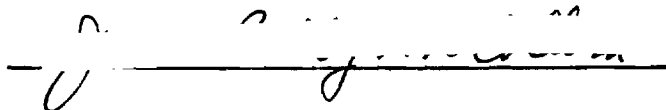


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AN ANALYSIS OF AN ENGINEERS AND ARCHITECTS
COLLECTIVE BARGAINING UNIT: A CASE STUDY

A THESIS

Presented to

the Faculty of the Division of Graduate Studies

Georgia Institute of Technology

In Partial Fulfillment

of the Requirements for the Degree

Master of Science in Industrial Management

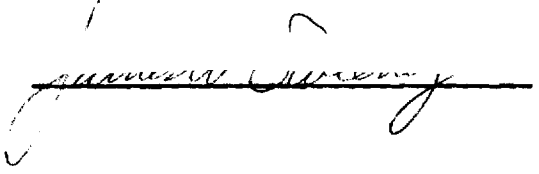
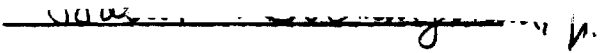
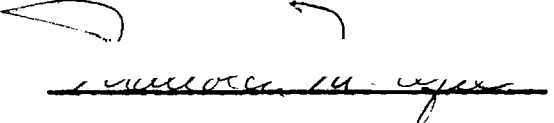
by

James Bobby McCollum

June 1954

AN ANALYSIS OF AN ENGINEERS AND ARCHITECTS
COLLECTIVE BARGAINING UNIT: A CASE STUDY

Approved:

Date Approved by Chairman May 24, 1954

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CHAPTER I

INTRODUCTION

Since the turn of the century the number of people engaged in scientific and professional work in the United States has increased almost twice as fast as the total population. It is estimated that since 1900, when about one million people were so occupied, the total has grown to around five million, with many shortages presently existing. There are now more than a million teachers, over half a million engineers, some 200,000 physicians, and about 700,000 dentists, nurses, and other health workers included in this category.¹

Something of the growing technological nature of our society is reflected in the fact that of all the major professions, those related to science and engineering have expanded most rapidly.² By count of the Census the number of engineers has risen from 30,000 in 1890, to 261,000 in 1940, to over 530,000 in 1950. The most recent figure amounts to one engineer for every 65 workers in manufacturing, construction, utilities, and transportation, compared to one engineer for

¹National Manpower Council, A Policy for Scientific and Professional Manpower. New York: Columbia University Press, 1953, p. 8.

²Ibid., p. 45.

every 290 workers in these fields in 1890. Moreover, data collected by the Engineering Manpower Commission indicated a shortage of at least 25,000 engineers at the close of 1952.³

These figures are valid insofar as they show the order of magnitude of professional people as classified by the Census. In their evaluation there arises the problem of defining professions, both generally and specifically. For instance, the above data do not include perhaps some six million white collar and clerical workers whose economic and social problems are in many ways fused with those of the recognized professions; also there is some question as to how many highly skilled and semi-professional workers are included.

To better understand the nature of the engineering profession, let us consider some additional statistics. There are many ways in which engineers may be classified. The most common method is to consider them by branch of specialization, which usually means by the type of college training received. On this basis there were in 1950 about 24 per cent of the total in civil engineering, 21 per cent in mechanical, 20 per cent in electrical, 6 per cent in chemical, 4 per cent in mining and metallurgical, 3 per cent in aeronautical, and 22 per cent in various other branches. Because of the present high degree of specialization, each of these categories may be divided into a multiplicity of sub-divisions. A classification by field of employment shows some 416,000 in private industry (of which 231,000 are engaged

³Ibid., pp. 162-163.

in manufacturing), 93,000 in government, and 13,000 in education.⁴

As a group, engineers are mobile, both geographically and vocationally. It is estimated that one-third of them moved from one state to another during World War II, and that during the same period at least one quarter of them changed industries. Also it is said that in 1946 over one-fifth of all engineers were employed in a type of work other than that for which they were educated. These changes, though significant in many respects, did not greatly alter the concentration of more than half their members in the heavily industrialized Middle Atlantic and East North Central states.⁵

Many of the problems of engineers evolve from their preponderance in industry. In this field their functional performance ranges from top management to work of a routine technical nature. Overall demand for the profession is generally subject to business conditions, while demand for various branches fluctuated rather widely due to technical developments and the growth of specific industries. As might be expected, function and salary depend to a large extent upon education and experience. A high degree of formal training is likely to lead to development, research, design, or teaching, while a lesser degree implies more selling or routine work. Many engineers without a college degree have risen to administrative positions, but these are largely older, experienced men who entered the field when formal

⁴Ibid., p. 164.

