IN THE NATION

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Middle managers are unhappy

By Dan Marschall

WATCH OUT, TOP CORPORATE executives—middle management power is gonna get your money! That's the central message that emerges from several recent articles in the business press about the increasing dissatisfaction, restlessness and pro-union sympathies of middle managers, the vast layer of the corporate hierarchy that encompasses individuals from the first level of supervision up to the chief executive officer.

"There is overwhelming agreement... that managerial frustration and discontent with corporate life are increasing," Steven H. Applebaum writes in *Business Society.* Businessmen are particularly concerned about an American Management Association (AMA) survey in which one out of every three middle managers responding said that they would join, or consider joining, a managers' union.

In another study among 2,800 businessmen the AMA found that "an alarming 40 percent of all surveyed middle managers and 52 percent of the reporting supervisory managers say that they find their work, at best, unsatisfying."

What's the problem here? Business writers seem to have a good idea, but corporate executives appear unwilling to make the changes required to stem the "open rebellion" brewing in their organizations. The position of middle manager, Applebaum finds, "is often a perilous one, with little inherent security." The middle manager, who basically exists because the top executive of a large organization cannot cope with the heavy workload, often feels like the powerless extension of that executive. If things go badly, the middle manager routinely serves as the scapegoat for decisions made by his superiors.

Middle managers face an assortment of other difficulties. Their actual influence and authority is usually less than what top management originally told them it would be. As they confront more specialized duties, middle managers also experience a "loss of career flexibility." Finally, their jobs can become obsolete as a result of technological change, changing cultural values or internal politics.

In addition, managers are growing more disgruntled with the long hours of work that are imposed upon them. Even in "project-oriented" industries like electronics companies and banking firms, "professionals and middle-level managers are growing less tolerant of any atmosphere that smacks of "workaholism," and of higher executives who load backbreaking projects onto them without breathers in between," says a recent article in *Business Week.*

In part the changing attitudes of middle-level management is due to the general "erosion of the work ethic" among young people. "It's rare to find younger managers who are wedded to their jobs," a consulting firm executive told *Business Week.*

For the smooth operation of the corporate world, the results of this trend are "frightening," notes Applebaum. "A greater and greater proportion of the pool of managerial talent will be made up of individuals who lack the motivation needed to seek out and succeed in managerial positions...who lack the crucial will to manage." ■

Ken Firestone

The position of a middle manager is often a perilous one with little job security and little recognition for a job well done.

McDonald's workers consider unionizing

By Tom Young & Paul Engleman

CHICAGO

SOONER OR LATER, SOMEONE had to challenge McDonald's low-wage, non-union success formula. Appropriately enough, the present resistance is coming out of Chicago, just a few miles from McDonalds' corporate headquarters and Hamburger U. campus.

Local 593 of the Hotel-Restaurant Workers filed for an election with the National Labor Relations Board Jan. 24, initiating what could become a threat to McDonald's low-wage operations. The NLRB is required to rule on the proposal May 20, and if the agency decides in favor of the union, an election could be held within 30 days, barring appeals and other delaying tactics.

The union began organizing a McDonald's in downtown Chicago last December and had little difficulty obtaining signatures from 70 percent of the store's employees—more than twice the 30 percent required by law for an election. By the union's count the store has 103 employees, but a union spokesperson charges that the store's owner, Lyon-Weber Management, which owns 12 other McDonald's in the Chicago area, has since "beefed" up its staff, claiming 125 workers.

The NLRB is now considering whether all 13 of Lyon-Weber's McDonald's or just the downtown operation should be defined as the appropriate bargaining unit. Lyon-Weber naturally contends that the union signatures must cover 30 percent of its entire chain and has taken steps—keeping all time cards locked away, for instance—to limit the union's efforts to recruit employees in other parts of the chain.

Lyon-Weber also brought in a representative from McDonald's corporate headquarters to hold "rap sessions" with the workers and has posted bulletin-board flyers and cartoons ridiculing union promises in an effort to prevent additional employees from joining the organizing work. The union responded with complaints to the NLRB charging unfair labor practices and interference with workers' rights. The NLRB has yet to rule on these charges.

While the general impression appears to be that most McDonald's employees are teenagers or students working part time to earn extra spending money, the union says that half the employees at the downtown franchise are full-time (working 40-hour weeks spread over six days) whose primary income comes from McDonald's.

McDonald's workers receive the following wages and benefits:

• Salary: Approximately $2.75 an hour. Lyon-Weber claims that employees are paid from $2.70 to $3.00 an hour, but the Hotel-Restaurant Workers note that some workers receive minimum-wage pay of $2.65. Employees theoretically get paid every 15 days, but the union reports that paychecks are often late.

