



L. S. HEARNshaw
The basic incentive is not monetary

(continued from previous page)

real sense of belonging to the firm. They are given little information about the nature and importance of the work they are doing in relation to the finished article; too often they have no appreciation of the technical and administrative problems involved. In such circumstances it is hard to expect them to co-operate fully."

"You think then that employers should learn the lesson that Montgomery learnt during the war, and should take their workers as much into their confidence as Montgomery took his officers?"

"Exactly. In industry there are so many restrictions on personal freedom that they are apt to cause annoyance if the workers don't understand the reasons for them. When the shoe begins to pinch one wants to know why."

"Would you say that Government departments are any better in this respect than private employers?"

"Frankly, I doubt if there is any difference between management techniques under State enterprise and private enterprise. That is because these problems are independent of politics altogether—they are human problems. But the risks of opening the door and taking the workers into the management's confidence are not nearly so great as is often imagined; it is frequently nothing more than habit or tradition which keeps the door closed. I know of one New Zealand factory in which the manager gives his employees almost as much information as he gives his board of directors—and that factory has gone on from success to success."

"The monetary incentive is very powerful, of course, but it is not the basic incentive," continued Mr. Hearnshaw. "In the final analysis, people work because it is a necessary and useful human activity. In that factory I mentioned the men take a real pride in their work because they know all about it—all about the technical processes and the administrative problems involved."

"Do the unions view with favour the job you have been doing in industrial psychology?"

"Yes. I doubt very much whether the purely destructive type of unionism can ever take root in a firm where there are good industrial relationships between workers and management. Contrary perhaps to general belief, the majority of union secretaries are extremely reasonable human beings: the aggressive type

of unionism develops mainly when conditions among the workers are unsatisfactory. And I think it should be added that the problems of management are much the same everywhere; they apply not merely to industry but to Government departments, to local bodies, hospitals, to the Army, and so on. You've got to adapt your methods of treatment to particular local circumstances, but the problems themselves are basically no different.

The Leisure Incentive

"It is when the incentives creating the will to work become weak that industry tends to fall back on negative and disciplinary incentives: the stronger the positive incentives, the less need there is for the others. One incentive to which more attention might be paid is that of leisure. I don't know of any New Zealand firm using the leisure incentive—allowing workers to leave the factory as soon as they have finished their jobs satisfactorily. But at least one English factory has had good results with it; the quota of output has been exceeded, with no bad effect on quality. After all, many people these days seem to be just as keen on earning leisure as on earning more money; you see that frequently in the reluctance to accept overtime work. What the average person wants is personal freedom, and for that leisure time is needed as much as money."

"But the trouble with modern leisure in many cases is that it has been organised in such a way that you need company before you can enjoy it—mightn't that be a handicap to such a scheme?" we asked. "Might not a worker be just as pleased to go on working as to have a few hours off by himself in the afternoon?"

"Yes, I admit there are a lot of difficulties in the way of organising the use of the leisure incentive. But it should be made possible for a worker to accumulate rewards of leisure, so that after he had worked well for a period he could take a day or two off, or add the extra time to his annual holiday."

Mr. Hearnshaw said that a very noticeable feature of New Zealand industry compared with English industry was the mobility of labour: the "turnover" of workers between firms and between different parts of the country was very much greater here. In England, workers would often spend the whole of their lives in the one firm and in the one place; whereas in many New Zealand firms it was quite exceptional to find people who had spent more than five years in the same job. There were, on the other hand, firms in which only about 25 per cent of the people employed at the beginning of a year were still there at the end of it; and at the end of two years there might be only 10 per cent.

Speaking of the management side of industry, Mr. Hearnshaw said his impression was that managers in New Zealand factories were too busy, were too much tied up with routine, to take as much interest as they should in affairs outside their immediate jobs.

Mr. Hearnshaw, who is an Englishman, has been in New Zealand for nine years. He "got into industrial psychology," as he put it, during the war, but is mostly interested in the University side of psychology. However, Liverpool, where he is going, is a fairly large industrial centre and there is, he told us, no good training-centre for industrial psychologists in England at present. So it seems unlikely that his new work will be purely academic.

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