⁵Ibid., pp. 165-166.

educational requirements were lower.⁶

In general the dividing line between engineers and technicians is not clearly drawn. While the technician is usually distinguished by possessing less than four years vocational training and/or on-the-job training, his functions often overlap those of the so-called "professional engineer". This is especially true during a period of comparatively low demand for engineers. During a shortage of engineers, graduates are less likely to accept jobs not requiring professional training. There appears to be a long run trend for an expansion of the profession of engineering into the field of management. For one thing, as the profession gains prestige in a maturing technological economy industry is inclined to select its management from the group of growing importance. For another, the effect is cumulative. For reasons including professional pride and understanding, engineers in management tend to select other engineers as aids and successors.⁷

The great diversity of work to which the term "engineer" is now applied has so generalized its meaning that it is difficult to define. On the one hand anyone technically skilled might be said to be in engineering work, and therefore an engineer, although he might be more properly called an engineering craftsman. On the other hand, the term is often applied to any work involving measurable data in an attempt to

⁶Ibid., p. 167.

⁷Ibid., p. 168.

deduce generalizations. Thus by prefixing certain adjectives we have human engineers, transport engineers, economic engineers, social engineers, etc. In this sense an engineer is one who attempts to apply the scientific method to any problem in life.⁸

In an attempt to differentiate themselves from the mass of workers, those people engaged in engineering work along traditional lines now generally refer to themselves as "professional engineers". However, even this term seems to have as many definitions as there are interested groups. Not included in the constitution or literature of most basic engineering societies, the distinction appears to have grown up in connection with the registration laws. In a legal sense a "professional engineer" is one who is licensed in one of the several states to practice engineering. But this tells us little of his nature because of the wide variation in the definitions and requirements of the different laws.⁹

Some light is shed on the matter by applying to engineering three features which, according to Lloyd E. Blauch of the U. S. Office of Education, characterize any fully-developed profession. These are: "(1) a specialized intellectual training on the level of higher education equivalent to at least that represented by an academic degree, (2) standards of efficiency and success that are professional rather

⁸Cross, Hardy, Engineers and Ivory Towers, edited by Robert C. Goodpasture, New York: McGraw-Hill Book Company, Inc., 1952, p. 10.

⁹Sargent, A. M., A Study of Engineering Registration Laws, published by the author, 1951, p. 27.

than financial in character, and (3) associations which assume responsibility for maintaining and improving the quality of (professional) service." Mr. Blauch also mentions "the limitation of the right to practice to those who have been adjudged competent, a sufficient remuneration to support the service provided, large individual responsibility on the part of the practitioner, and regulation in the public interest."¹⁰

Perhaps the most rigid definition of a professional engineer, and one which is often favored by educators concerned with advanced engineering training, characterizes his work by three creative functions only. These are (1) research leading to design, (2) development leading to design, and (3) design based on the application of mathematics, the physical sciences, and where needed, the life sciences. Obviously a great many people trained for, and engaged in what is commonly known as engineering work would not qualify as professional engineers under such a functional definition. On the other hand, it seems that many individuals commonly classified as scientists would be considered professional engineers according to this definition, thereby raising the question of whether or not there is any justification for making a distinction between scientific and professional personnel. Certainly the nature of both careers are basically intellectual.

Such wide variations in opinion as to the nature of the engineer are surveyed as introductory material because of their fundamental

¹⁰National Manpower Council, *op. cit.*, p. 39.

importance to his problems in industry. These problems have increased in complexity as the profession has grown, both in its expansion of functions, and in numbers and importance to the nation's economy. The term "civil engineer" was employed in the eighteenth century to distinguish one who served other than as a "military engineer."¹¹ Since that time the multiplicity of new and expanded branches has hardly made for unity in the field. It is, instead, now more characterized by a loosely bonded conglomeration of organized interest groups. In general these organizations may be divided into two broad classifications, depending upon their approach to the common problem of advancing the engineer professionally, economically, and socially. The first classification is composed of engineering societies formed along traditional lines. It may be sub-divided into those groups of organizations which have as their primary purpose the collection and diffusion of technical information in their respective fields, and those which are mainly interested in unifying the profession. In the first group there are four "senior" societies - electrical, mechanical, civil, and mining - and many smaller and more specialized societies, such as automotive, illumination, heating, and ventilation, etc.¹² The latter group includes such organizations as the Engineers Joint Council (a federation whose membership includes several of the above listed societies), the National Society of Professional Engineers, and the American Association of Engineers.

¹¹Dougherty, Nathan W., Engineering Registration, Knoxville: The University of Tennessee Press, 1951, p. 16.

¹²Mills, John, The Engineer in Society, New York: D. Van Nostrand Company, Inc., 1946, p. 135.

The second broad class of organizations, which have a shorter history, are primarily collective bargaining units. While some of these are affiliated with the CIO and AFL, many have been independent. There has, however, recently been formed a federation known as the Engineers and Scientists of America which has succeeded in unifying to an extent several of the more important former independents. The major difference in approach between these broad types of organizations is that the societies stress professional improvement, maintaining that economic and social betterment will follow, while the collective bargaining groups stress economic gains, arguing that professional and social advancement will thereby result.

CHAPTER II

BACKGROUND AND GROWTH OF THE ENGINEERS AND ARCHITECTS ASSOCIATION

Independent collective bargaining units for engineers employed in private industry are a relatively recent innovation in this country. Because of their typical isolation and comparatively small size, their activities in the past have not received a great amount of attention. It is, therefore, the purpose of this study to determine the functional and organizational nature of a unit of one such organization which formerly existed at the Georgia Division of the Lockheed Aircraft Corporation. Since this unit was transplanted from a parent organization in California, that organization will be first considered in order to trace its evolving character which formed the background of the Georgia unit.