• Sick pay: None.

• Holidays: Two. Christmas and Thanksgiving. Unpaid.

• Health insurance: None.

• Vacations: None. Employees must take a nonsalaried leave of absence to take vacation.

• Job security: None. The union reports at least two cases of employees being fired on the spot. One for returning five minutes late from break, the other for taking a bite out of a hamburger while on duty.

One might expect that McDonald's employees would at least be able to stay fed, if not well-fed, on an inexhaustible supply of Big Macs, Quarter-Pounders and other fast-food creations. Not so at the Lyon-Weber franchise. Employees must pay full retail price for all food they eat, and their lunch hours are often consumed waiting in line with customers—fast food does not always come fast—to order it.

Workers must also consent to taking a polygraph examination at any time.

The fast food industry has made great gains in recent years due to rapid suburbanization, a booming economy and a large unskilled and cheap pool of service workers. None of these factors may hold for the future. Suburbs are growing at a slower rate now—a factor that, with the fast food saturation of many areas in the suburbs, has pushed McDonald's and other enterprises to open inner city operations like the one in Chicago—and a new boom in the economy seems unlikely. At the same time, according to the *Monthly Labor Review*, there will be a substantial tightening in the unskilled, low-wage service industry market in the 1980s. With these changes, McDonald's ability to subject its workers to inferior standards may be called into question. ■

Tom Young and Paul Engleman are writers in Chicago.

Ken Firestone

McDonald's workers earn on average $2.75 an hour, have no sick pay, no paid holidays, no health insurance, no vacations, and no job security. They have been able to get away with this because there was an abundant pool of cheap, unorganized labor. Unionizing efforts may make it more difficult.

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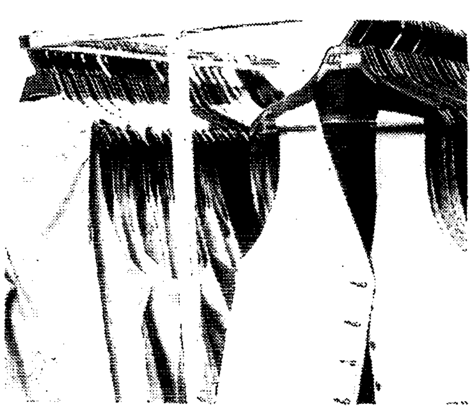
Photos/Emily Honig

When striking Farah workers returned after their victorious two-year strike, they found that the organization of production had drastically changed and that they were at a disadvantage.

Setbacks for Farah workers union



By Laurie Coyle, Emily Honig and Gail Hershatter

AS LOW-PAYING LABOR-INTENSIVE industries have moved to the Southwest since World War II, the use of Chicana/Mexicana labor has been a key factor in their success. Chicanas make up nearly half of all women employed in the apparel industry in Texas, and in border cities like El Paso the percentage is much higher.

At the Farah Manufacturing Company, which makes men's pants, virtually all of the workers are Chicano and 85 percent are women. These women were the force behind a two-year strike and boycott at Farah, disposing of the twin myths that women couldn't be organized and that the Southwest could continue to be a haven for non-union shops.

Unlike many other southwest garment plants that ran away from the unionized northwest, Farah got its start in El Paso. By the early '70s Farah owned 11 plants, five of them in El Paso, making it the second largest employer in town.

Many in El Paso saw Willie Farah as a folk hero who gave his workers turkeys at Thanksgiving and parties at Christmas and provided free health care and refreshments at work.

The workers at Farah tell another story. Before the strike wages were low, raises were based on favoritism, and women with several years on the job were still being paid minimum wage. Women who were willing to date their Anglo supervisors were given preferential treatment, while others were subjected to constant harassment. "The supervisors would snap their fingers at you, bang the machine and push you," one worker recalled. There was no job security and no grievance procedure.

Health and safety regulations were practically nonexistent. Because of faulty equipment, accidents were common. Needles often snapped off the sewing machines, piercing the eyes and fingers of the seamstresses. Many ailments were misdiagnosed by the plant doctor. When women left the plant to have a baby, they lost their seniority; there was no maternity insurance. "They could keep their turkey," one woman said. "We needed better conditions, better safety."

The strike.

In 1969 the workers began a union drive to affiliate with the Amalgamated Clothing Workers of America (ACWA). As organizing spread through Farah plants, the company harassed and fired union sympathizers. Despite these tactics, support for the union grew, culminating in a walkout in May 1972.

