, one-day, "decision-making leave." The company pays the employee for the day to demonstrate the organization's desire to see him or her remain a member of the organization and to eliminate the resentment and hostility that punitive actions usually produce. But tenure with the organization is conditional on the individual's decision to solve the immediate problem and make a "total performance commitment" to good performance on the job. The employee is instructed to return on the day following the leave with a decision either to change and stay or to quit and find more satisfying work elsewhere.

On returning to the job, the employee does not immediately begin work. He or she first meets with the supervisor to announce the decision. If the decision is to change and stay, the employee and supervisor set specific goals and develop an action plan. The supervisor expresses confidence in the individual's ability to live up to the requirements of the action plan but also tells the employee that failure to live up to the organization's performance expectations will lead to termination. This statement is repeated in a formal memo documenting the step; the original is given to the employee and a copy is placed in the personnel file.

The rationale for a nonpunitive system

While most managers can accept the philosophy of dealing with poor performance or misconduct in a nonpunitive way in the early steps, the concept of a paid disciplinary suspension still disturbs many managers. Two issues are involved here. First, why

Exhibit I   Warnings vs. reminders

	Warnings	Reminders
Timing	Before the conversation	After the conversation
Focus	Next step	Individual responsibility
Purpose	Threaten further negative consequences	Remind employee of performance standard
Time perspective	Past	Future
Responsibility for action	Supervisor	Employee
Supervisor's role	Judge	Coach

suspend someone as a final disciplinary step? Second, why pay the person during that suspension?

The benefits of suspension as a final step are many: suspension clearly demonstrates to the errant employee the seriousness of the situation; it provides an opportunity for cool reflection and decision making for both the employee and management; it proves that the company means business; and, perhaps most important, it has been universally accepted by arbitrators as sufficient notice to the individual that the job is at risk.

Given that suspension can offer some benefits uncharacteristic of other "final step" strategies, what does the company gain from paying the employee during the leave?

□ Paying the employee reduces the need for the individual to "save face." In contrast, when an individual returns from an unpaid suspension, the anger, resentment, or apathy provoked by the layoff often results in martyrdom, reduced output, subtle sabotage, and other forms of costly antiorganization behavior.

□ Concerns about employee abuse of the system, such as intentional misbehavior to gain a "free day off," have proved unfounded. Organizations using the system have found that employees treat the leave seriously. They do make a decision about changing their behavior and maintaining employment. Unlike the traditional unpaid suspension in which the individual must do no more than "serve time," now the employee must take responsibility for future performance and behavior. Employees discover that, in spite of the pay, they are confronted with a far tougher company response to their failure to meet standards. A Tampa Electric Company employee who returned from a decision-making leave commented, "Believe me, brother, that was no vacation!"

□ Good workers do not resent the paid suspension. Virtually all employees view the leave as a grave

step. Interestingly, what good workers do resent, we have found, is management's failure to confront a poor performer, since they usually must shoulder the work not done by their colleague.

□ While the cost of paying the employee for the day he or she is absent is a visible one, it usually is the only cost associated with using the nonpunitive system. Unpaid suspensions often generate much higher hidden costs in overtime, inefficiency, disruption of others' work, and reduced output.

□ In unionized organizations, grievances and arbitrations take on a totally new perspective. The system makes moot the question, "Does the penalty fit the crime?" Consequently, it eliminates attempts at penalty reductions, claims of punitive inconsistencies, and deal making. In addition, a nonpunitive system reduces the number of discipline-related grievances and arbitrations.

□ Finally, the paid suspension is evidence of the company's sincere, good-faith effort to convince the individual to change and accept responsibility for appropriate behavior. Should the company ultimately fire an employee, this step reduces the chances of a third party's reversal of the decision or a wrongful discharge suit.

Most important, a nonpunitive approach to discipline represents the company's refusal to make an employee's career decision. Traditional methods of discipline force management to make all the decisions. Is the offense serious enough to warrant a disciplinary transaction? Given the seriousness, what is the appropriate level of punishment? Is the punishment for employee A similar to what we did to B and C in like situations? Then management caucuses, analyzes the available data, and decides what action is most appropriate. The decision is then announced to the employee, who from the outset has been outside the process.

Organizations in the white-collar professional and technical sectors have found this approach more pal-

atable. Problems that arise on the factory floor are frequently the same as those that arise in the office. A final warning or unpaid suspension for an engineer, a programmer, or a manager seems somehow inappropriate, but most managers can accept a strategy of reminding a professional to meet the organization's standards. The use of a decision-making leave can be as powerful in the executive suite as on the factory floor.