The Engineers and Architects Association was founded in 1894 as a "professional society" for engineers and architects. The idea for the organization was first advanced in a speech by Fred W. Wood, a guest of honor at the semi-annual banquet of the Architects Association at a Los Angeles cafe on August 22, 1894. He proposed an organization which would include both engineers and architects and work for their mutual benefit. Referring to the tendency of engineers to forego the pleasures of social life and to the poor design and construction work then prevalent in the West, he stated his belief that a joint society would provide the necessary remedial educational and other privileges as could no other organization.

The Association was organized in Wood's office on September 11, 1894. At this meeting H. Hawgood was elected chairman, and a constitution and by-laws were discussed and adopted. At the first formal meeting of the new organization, December 19, 1894, President Hawgood in his inaugural address to the 27 charter members present stated his belief that there would be "no surer way or quicker way to advance than by increasing our numerical strength". Subsequent dinner meetings of the Association usually included the presentation of technical papers by members, as well as entertainment, such as musical programs or community singing. At meetings through the years the members were addressed by many of the leading engineers and architects of the United States, including General Goethals, builder of the Panama Canal, as well as government officials, educators, Senators, Congressmen, and judges. Many problems were discussed, particularly those concerning the development of the Los Angeles area, irrigation, power development, and the professional advancement of engineers and architects. One engineering member, anticipating the growth of the southern California aircraft industry, reported in 1919 to the City Council and the Board of Public Utilities that "the United States should lead all nations in aviation; that Southern California should lead the United States because of ideal flying conditions; that the City of Los Angeles should lead all cities in the United States in developing the first municipal landing field to promote aviation".¹

¹Osborne, Henry A., "Extracts from the History of the Engineers and Architects Association", The Infogram, Volume 52, January 15, 1945, pp. 4 - 5.

In 1919 the Association was amalgamated as a member of the American Association of Engineers after a favorable referendum vote of eight to one, thereby advancing as its main purpose the social welfare of its members, with technical advancement secondary. This affiliation with AAE was later dissolved. The next substantial organizational change occurred early in 1943 with the formation of a first chapter. Thereafter, with an increasing number of chapters, the Association assumed the characteristics of a parent organization.²

About this time discussions which had been prevalent in publications of various engineering societies since 1937 as to whether or not unionism was compatible with professionalism were becoming much more intensive. The crystallized theme of these discussions had generally narrowed down to the idea that while unionism was objectionable to the professional engineer, it did not necessarily follow that collective bargaining was. So it happened in 1943 that the Board of Direction of the American Society of Civil Engineers proposed to its local sections that they permit the organization of collective bargaining groups not restricted to members of the society, which would act as the coordinating agency and counsel. There appears at this time to have been a considerable overlap of membership between the ASCE and the EAA in Southern California.³

²Ibid, p. 3.

³Shlakman, Vera, Labor in Postwar America, (Colston E. Warne, chairman of board of editors), Brooklyn: Remsen Press, 1949, pp. 583-585.

In March, 1943, upon the petition of a group of Lockheed engineers the Burbank Chapter of the EAA was chartered. Since 1937 all hourly paid employees of Lockheed and Vega Aircraft Companies* had been represented by the International Association of Machinists.** All monthly salaried employees, including engineers were non-represented.⁴ Later in 1943 the Associated Engineers and Technicians (Independent), which had but recently begun efforts to organize Lockheed employees, filed a petition with the National Labor Relations Board stating that a question concerning representation had occurred. Lockheed, IAM Local Lodge No. 1712, and Burbank Chapter also participated in the hearings. Fearful of AFL and CIO organizing attempts, Burbank Chapter had intervened in the case on behalf of the Associated Engineers to insure a hearing.⁵

The Associated Engineers took the position that Lockheed design department engineers constituted a separate bargaining unit. Burbank Chapter supported this stand, but took no position with respect to certain categories of engineers in that department. Lockheed and the Machinists maintained that the only appropriate bargaining unit for

*Vega was at that time a wholly owned subsidiary of Lockheed; not long thereafter its assets were absorbed by the parent company.

**IAM was then independent but later became affiliated with AFL.

⁴McIver, M. E., H. A. Wagner and M. P. McGirr, Technologists' Stake in the Wagner Act, Chicago: American Association of Engineers, 1944, p. 142.

⁵"Engineers Sign Lockheed", Business Week, April 21, 1945, p. 102.

Lockheed's engineers should include also, on a broad basis, engineers of Vega having the same employment functions.⁶

In defense of the Associated Engineers' position the brief submitted by Burbank Chapter read in part:⁷

The graduate engineer with \$10,000 invested in university training cannot be happy on \$300 a month while he engineers the work for maintenance electricians who average \$450 a month with no investment in education. Working Sundays without pay, he supervises engineering projects for which labor is paid double. . . .

. . . . if the engineer is not to become extinct, the profession will have to seek the protection and benefits of the National Labor Relations Act which is the declared policy of these United States.