At first, reaction to the strike was hostile. El Paso media virtually blacked out news of the strike. Picketers were verbally and physically assaulted.

Even more serious were the tensions created within the Chicano community itself, and between the El Paso Chicanos and the Mexicanos from the neighboring border city of Juarez.

Skyrocketing unemployment on both sides of the border, but particularly in Juarez, made it easy for Farah to replace strikers with workers from the swollen ranks of the unemployed. Newspapers and unions in Juarez did support the strike and a small number of Mexican workers at Farah did join the strikers, but 50 percent unemployment in Mexico made it hard to fight against strikebreaking.

Though many strikers realized that the economic crisis forced people to find work where they could, the conflict tended to exacerbate nationalistic divisions at the precise moment when unity was most needed.

As the months wore on strikers faced increasing financial hardships. Union strike benefits of $30 a week were inadequate for most families. Women who could find work elsewhere did so, but if their new employers discovered that they were Farah strikers they were usually fired.

Despite these hardships, the women discovered new sources of support for themselves as workers. The ACWA sent organizers to El Paso, disbursed weekly strike benefits, helped organize a nationwide boycott of Farah pants, conducted classes, and showed films. The Catholic church endorsed the strike and allowed the strikers to meet in local church buildings. Workers from other plants in El Paso and across the country lent support to the strikers.

The strike was a pivotal experience for the women involved. They began to do things they had never imagined possible: walking picket lines, speaking at meetings and rallies, and traveling nationally to promote the boycott. Some of the most active strikers formed a rank-and-file group which took the name *Unidad Para Siempre* (Unity Forever).

These experiences changed the way the women look at themselves—as women, wives and workers—the way they relate to their families, fellow workers, supervisors, and community. During the strike they made their own decisions and began to question their own attitudes.

"For years I wouldn't do anything without asking my husband's permission. I see myself now, and I think, good grief, married 19 years and having to ask to buy a pair of underwear! During the strike it started changing. I began to stand up for myself, and I began to feel that I should be accepted for the person I am."

Return to work.

In February 1974 a decision by an Administrative Law and National Labor Relations Board judge prompted Farah to recognize the union. A contract was negotiated and ratified and the workers went back to the plants, hoping that their long struggle would result in better working conditions.

When the strikers returned to the factory, however, they found that the organization of production had changed dramatically. In an attempt to keep up with the market Farah was diversifying production to include men's leisure suits and jackets. Women were given little or no retraining, yet they were expected to meet impossibly high production quotas. Many suffered wage reductions and eventually were fired for low production.

At the same time Farah made serious managment errors which undermined his position in the highly competitive garment industry. The recession added to his problems. In the three years following the strike more than half of the employees were laid off, and several of the Farah plants were closed.

Many workers filed grievances protesting the high quotas, layoffs, and harassment of union members, overwhelming the shop stewards with the number of grievances. The stewards were then harassed by the management when they tried to enforce the contract and were among the first to be laid off during Farah's severe cutbacks. To make matters worse the inexperienced buisness agents hired by the union were unable to defend the shop stewards and prosecute grievances.

A final problem was that because Texas is a right-to-work state, Farah employees did not have to join the union in order to receive benefits.

In the absence of a strong union, *Unidad Para Siempre* began to play a more active role. It pushed the union to demand more fundamental reforms, including elimination of the quota system, improved training for shop stewards and—most importantly—greater rank-and-file participation in settling grievances between the workers and the company. But the strength of this organization diminished as the company laid off and fired *Unidad* members until only a few remained at Farah. Today these ex-employees feel that the union did not fight to defend their jobs because, like the company, it felt threatened by their activism.

By the time negotiations for the second contract began in 1977, the position of the workers had been weakened by firings, layoffs, tensions among the workers and inadequate support from the union.

Farah management spent the first few days of negotiations telling the workers about the company's financial woes. The workers were told, "You can ask for the moon, but if we give it to you we'll fold tomorrow and you'll all be out on the street." Union lawyers urged the negotiating committee to accept Farah's terms.

The 1977 contracts calls for a meager 30 cent pay boost over three years, eliminates dental benefits, retains the quota system, and allows Farah to lay off workers who have seniority and then call them back to work on a different production line at the minimum wage. Although it is still uncertain whether Farah will recover from its economic crisis, it is already clear that under the terms of the 1977 contract, the workers are paying for Farah's problems.

The contract was hastily presented to the workers in a short meeting held in the cafeteria at the Gateway plant. Union officials read it in legalistic Spanish that few workers could understand, and discour-

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