Making the move

Accepting a new disciplinary approach leads organizations to develop a complete human resource system that integrates the nonpunitive disciplinary method with all its other human resource programs.

Employees recognize that through its approach to discipline, the company displays its true attitude about people, professionalism, and productivity. Consequently, the company's disciplinary program can create either trust or distrust and produce either positive or negative results in the rest of the human-resource-management system. Discipline touches on the largest organizational questions: How will good performance be recognized? How will problems be dealt with? Who has the responsibility for ensuring acceptable behavior? Who will be expelled from membership in the organization family? How and by whom will that decision be made?

Since the implementation of a nonpunitive system affects the entire organization, its philosophy, and values, a major organizational effort is required. Formal policies and informal day-to-day practices must be reviewed and reconsidered. Supervisors need to be trained in the new approach, the belief system behind it, and the methods for holding nonpunitive disciplinary discussions. They must learn how to develop action plans that lead to an employee's agreement to change and to recommit to the company's objectives. Management must communicate to everyone concerned both the general purpose of the system and the specific administrative practices.

Finally, management must link the system with all other existing human resource programs and policies such as performance appraisal, attendance management, grievance and appeal procedures, and employee assistance programs. After installing the new system, managers must measure, monitor, and maintain it. The process typically involves several months of alternatives analysis, decision making, and training, and requires the efforts and involvement of a large number of supervisors and managers.

To develop the system, most organizations appoint a team of supervisors and managers from different levels and functions. The team's task is to manage the transition to the new system by answering questions like:

What are the appropriate roles of personnel and line management? To which categories of employees will the system apply? How will the severity of different problems and offenses be determined? How will unrelated problems with the same individual be handled? What authority and responsibility will first-line supervisors have for each step of the system? How will the supervisors be trained?

While initial answers to these questions can come from the experience of other organizations that have adopted similar systems, ultimately no answers can be adopted off the shelf. For the policies to be workable and appropriate, they must take into account the organization's culture and history.

Once all managers have been trained and top management has formally approved the policies, the company communicates the change to all employees. It holds meetings with all company members to review the key elements and operation of the system, the reasons for the change, and the philosophy behind the program. Managers also hold meetings with employees already on a discipline step to advise them where they will stand when the new system begins.
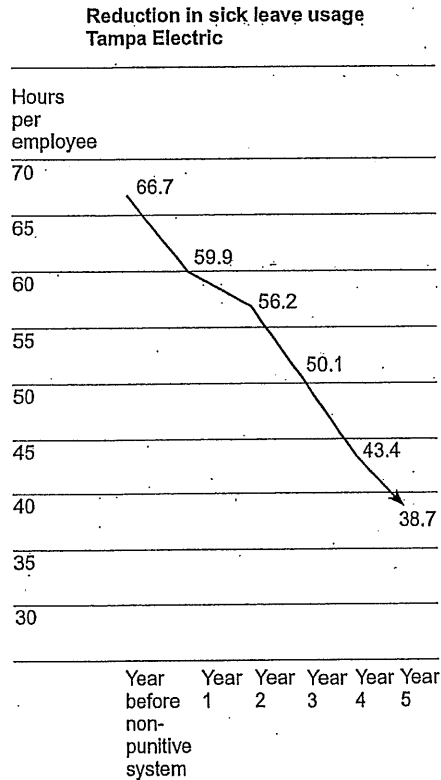
Managers maintain the program by measuring the results, feeding information back to higher level managers and senior executives at regular intervals, and reinforcing supervisory counseling skills.

Ensuring a successful implementation

The secret of nonpunitive discipline is that there are no secrets. To produce a committed work force of professionals, this program, like any other change process, must be installed in an open, collaborative, and honest fashion. Inevitably, problems and pitfalls present themselves. For example:

□ Some senior managers oversimplify the cultural and operational differences between nonpunitive performance management and traditional approaches. Many executives overestimate the ability of supervisors, managers, and employees to translate their intellectual appreciation of this type of system into a practical approach. Conversely, senior executives may also fail to appreciate the ease with which some supervisors, especially those most experienced with the dismal results of a a punitive strategy, will accept the new approach.
□ Senior managers may recognize the benefits of a new approach; those benefits, however, must also

Exhibit II   Advantages of nonpunitive systems

Reduction in turnover
Texas Department of Mental Health

Percentage
of
turnover

```
50    48.5%
45
40
35              31.3%
30
25
20                      18.5%
15
```

Year before nonpunitive system	Year 1 after nonpunitive system	Year 2 after nonpunitive system