Because of the many unique problems confronting organization of the engineers for collective bargaining, we believe that it will only be accomplished by "self-organization" with the "full freedom of association" provided for by this Act. Engineers probably cannot be organized into any of the existing labor unions any more than the physician, dentist or lawyer could be. In view of these facts, it seems very desirable that the engineer be permitted to form small units for collective bargaining such as the unit in the Corporation's Exhibit 3, which includes engineers in one department of Lockheed Aircraft Corporation, these being the engineers who are responsible in general for the design of the product.

The engineers in the corresponding department at Vega Aircraft Corporation should be permitted to organize a unit of their own. These two groups have much in common, it is true, but they don't know each other; they seldom meet, do not have a common lunch period, and have no natural opportunity to get acquainted and to discuss organization. A very small fraction of the Lockheed engineers have ever been near the Vega engineering department. . . .

If the contention of the company, that the appropriate unit consist of all departments of both companies employing engineers is sustained, the natural association and organizing of engineers will be considerably hindered and delayed because of physical, departmental and inter-company barriers. Rather should the engineer be guided into simpler and more natural groups, providing they are appropriate units, to offset his unfamiliarity with organizing and the unusual problems he will encounter. . . .

We know there is greater strength in the larger unit, but we believe the engineer will have to travel over the same road that organized labor has traveled, namely, first form small lodges which

⁶McIver, M. E., et al., op. cit., pp. 141-142.

⁷Ibid, pp. 142-143.

later unite to form federations, associations, or congresses. As the engineer gains experience in the ways of collective bargaining organization, it is to be hoped that these units would normally unite or affiliate into a solid front.

May we conclude by again urging the board to recognize petitioner's unit as an appropriate unit.

Despite these arguments, Lockheed's motion that the proceedings be dismissed on the ground that the unit set forth in the petition was inappropriate for bargaining purposes was granted by the Board.⁸

In view of this, Burbank Chapter hired experienced legal talent and on November 20, 1943, filed a petition with the NLRB to bargain collectively for about 1200 engineering employees of the Lockheed and Vega aircraft plants. Meanwhile, the Associated Engineers, growing discouraged, accepted a charter from the International Federation of Technical Engineers', Architects' and Draftsmen's Unions (AFL) under the name, Associated Engineers and Technicians, Incorporated. The membership of the Burbank Chapter then voted decisively to continue the struggle for NLRB recognition of an "independent labor organization" composed of professional workers. The Chapter believed that independent, it could maintain harmonious relations with both the CIO and AFL, but that identification with either would arouse serious opposition from the one rejected.⁹

With reference to new petitions which were filed separately by Burbank Chapter and the Associated Engineers, consolidated hearings were held by the Board at various times between July 24 and August 2, 1944,

⁸Decisions and Orders of the NLRB, Volume 53, Washington: U. S. Government Printing Office, 1944, pp. 427 ff.

⁹McIver, M. E., et al., op. cit., pp. 143-144.

at Los Angeles, California. IAM Aeronautical Industrial District Lodge No. 727 and IAM Local Lodge No. 1712 also appeared and participated. The Company refused to recognize either of the petitioners as the exclusive bargaining representative of its employees in the units claimed unless and until they were certified by the Board.

Lodge No. 727 moved to dismiss the petition of the Associated Engineers, claiming that the proposed unit conflicted with its unit established by collective bargaining agreements with the Company, particularly with an agreement outstanding since September 15, 1941. The Board found, however, that since this agreement had been in effect for more than one year and was of indefinite duration subject to termination upon notice by either party, it was not a bar to the proceedings. It noted further that both Burbank Chapter and the Associated Engineers represented a substantial number of employees in the units claimed to be appropriate.

Burbank Chapter requested as an appropriate unit the monthly salaried engineering employees of the Company, excluding supervisory employees, in plants within the municipal limits of the city of Burbank. The Associated Engineers desired a unit of both salaried and hourly paid engineering employees in plants located within ten counties of southern California, including the city of Burbank. Local Lodge No. 1712 contended as appropriate a unit consisting of monthly salaried engineering employees throughout the plants of the Company, wherever located. While not seeking an election in any unit, District Lodge No. 727 opposed the unit claimed by the Associated Engineers upon the ground that hourly paid engineering employees were still represented by it under a contract

with the company which covered both production and engineering employees. The Company maintained that all the proposed units were inappropriate, and in addition took issue with one or more of the contending organizations as to the inclusion or exclusion of specific categories of engineering and technical employees.

While Burbank Chapter claimed that its request for a unit limited geographically to Burbank was motivated by a regard for the convenience of employees with respect to attendance at union meetings and other matters related to collective bargaining under conditions of wartime travel, the Board felt that its reason was more likely based on the fact that it had not yet organized to any substantial degree Company employees in plants outside the city. Furthermore, it appeared that corresponding employees in certain plants within and without the city performed similar duties, and were occasionally subject to transfer. It was also a matter of record that engineering employees in outside plants had been organized in substantial numbers by other labor organizations, and that the entire history of collective bargaining related to engineering employees had been conducted on a broad geographical basis throughout the plants of the Company. A company-wide limit was therefore decided upon for whatever unit was concluded appropriate.

The Board then considered the issue of whether an appropriate unit would be limited to monthly salaried engineering employees as advocated by Burbank Chapter and Local Lodge No. 1712, or whether it should include both monthly salaried and hourly paid engineering employees as contended by the Associated Engineers and opposed by District Lodge No. 727. In its evaluation of the situation, the Board noted that while the

hourly paid engineering employees were generally of a similar technical background and experience as salaried engineers, they were distinguished, not only by a different method of payment, but also generally by less remuneration and the performance of duties involving less use of judgment and discretion. Moreover, despite the fact that District Lodge No. 727 contended that hourly paid engineering employees should not be separated from the production group on account of an outstanding agreement evolving from previous bargaining, it was found that their duties and interests were clearly distinguishable from those of such a group; and it was shown that they had never been effectively organized by Lodge No. 727, but had several times in the past few years indicated a desire to terminate their association with the hourly paid production employees.

For purposes of collective bargaining, therefore, the Board separated the hourly paid engineering employees from the hourly paid production employees. It made no further determination of the appropriate unit, but stated that considerations as to whether hourly paid engineers and monthly salaried engineers might properly function separately or jointly for collective bargaining purposes were so balanced as to allow the issue to be determined by such elections as would be ordered. Turning to the issue of which specific categories of employees were to be included, the Board found those requested by both Burbank Chapter and the Associated Engineers, which were largely uncontested by the Company, to be generally proper. However, two classifications, Industrial Engineer and Contract Specifications Writer, were excluded by the Board even though their proposed inclusion had not been opposed by the Company. Out of twelve controversial categories all were excluded except that of

Field Service Man, which was included with qualifications.

The Board then directed an election which would give the monthly salaried employees in the group the choice of being represented by either Local Lodge No. 1712, Burbank Chapter, the Associated Engineers, or by none of these organizations. The hourly paid employees in the group could decide between District Lodge No. 727, Associated Engineers, or neither for representation.¹⁰

On November 1, 1944, Burbank Chapter requested that its name also be placed on the ballot for hourly paid employees. After the Board on November 3 denied this request, the Chapter filed a petition for reconsideration, presenting as evidence cards which showed that as of the date of the hearing it represented approximately five percent of the voting group of hourly paid employees. This petition was opposed by District Lodge No. 727 and the Associated Engineers, who emphasized the smallness of the showing. The Board, nevertheless, granted Burbank Chapter's request in view of the facts that an election was to be conducted and that the Chapter had made some showing of hourly paid membership. It went on to amend the scope of the proposed unit by stating that if both voting groups selected either the Associated Engineers or Burbank Chapter, they would be merged into a single appropriate unit. A request by the Associated Engineers that both voting groups be consolidated into a single appropriate group was denied because such action would necessitate placing two locals of the IAM on a single ballot with

¹⁰Decisions and Orders of the NLRB, Volume 58, Washington: U. S. Government Printing Office, 1945, pp. 1188 ff.

resulting confusion as to their identity.¹¹

In the election the 1600 monthly salaried engineers decisively selected Burbank Chapter, Engineers and Architects Association as their bargaining representative. The vote of the 900 hourly paid technicians, however, was split, the record showing 37.8 per cent for Burbank Chapter, 31.4 per cent for the Associated Engineers, 21 per cent for the IAM, and 7.1 per cent against organized representation. In a run-off election held two weeks later this group voted 85.5 per cent for Burbank Chapter, thereby choosing to join the salaried engineers in a single unit. Dr. Robert C. Burt, president of the Engineers and Architects Association, in a statement after the election, said:¹²

The officers of the association are gratified by the progressive step taken by the Lockheed engineers and by the nation-wide interest shown by engineers in their inquiries since the first election last month at Lockheed. Until the last decade, most of our profession has been engaged by clients just as the lawyer, doctor, or dentist. With the advent of great industries requiring engineers by the hundreds, the majority of engineers have found themselves practicing their profession as employees of large corporations.

The Engineer has no quarrel with shop unions, but he is rapidly becoming aware that he must stand on his own two feet. The result of this election clearly shows he wants an engineering association of his own with which to engage in collective bargaining on the professional level.

Due to the flood of inquiries from engineering groups, and the number of new chapters being formed, the association is enlarging the scope of its operations to better service the engineers of the southwest. We are soon initiating a national survey to stimulate similar groups in affiliating for the national economic and professional unity of engineers, scientists, and allied technicians.

To aid in the solution of the many problems affecting the economic standing of the engineer, we have the National Labor Relations

¹¹Decisions and Orders of the NLRB, Volume 59, Washington: U. S. Government Printing Office, 1945, pp. 274 ff.

¹²"Lockheed Engineers Win Professional Collective Bargaining", The Infogram, Volume 52, January 15, 1945, p. 6.

Act, the War Labor Board, the War Manpower Commission, and other Federal and State regulations to assist in the orderly and legal establishment of collective bargaining.