Reduction in disciplinary incidents
General Electric

Reduction
in disciplinary
incidents

```
40    39
35
30    Written
      warning
25              23
20
15         11
      10           12
10    Suspension
      6           7
5          3
      Discharge    0
```

Year before non- punitive system	Year 1 after non- punitive system	Year 2 after non- punitive system

Reduction in grievances
General Telephone

Reduction
in
grievances

```
90
      All
80    grievances
      71
70
60              63%
                decrease
50
40
      Disciplinary
30    grievances    26
      22
20              86%
                decrease
10
              3
```

First quarter-year before nonpunitive system	First quarter-year after nonpunitive system

Reduction in sick leave usage
Tampa Electric

Hours
per
employee

```
70    66.7
65
      59.9
60         56.2
55
      50.1
50
45              43.4
40                   38.7
35
30
```

Year before non- punitive system	Year 1	Year 2	Year 3	Year 4	Year 5

be perceived by everyone affected, including the great majority of employees who are never affected by formal disciplinary procedures. Every employee and every manager will evaluate the program from the perspective of "What's in it for me?" The answers must be built into the development, communication, installation, evaluation, and management processes.

□ Some managers believe that once a sensible program is installed, it will somehow run on automatic pilot. But experience suggests that unless the program is tightly managed and maintained, it is very easy for old procedures and practices to creep in. Then, like so many other well-intended programs, it will become an event that occurred some time in the past rather than a part of the practices ingrained in the company's culture.

□ Finally, excessive dominance by the personnel function in the development and implementation process can undermine a new approach. While expertise in human resource management is critical to successful implementation, it is only one critical aspect. Significant issues dividing personnel and the line organization responsible for managing the discipline system often go unresolved if personnel is perceived as bearing full responsibility for the program's success.

Building momentum toward change

The results speak for themselves: organizations that have adopted a nonpunitive strategy for handling performance problems have found measurable reductions in absenteeism, dismissals, disciplinary actions, grievances, and arbitrations. Less measurable but equally significant results include improved morale and increased respect for management, a reduction in wrongful termination suits, and a sharper focus on the great majority of employees who are performing well. The responsibility for action shifts from the supervisor to the employee; the time frame changes from past to future; and the objective becomes commitment and not mere compliance (see *Exhibit II*).

But in the 20 years since Huberman proposed the concept, many organizations still seem reluctant to move away from traditional strategies. What is the source of this hesitation?

The most common criticisms managers make—a nonpunitive system won't be taken seriously by employees, employees will take advantage of it to get

a "free day off," it won't be upheld in arbitration—have all been proven groundless by the many organizations that have adopted the approach. A deeper and more subtle concern is the hesitation to abandon the traditional parental role of total control. But the decision to perform well or perform poorly, to follow the rules or to disregard them, is the employee's. Only when managers recognize this can they create a system that not only encourages individual responsibility but also requires it.

Perhaps the greatest difficulty in changing an organization's approach to discipline is in readjusting managers' ingrained attitude that punishment is the appropriate response to employee failures in behavior and performance. Like most people in our culture, many managers have grown up believing that misconduct must be followed by punishment. At home, misbehavior earned a spanking; at school, it earned a visit to the principal's office. More serious violations were met with more severe punishments, all in the sacred name of "justice." But is justice the ultimate and appropriate objective of an organization's discipline system?

Organizations have legitimate and reasonable rights: the right to expect employees to be on time; to attend regularly; to put in a full day's work; to be mentally and physically prepared for the tasks at hand; to respond positively to direction; to learn the job at hand and the jobs to come; to adapt to change; to get along well with customers, supervisors, and fellow employees; to know and to follow the rules and procedures; and to meet the technological and ethical standards of the enterprise. In other words, the employee must fit into the culture of the organization—which is not too much to ask of anyone who draws a paycheck. Most people do fit in. But when they do not, the need arises to confront the difference between what is expected and what is delivered.

Organizations that have adopted a nonpunitive approach to discipline reject the use of punishment, not only because it seems to create more problems than it solves but also because few counterbalancing positive effects can be identified. It seems impossible that people will become better workers if management treats them progressively worse.

The ultimate problem with traditional approaches to discipline is that they take problem employees, punish them, and leave them punished problem employees. A nonpunitive approach to discipline requires problem employees to make a choice: to become either committed employees or former employees.

Discipline

without

Punishment

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This is the story of a top management that questioned the value of punitive measures like demotion and dismissal, and worked out a unique and highly effective philosophy to replace them.