When initial negotiations between Burbank Chapter and Lockheed were begun in January, 1945, it was agreed, in order to expedite orderly relations, to first effect a partial contract. Such a contract was concluded and put into effect March 22 of that year. Strikes, slowdowns, and lockouts were prohibited, and provisions were made for Association officials and stewards, payroll dues deductions, and a grievance procedure. On March 23 negotiations for the complete agreement were resumed which dealt with more difficult problems, such as layoff provisions, information to the Association, vacation and pay provisions, and job descriptions.

The most heated problem at this time revolved around the question concerning U. S. Treasury Department jurisdiction over salaried engineers earning under \$5,000 a year, which included the majority of EAA-represented personnel. Early in May the Association informed the Company of its attorney's opinion that certification by the National Labor Relations Board had removed such engineers from Treasury Department jurisdiction, and requested that the freeze on salaries of these people be lifted. The Company refused, maintaining that the freeze still applied. Lockheed also turned down an Association proposal for a joint request to the Treasury Department and the War Labor Board to clarify the question of governmental jurisdiction. In August the Company by unilateral action cut back working hours and salaries, refused to negotiate on the subject, and once again declined an invitation by the Association to jointly request governmental clarification as to jurisdiction. After

seven months of negotiations, with but twelve out of forty-nine items resolved, Burbank Chapter ended negotiations and called upon the U. S. Conciliation Service to help settle the dispute.

Under the auspices of this service additional meetings were held and eight more items were settled, leaving twenty-nine still in dispute. Meanwhile in a letter to the War Labor Board the Company presented its stand and requested confirmation, without, however, stating that there was a dispute with the EAA. Upon learning of this letter the Association immediately telegraphed WLB of its position and charged the Company with violating its duty to bargain on the matter. It requested that the WLB not approve the Company's action until all parties could be heard. To this postponement the Company agreed, and so informed WLB. WLB, in its answer to the Company, refrained from a detailed discussion of the matter, but pointed out that it, rather than the Treasury Department, now had jurisdiction over adjustments in the salaries of all employees earning less than \$5,000 a year who were represented by a certified labor organization.

On September 20, EAA requested the Conciliation Service to certify the dispute to the WLB, and advised the Service and the Company that it would request NLRB to conduct a strike vote at Lockheed as provided by the Smith-Connally Act then in effect. In the strike vote held November 1, 1945, Association members voted 77.7 per cent in favor of work stoppage unless the Company moved to conclude the agreement. On the same day Lockheed, reversing its attitude, announced that it was prepared to begin negotiations on the subject of wage increases, and thereafter rapid progress was made. Except for Treasury Department and WLB approval

of pay rates the agreement was concluded on November 16.* It was signed by officers of Aircraft Chapter, which had by this time changed its name from that of "Burbank Chapter". Work was then started on a two year program of drawing up a complete set of job descriptions and evaluation.¹³

The establishment of an independent bargaining unit for engineering employees and an eventual contract which was acceptable to the membership represented a substantial victory for the EAA. Despite significant dissent within the unit including criticism of "union tactics" employed by the organization, a strike vote had been successful which had apparently prodded the Company to action. Pay increases had been gained, grievance machinery had been set up, and a number of other benefits had been defined and formalized. A brief look at the background and nature of the Company will perhaps lend perspective to the picture.

Lockheed is engaged primarily in airframe production, which means the assembly of finished aircraft from various components, many of which are manufactured by other firms. Since its purchase and reorganization in 1932 by a group led by Robert E. Gross (who is still president) it has risen to become one of the largest and best known producers in the industry. The industry has in the past been somewhat concentrated in southern California, where in addition to Lockheed, is found Consolidated, Ryan, Douglas, North American, and Northrop. It is characterized by a

*See Table 1.

¹³"Formation of EAA at Lockheed in 1944", EAA Southern Review, Volume 1, December 8, 1953, pp. 3-4.

highly unstable demand for aircraft, which has resulted in great over-capacity and strenuous competition in peacetime. This fact, along with other post-war problems* has at times made it difficult for Lockheed to raise adequate working capital. Because of the heavy labor cost (approximately 50 per cent of total airframe costs) this has in the short run put pressure on the conduct of labor relations. In the long run, however, the Company is able to "pass on" to a large degree increased labor costs.¹⁴

In 1937 the Company, abandoning the local pattern of resistance to unionism, recognized IAM Lodge 727 as representative for nearly all of the hourly paid factory employees and most of the hourly paid office and technical employees.¹⁵ Since that time relations with this union have generally been quite satisfactory. Some favorable factors conducive to this relationship which apply equally well to that with EAA have been the safe and interesting nature of the work, the romantic appeal of aircraft, and the tendency of employees to identify themselves with their employer in competition between companies.¹⁶

*Among these problems were the temporary grounding of the Constellation, difficulties of airlines which led to curtailment of purchases, large reductions in foreign orders, and abandonment of a "feeder line" transport model as unsatisfactory after an investment of \$7,000,000.

¹⁴Kerr, Clark and George Halverson, Lockheed Aircraft Corporation and International Association of Machinists, Washington: National Planning Association, 1949, pp. 5-8.

¹⁵Ibid., p. 7.