By John Huberman

Discipline on the production floor is necessary, as is the maintenance of good workmanship and acceptable levels of output. An entirely different question, however, is whether demotion, temporary suspension, or similar forms of punishment are necessary, desirable, or effective methods for dealing with lapses from discipline or satisfactory workmanship. I don't believe they are.

This conviction results from a searching inquiry conducted in a large Douglas-fir plywood mill. The study resulted in the adoption of a new philosophy, policy, and set of procedures which exclude punishment (in the usual sense of the word) as a means of dealing with substandard performance and with such breaches of discipline as late arrival for work, unnecessary absenteeism, overstaying of rest periods, and disregard of a foreman's instructions.

While the new methods were developed to handle more effectively a specific situation which had arisen in one plant (the largest one in the company), they may well be considered for general application in industry, because they appear to be based on a realistic appraisal of well-known principles governing human behavior. In retrospect, they may even constitute a small step in the direction of applying "Theory Y" advocated by Douglas McGregor.[1]

To introduce and discuss the subject of this article, and give the reader a better "feel" of the practicality of our solutions, I shall use a case-history approach. As many businessmen will recognize, the problems we faced are common ones in industry today. Indeed, to a greater or lesser extent they should be familiar to almost all managers of organizations.

The Setting

Our mill is a typical Douglas-fir plywood mill. At the time our story begins it had a work force of about 300 hourly paid (and unionized) employees, which rose to about 550 just at the time the "new look" plan became operational.

The company has been in operation for 20

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[1] *The Human Side of Enterprise* (New York, McGraw-Hill Book Company, Inc., 1960); for a brief description of "Theory Y," see Alva F. Kindall and James Gatza, "Positive Program for Performance Appraisal," HBR November–December 1963, at top of page 165.

years. The founders started the business with a benevolent-paternalistic philosophy. Turkeys were handed out at Christmas and bonuses at Christmas and Easter; interest-free (and unsecured) loans were available to employees, along with certain other unusual benefits. During an industry-wide strike, the canteen was kept open solely for use of the pickets, and employees could obtain payroll advances to tide them over. A real "family atmosphere" prevailed.

As the corporation grew, its philosophy gradually took a more businesslike direction. Dealings with employees became more impersonal. As competition stiffened, wages rose, and a few lean years followed; the special benefits mentioned earlier were gradually withdrawn. There were also repeated changes in mill managers, whose approach ranged from the highly permissive to the strongly authoritarian.

At the same time, a strong personality arose among the union members. This man skillfully rallied around himself those who resented the gradual dwindling away of what they had considered their "privileges"; soon a tightly knit union organization grew up, spurred by dissatisfaction over the withdrawn benefits. Whenever a union brother got into trouble, the union stood behind him to the last man, regardless, in most instances, of the merits of the particular case.

The Problem

When shifts in top management's philosophy are sudden, there is likely to be an explicit statement of the new thinking. But when, as so frequently happens, the changes are slow and almost unconscious, no announcement at all may be forthcoming. Lower levels of management then have to interpret the change from occasional acts of top management which do not seem to fit into the previous pattern. Such gradual changes are likely to create uncertainties in many management areas, and insofar as they include a shift in attitude regarding employee relations, they are likely to create an ambiguous situation for the foreman and superintendent who are in daily contact with the workers.

The problem of how unsatisfactory work performance and disciplinary matters should be handled can become particularly vexing. Should one deal with them in a casual manner as in the "good old days," or begin to take a stern, busi-

nesslike attitude? Should one try to reason with the individual, or tell him "either you do things right or you will be sent home"?

Deterioration & Unhappiness

Such uncertainties did arise, of course, and where there was uncertainty there was also a tendency to delay action. The relatively frequent change of plant managers who had widely differing beliefs about how best to deal with problem cases did not help matters. Gradually, the following pattern developed:

• Foremen would let minor infringements of the rules go by. A few individuals who noticed this would then start to test just how far they could go. After several annoying incidents, a foreman would get sufficiently angry to decide on immediate discharge.

• At this point, the union would step in. Since no record of previous misdemeanors of the individual would be on file (because no action had been taken), the union usually experienced little difficulty in convincing management, including the angry foreman, that no arbitrator would sustain the discharge. Under the collective agreement, any grievance could be brought to arbitration (which was binding). Agreement was then usually reached on commuting the discharge to a temporary suspension without pay.

• At other times, the discharge might be changed to demotion to a lesser paid job.

• At still other times, management's original decision may have been a temporary suspension without pay. In these cases the union would institute negotiation directed toward reducing the period of the suspension. In at least one case it became known that the union had actually paid the penalized worker his full wages during the suspension, thereby enabling him to enjoy his penalty in the form of a paid vacation.

Management, and the foremen in particular, were showing signs of increasing unhappiness over the union's success in protecting individuals who had repeatedly demonstrated a lack of discipline or interest in good workmanship. Not that the company was in any way "anti-union" in its attitude. On the contrary, management prided itself on the many constructive solutions it had worked out to presumably "insoluble" problems in full cooperation with the union; some of these solutions gradually filtered through to the rest of the industry. The company also realized that there was an obligation on the part of the union to act as lawyer and defender for

its members. This knowledge, however, did little toward dissipating the irritation of the foremen who felt that whatever action they took to enforce discipline or sustain good workmanship was effectively counteracted by the union.

Other Annoyances

Other, almost equally annoying, features resulted from management's efforts to use the standard disciplinary tools:

❡ In case of demotion, a new man had to be trained to replace the one who was demoted. Also, vigilant supervision was required to make sure that the latter individual would not act out his annoyance over the punishment by lowering production or quality.

❡ Suspension brought with it the nuisance of multiple temporary job movements: the next senior man would be entitled to the job temporarily vacated, his job would be taken by the next senior man, and so on down.

❡ Upon return from suspension, the man obviously had to save face. The method usually chosen for this purpose was for him to inform everyone how pleasantly and usefully he spent the "time off." Occasionally a few unprintable remarks would be dropped about management in general and about the foreman in particular, followed by the recommendation that others follow his example. The motto became: "As long as you don't burn down the plant, or punch a foreman in the nose, nothing will happen to you — the union will protect you!"

❡ Lastly, the whole procedure was very costly in terms of the time of the foremen, personnel manager, superintendent, and occasionally the general manager himself. It took time to deliberate the initial action to be taken; also, more time was spent in the grievance meetings which followed the action. The grievance meetings regularly involved not only the supervisory staff but also the full plant committee; members of the committee who were on shift had to be replaced on the mill floor and also received full wages for the time spent in the meetings.

This, then, was the situation which seemed to call for some remedy, especially as the plant was in the last phases of preparation for the doubling of its capacity. If experienced foremen were uncertain how to deal with unsatisfactory work performance and annoyed about the results of the system then in effect, the problem would take on unmanageable proportions with the influx of about 200 new workers and several new, partly inexperienced foremen. —

It was therefore decided to analyze the philosophy and results of our past methods of dealing with unsatisfactory workmanship and problems of discipline; with a view to developing something better.

Change in Thinking

The first thoughts which occurred to management ran somewhat like this: Shoddy workmanship or flagrant violations of discipline did not normally occur without some warning signs. The man would usually drift into such behavior gradually. If the foreman paid attention to such signs and, when observed, sent the man to the Personnel Office for a counseling interview, many outbreaks requiring disciplinary action might perhaps be forestalled.

This thought was put into action and had remarkably good results. It did not, however, prevent all trouble. At times foremen may have lacked the perspicacity to observe the gradual deterioration of behavior; at other times they may have been too busy solving problems brought about by expansion of the plant (e.g., introduction of new machinery and methods).

The second thought was to retread the well-worn path of enforcement. Management would establish a system of written warning slips to be handed out on the plant floor when an infraction occurred. A "criminal code" would also be developed which would list the appropriate penalty for the more usual infractions if the first or second warning slip failed to produce the desired behavioral change. This system would give the foremen a well-defined method to deal with such matters and would also make the workers aware of the type of penalty they could look forward to if they didn't toe the line.

To arrive at such a code, it seemed logical first to analyze all events which had led to some type of disciplinary action over the previous three years. Concurrently, the results which these penalties appeared to have had on the individuals involved would be assessed.

The outcome of the analysis was the sad picture of the undesirable results mentioned in the preceding section. This was not entirely unexpected; what surprised the team working on this project was that *not a single desirable result* could be detected.

The people who had been disciplined were

generally still among the poorest workers; their attitude was sulky, if not openly hostile, and they seemed to be spreading this feeling among the rest of the crew. Some were known to play little games to frustrate the foremen, but were taking increasing care not to get caught.

Pitfalls of Punishment

Could it be that "punishment does not pay"? We thought of a statistic which is well known but is seldom considered thoughtfully enough: 85% of all those who entered the local prison returned there within three years of their release, not counting those who found their way to other penal institutions.

This experience was not then — and is not in many prisons today — unusual. Experience indicates that even severe punishment achieves nothing to redirect behavior into more desirable channels, at least in the large majority of cases. The "penal ritual" we are engaging in seems entirely futile. Are we making the same mistake when we demote or suspend people in the mill?