¹⁶Ibid., p. 78

The early character and evolution of collective bargaining with engineers, as seen by Aircraft Chapter, was summarized by an article entitled "negotiations - the Birds and the Bees and the Flowers" by chapter president Hal. R. Beck in the EAA Aircraft Engineers' Forum of June 11, 1948:

The 1945 committee was headed by F. W. Thrane, Engineering Manager directly staffed to Hall Hibbard, Vice-President and Chief Engineer. It was during these lengthy negotiations that our present Agreement was completely developed and mutually agreed to. Those of us who had dealings with Mr. Thrane will recall his warm understanding of human relationships as well as the engineers point of view. Outside of the heated dispute over salary cut-backs after V-J Day, based on a legal interpretation of Treasury Department rulings, the 1945 negotiations were characterized by a constructive give-and-take approach to the engineer's employment conditions. The high type of agreement reached in the negotiations that year accounts for the good relationships that have existed since then in our day-to-day dealings with employee problems. Both Lockheed and EAA owe considerable to the high level of Mr. Thrane's guidance as the Company's Chairman.

With the grounding of the Connies, the 1946-47 negotiations took on a note of financial adversity and Company distress. Lockheed selected a Chairman who could bring to negotiations a first-hand understanding of Company finances. Dudley Brown, Lockheed Comptroller, was not a labor negotiator and exhibited a disarming frankness and friendliness in dealing with the matter of pay increases. A better choice could not have been made to serve the Company's needs. Our regard for Dudley Brown, as a person, was not lowered one bit in spite of our reluctant withdrawal from demands for pay increases. The point is that Lockheed had a basic policy to put over in negotiations, and they chose a well-qualified Chairman to achieve it. Nevertheless, the negotiations were conducted on a level that recognized our Association as being the representative of engineers. Subsequently, the Company gave a 5¢-an-hour increase to the shop union. In spite of dire prediction, the Company ended the year 1947 in good shape - thanks to heavy tax carry backs, an exchange of plant and equipment with War Assets Administration yielding a profit of over \$6,000,000, and the delivery of Constellations.

This year, an entirely different picture presented itself. The Taft-Hartley Act had been passed. Collective bargaining was to see a reactionary shift. An unquestionable drive was on to recapture managerial rights and prerogatives. This year there would be no kid gloves. Further, the scene was being set for Lockheed to regain a strong financial and profit position through military orders.

Lockheed had become a leading Company as a war industry; after a venture in the commercial field, the return to government contracts was inevitable.

Moreover, the engineers had a good case. Merit increases had been meagre; the cost of living was up 30% since the last pay increase; engineers had been patient in passing up increases in 1947; other Aircraft companies had given white collar pay increase without bargaining. In the face of an executives' stock-option plan for 100,000 shares, and a return to a dividend payment, a firm hand was needed in negotiations.

Once more, Lockheed selected a Chairman to suit this occasion - a seasoned labor relations man with a background of labor negotiations of the sterner kind. For the first time, a labor negotiator who had gained his experience prior to coming to Lockheed was put in command of the Company's committee. This man is Mr. H. M. Porter, Industrial Relations Specialist staffed to Courtland Gross.

As negotiations progress, the reason for selecting this year's Chairman becomes more apparent. Progress is slow and discussions hinge on technicalities, points of law and justification of the Company's position. Basic principles are lost in comparison to the Company's rights. Carrying out the Company's assignment will not win any popularity contests. Our relations thus far are based on the level of straight labor bargaining. We have no other choice since Mr. Porter is an expert in that field. As yet, we are not accustomed to the stark realities of economic forces. That is the lesson we engineers have to learn. We have an apt teacher and must not retreat to our ivory towers. And so, with a slight change in the order of things, we have talked about the flowers, and the birds and the bees.

This tract was one of a series distributed to the engineers in an apparently successful attempt to secure decisive support for the negotiating committee. Having refused a company offer of a \$10 per month increase, the membership on May 24, by a 20 to 1 ratio passed a motion stating: "Unless before June 21, 1948, our Negotiating Committee can arrive at an agreement with the Company acceptable to the membership, the Lockheed Section of the E.A.A. shall engage in a work stoppage to start at 12:00 midnight as of that date."

At the same time a membership drive was on which had gained 136 new members in the month of May. A free E.A.A. pin was the reward for

an individual signing up five new members.¹⁷ The Forum issued June 10, 1948 was entitled "The Caste System - A Blot On The Engineering Profession" and appealed primarily to draftsman. This article said in part:

The Aircraft Chapter, EAA, has and will continue to support the conviction that engineers, draftsmen and technicians properly belong together in an appropriate unit of engineering employees for the purpose of gaining economic, professional, and social advancement. We believe in a code of ethics that accepts the professional responsibility of uplifting our fellow employees and co-workers who aspire to become engineers themselves. It is little short of snobbery to brush aside these men and compel them to seek aid from trade union. . . .

The answer to the engineer-draftsmen problem lies not alone in pay. EAA is striving for the recognition of engineering work in its true relationship to the value it creates. EAA believes that the nature and character of these men is highly responsible to good treatment and recognition. When such conditions are obtained, the resulting engineering and efficiency will more than justify the price paid. In most cases, the only price will be good human practices.