It might be argued that an analysis of the effect of punishment on criminals cannot throw light on the efficacy of punishment in the "normal" industrial situation. Theoretically, this is a valid argument. In practice, however, the troubles experienced in our mill seem more consistent with the hypothesis that, in adults, punishment generally produces many undesirable — and few, if any, desirable — results.

These thoughts directed the team's attention to consideration of the possibility that it might be useful to eliminate all forms of punishment as unsuitable instruments for maintaining good workmanship and discipline.

At first the idea seemed preposterous. However, the more management thought about it, the more logical it appeared. Finally, after many discussions, a philosophy, a policy, and a system of procedures were evolved which promised to deal more effectively with the difficulties we had been experiencing and which were free of "punishment" or the threat of "punishment."

New Philosophy

Having told the story of our change in thinking about discipline and punishment, I wish now to describe the principles and policies we try to follow. We believe that:

◖ The presence or absence of certain personality variables and environmental conditions exercises a decisive influence on a person's general adherence to, or disregard of, high standards of workmanship and disciplined behavior. The variables and conditions which we consider most important in this respect are set out in Exhibit I.

◖ It takes time and money to train individuals. We also acknowledge that industry has certain responsibilities to act in a humane manner. Both considerations require that we give each individual every possible and reasonable chance to play a positive and satisfactory role in the company's operations. We believe, however, that it is only possible to play such a role if the individual has adequate self-respect. By this we do not mean that an individual will never lapse from excellent workmanship or strict discipline. We believe, rather, that in a person with adequate self-respect such lapses will happen rarely and will stop promptly if brought to his attention in a friendly manner.

◖ Repeated demonstrations, within a relatively short interval, that such friendly methods do not produce the desired results are taken as indications of lack of adequate self-respect. When such a regrettable conclusion has been reached about an individual, we do not wish to keep him in our employment. We shall use orderly methods to terminate his services.

Policies & Procedures

How is such a philosophy implemented? Six policies and procedures seem of especial importance to us and have been adopted:

1. *No disciplinary demotions, suspensions, or other forms of punishment will henceforth be applied.*

2. *In case of unsatisfactory work performance (e.g., carelessness in handling materials, inattention to duty) or breach of discipline (e.g., overstaying rest or lunch periods, unnecessary absenteeism, disregard of safety, failure to carry out the foreman's instructions), the following steps will be followed:*

Step One — The foreman will offer the worker a casual and friendly reminder on the job.

Step Two — Should another incident arise within four to six weeks of Step One, the foreman will again correct it casually on the job but will later call the individual to his office for a serious but friendly chat. He will explain the need for and purpose of the rule(s); make sure the person understands the explanation; and express his confidence that the person will henceforth decide to abide by them. He will also listen to any reason-

able excuse the employee may bring up. If he decides that the transgression was unintentional or based on a misunderstanding, he of course informs the employee that the matter is closed.

does not wish to abide by company standards. He is informed that he will get full pay for the time, as a last expression of the company's hope that he will wish to stay and abide by the rules. He is also

EXHIBIT I. MOTIVATIONAL FACTORS IN EMPLOYEE PERFORMANCE

FACTORS PRODUCING SATISFACTORY PERFORMANCE

FACTORS PRODUCING UNSATISFACTORY PERFORMANCE

SELF-RESPECT IS PROBABLY THE MOST POTENT MOTIVATOR OF SATISFACTORY PERFORMANCE AND DISCIPLINED BEHAVIOR. IN GENERAL, IT DEVELOPS EITHER AT AN EARLY AGE OR NOT AT ALL.

FEAR MAY BRING ABOUT TEMPORARY CONFORMITY WITH THE WISHES OF MANAGEMENT, BUT IT WILL ALSO ENGENDER ANGER. CONTROL BY MEANS OF CREATING FEAR IS THEREFORE UNDESIRABLE.

RESPECT FOR ONE'S SUPERIOR, INTEREST IN THE JOB ITSELF, AND SATISFACTORY *FINANCIAL GAIN* WILL MOTIVATE A PERSON POSITIVELY TOWARD GOOD PERFORMANCE. MANAGEMENT SHOULD DO EVERYTHING IN ITS POWER TO GAIN THE *RESPECT* OF THE MEN ON THE FLOOR, AS IT HAS MORE CONTROL OVER THIS FACTOR THAN ANY OTHER. MANAGEMENT HAS LESS CONTROL OVER *JOB INTEREST,* AND QUITE LIMITED CONTROL OVER *FINANCIAL GAIN,* SINCE WAGE RATES ARE INFLUENCED HEAVILY BY THE UNION.

ANYTHING THAT TENDS TO DAMAGE *SELF-RESPECT* WILL GENERALLY CAUSE POORER PERFORMANCE. PUBLIC SHAMING, THREATS OF PUNISHMENT, OR ACTUAL PUNISHMENT OPERATE IN A NEGATIVE DIRECTION. PUNISHMENT IN PARTICULAR IS UNDESIRABLE WHEN USED AGAINST PEOPLE WHO HAVE ADEQUATE *SELF-RESPECT,* AND USELESS WHEN EMPLOYED WITH PEOPLE WHO DO NOT.

ANGER RESULTS IN NEGATIVISM OR OTHER UNDESIRABLE ATTITUDES

Step Three — In case of further incidents within about six weeks, Step Two is repeated with some variation. First, the shift foreman is also present at the discussion; secondly, the employee's attention is directed to the possibility that he may dislike the work we have to offer, or he may find the relatively strict industrial discipline distasteful. In such case, would it be better to look for some other job or line of work? (Vocational counseling is available through the Personnel Office.) The foreman then expresses his hope that the employee will, in fact, decide that he likes the work and the company and will adapt himself to the requirements. This conversation is confirmed in a letter to the employee's home.

Step Four — The employee who perpetrates another incident of poor workmanship or breach of discipline within six to eight weeks of Step Three is called off the floor into the foreman's office, again in the presence of the shift foreman. There he is directed to go home for the rest of the shift and consider seriously whether he does or

told that another occurrence of trouble within reasonable time will lead — regretfully — to termination.

3. *If another incident should occur within reasonable time, the employee's services are terminated.*

4. *In case several incidents happen at unusually close intervals, Step Two or Step Three may be skipped.*

5. *If no further incident occurs within six to eight weeks of any one step (except Step Four), such step is cleared from the employee's record. Should another incident happen at a later time, the last step will be repeated. Considerable time — in the range of a year — would have to elapse without incident before Step Four is cleared from the records.*

6. *In case of discovery of criminal behavior or in-plant fighting, termination results without preliminary steps. Such behavior is taken as con-*

*clusive evidence of lack of adequate self-respect
and discipline even if it happens only once.*

Is Discharge Punitive?

A question invariably asked by those who hear about our plan is: "How can you pretend that your method eliminates punishment? Are you not just eliminating minor forms of punishment (e.g., demotion and suspension) while retaining the most severe of all, namely, discharge?" What the questioners imply here is that termination, by the very fact that it inflicts severe unpleasantness on the recipient, must logically be regarded as a form of punishment.

We believe that this is not necessarily so: termination may, or may not, belong logically to the general class of "punishment," depending on the presence or absence of extraneous factors. The most important of these is the desire for retribution. If we fire someone "to pay him back" for what he has done to us, our act would take on the nature of punishment. But if we take the same action for any number of other reasons (e.g., to avoid expected future trouble) *and exclude retribution* as a motive, then we are not dealing out "punishment."

The distinction we are trying to make here may appear subtle, but it is not a semantic sleight of hand. What we say, in effect, is that if we terminate a person's employment, we do not do it *even partially* as retribution for whatever undesirable action he was involved in. We do it only because his act or acts lead us to believe that he lacks self-respect and, therefore, that his future behavior is going to be troublesome and contrary to the legitimate aims of the company. We agree with psychologists who state that the best predictor of a person's future behavior is his past behavior under similar circumstances, and that when the same behavior is elicited by dissimilar circumstances, it is likely to be of a general character and hence repeated in the future.

Accordingly, during Steps One to Four we attempt to establish the individual's tendency toward disruptive behavior. It is future trouble we wish to avoid. Thus, our system is future-oriented. In contrast, the punitive approach is past-oriented; it seeks to apportion the "proper punishment" for a given "crime."

This difference can be made even clearer by examining the typical arguments which some-

² See E. J. Sachar, "Behavioral Science and Criminal Law," *Scientific American*, November 1963, pp. 39–45.

one might present under each system concerning the appropriateness of a decision to terminate an employee's services:

▼ In the punishment-oriented system, a man sympathetic with the "offender" would probably plead that "the punishment doesn't fit the crime," that the sentence is too harsh, that the individual doesn't quite deserve it, and that it should be commuted to a lesser one.

▲ In the system used in our company, such a sympathizer would have to argue that the observations of the person's behavior are inaccurate or insufficient in number for reliable prediction, or that the theory behind the prediction is not sufficiently reliable or is outright wrong.

The difference between the punishment-oriented and the predictive systems is a reflection of the different views taken of deviant behavior in criminal law and the behavioral sciences.²

If termination were considered the ultimate punishment, the rest of our system would have little chance of functioning. The system as described here places on the employee the onus of deciding whether he wishes (or is able) to conform to the requirements of a particular work situation. During Steps One to Four he is reminded of the requirements without any implication that if he does not conform, he commits something morally wrong for which he deserves condemnation and punishment. The supervisory staff is trained to avoid giving any such impression. We feel that if we condemn an individual, we give up all hope of changing him.

It is very questionable whether any supervisory staff could be trained to take a friendly, blame-free approach in its dealings with employees if it considered termination the ultimate punishment. If superiors took this attitude, they might regard Steps One to Four as a nuisance, to be gotten over as quickly as possible on the way to the "big stick." Such an attitude would also manifest itself in their discussions with employees under Steps One to Four and would create the same psychological effect as if overt punishment had been administered.

Rationale for Payment

People who hear about our new approach also often ask: "Why does a man receive pay for the rest of the shift if he is sent home?"

First, let me explain why the employee is sent home. We feel that after a supervisor has had several discussions with him which prove fruitless, a dramatic gesture may be the only means

to induce him to consider the situation serious-ly. Being sent home from work would appear to fulfill this requirement. The payment — perhaps the most novel part of the plan — makes sense for several reasons:

(1) Sending a person home *without* pay would undoubtedly be interpreted as punishment and would, therefore, be contrary to the avowed policy and philosophy.

(2) The foreman is instructed to tell the person that paying him is a demonstration of the company's interest in keeping him — in seeing him decide that he will conform to acceptable standards in the future. This is a basically supportive statement, and we hope that it will be difficult for the foreman to make it without being supportive himself.

(3) Since there is no loss of income, there are no grounds for grievance. (In the past, a grievance always resulted when a person was sent home without pay.) The expense of grievance meetings is much greater than the cost of paying an employee to take an afternoon off.

(4) Should a person's employment have to be terminated at a later date, the company's good faith, manifested by its paying him to think over whether he wished to abide by company standards, would certainly minimize any chance of an arbitrator's reversing the dismissal decision.

Theoretically, at least, the procedures outlined would appear to solve all the problems which we set out to tackle. They make it mandatory for the supervisory personnel to deal with problem cases in a constructive, nonpunitive manner. They eliminate all forms of "punishment," along with all the undesirable and time-consuming side effects that we experienced in the past. And, should termination become necessary, they minimize the danger of reversal by arbitration. Lastly, the procedure seems, at least to us, fair.

So much for theory. What are the practical results? This brings us back to the story of what actually happened.

The Results

The policy was put into effect in the summer of 1963. It had the full backing of the superintendent, the personnel manager, and the shift foremen, who had participated in its formulation. The junior foremen were called in for meetings and were given instructions regarding the background, philosophy, and techniques involved in the plan.

As the next step, we were going to advise the union of the new policy. Before this could be arranged, an in-plant fight occurred as a consequence of horseplay. Both individuals involved (one of them a young shop steward) were discharged. The shop steward initiated the expected grievance procedure; the union agreed that in-plant fights were dangerous and could not be tolerated, but pleaded for commutation of the termination to suspension.

We refused this request and proceeded to give the union the whole background for our decision to eliminate all forms of "punishment," much in the same manner as described in this article. We also expressed our hope that it would support us in our efforts to deal with grown-up union members as men and not as a collection of schoolboys.

The union did not seem too pleased with this unexpected turn of events but found it difficult to argue the point. The terminations stood.

Since then, three individuals have been processed to Step Four; i.e., sent home for the rest of the shift with pay. Two of them returned to work for a period of a few weeks and then quit. The third person, a young man, returned at the end of the shift to see his foreman. He was ostensibly moved:

"I would never have thought the company would be that fair, and take so much interest in me," he said. "When I got home, I started to think about the way I used to act for the first time. I now realize that I have been taking a very childish attitude all along. I came to thank you for what you have done for me and I assure you there will be no more trouble."

At the time of this writing, seven months have elapsed and the boy's work, as well as his attitude, have so far left nothing to be desired.

There has been no occasion for terminating anyone's employment. Several employees were dealt with up to Steps Two and Three. In each case there was adequate improvement or the individual left quietly and voluntarily. Some even stated that they were quitting "in fairness to the company." There were no grievances.

The morale of the foremen and the superintendents has shown marked improvement. They seem to feel that for the first time they have a strong, reliable, and fair tool to deal with unsatisfactory work performance and breaches of discipline.