The Forum of June 15, "A Protest Against Downgrading Engineering And Its Employees" set forth a "Doctrine of Economic Humility" claimed as the deep-seated cause of engineering dissatisfaction:

There is more at stake in the present unsatisfactory state of negotiations than the matter of pay alone. The dominion of misguided top-management policies in negotiations dealing with engineering employees indicates an underlying trend in the company to discount engineering functions and place premiums on financial, manufacturing, sales and administrative functions. . . .

Engineering personnel are conditioned from the very outset of their careers to embrace a doctrine of economic humility. Their education fails to embrace the business side of things, and they are lacking in sociological and economic background. . . .

This is evidenced by the widespread humility of engineers in their grateful acceptance of economic crumbs from the corporate management table. Engineers are easily pleased with trifling promotions and niggardly increases in pay. Such humility leads to a

¹⁷Fish, Charles, Your Executive Committee Reports - No. 4, Lockheed Section, Aircraft Chapter, EAA, June 9, 1944.

blindness in accepting the economic decisions of management experts. So well indoctrinated are most engineers that, when they reach the top of their profession they are overwhelmed with a warm satisfaction in their long-delayed recognition and a mediocre salary. For top-flight engineers, a salary of \$600 per month is mediocre. The mild-mannered acceptance of a \$2.50 per week merit increase by a \$500 per month engineer; the grateful pride of an hourly-paid draftsman when he is presented with a sunburst badge permitting him to visit other parts of the plant; the humble resignation when a supervisor tells an engineer that there was not enough in the salary budget to give him an increase this time, although he deserved it; all of these indications to management have supported their belief that their methods were working. Lockheed has followed the doctrine of economic humility for engineers in spite of their boasts of enlightened industrial relations. It has been a matter of techniques, with Lockheed using kid gloves where other aircraft firms have been more open and in some cases brazen. . . .

Either through misjudgement or short-sightedness, management has over-estimated the elastic limits of the engineer's economic humility. . . .

. . . After V-J Day, the dissatisfaction grew into militancy when management carried their salary cuts too far in the belief that economic humility was still the order of the day. . . .

This (organization of upper management) is pointed out to those engineering employees who may sense a state of conflict between EAA negotiators and engineering management. Our problems arise from a higher level- a level that has experienced a financial growth of the company involving hundreds of millions of dollars - a level that, in the press of finances, sales and profits, appears to take engineering for granted. The current negotiations are directly controlled by the top-side management committee. . . .

This is not a healthy symptom in a company that grew out of leadership in design. It is not healthy in a company that is reputed to be a "high-cost producer", perhaps the highest in the country. The P-38, the Hudson, the Constellation were engineering creations that put Lockheed in the mass production business. It will be remembered that, at one time, experimental was a part of manufacturing. There are those who recall the disappointment in the Model 49 prototype schedules. After experimental was shifted to the engineering branch, the design from scratch, and the building and first flight of the prototype XP-80 set an enviable record. . . .

Nearly three months of negotiations seems more than enough time for management to abandon their economic humility policy in the face of stock options for executives, a dividend to stockholders, and \$92,000,000 of new military contracts.

Another Forum was issued by President Beck on June 20, just before the planned work stoppage in reaction to rumors of a boycott by the industry.

Rumors of bringing stronger economic restraints into play by members of the Aircraft Industry in event of a work stoppage at Lockheed have all the earmarks of a boycott without kid gloves. There is little question that engineering salary increases are being resisted by an unwritten collaboration of the mutual defense league of the Industry. . . .

. . . . Aircraft companies will not hire from each other. They call it raiding - we call it collusive restraint of the free enterprise of individual engineers. If an aircraft engineer applies for employment at Lockheed or any other of the aircraft companies, the interview stops as far as pay and getting a job are concerned if he is then employed by any other aircraft company.

It is little wonder that hundreds of capable and self-respecting engineers have quit the aircraft field. They received little recognition in the form of merit increases, and when they tried to better their position with another company they encountered the industry restraints of employment. The present shortage of engineers and draftsmen and the high turnover has been brought on chiefly by management's short-sighted practices.

Should the Aircraft Industry carry out the rumored boycott, they will finish the job of driving all respect out of aircraft engineering employment.

Other publicity issued by the Association called the attention of the shop employees* and supervision** to the threatened work stoppage. Due to redoubled efforts on the part of both sides in last minute negotiations sufficient agreement was reached that the strike was called off before it started. The membership voted approval of the contract at a special meeting July 12. All provisions of the new contract, including

*A statement issued to shop employees brought their attention to the possible problem of EAA picket lines, which the Lodge had decided not to recognize. Citing a case in 1946 when EAA organizers had urged Convair engineers to respect IAM picket lines with some success, the notice emphasized the necessity of mutual respect. IAM Lodge 727 had never staged a strike at Lockheed.

**A cartoon entitled "Study in Economics - 1948" showed EAA pickets behind a board fence upon which were posted signs concerning the Executives Stock Purchase Plan, new contracts, the resumption of dividends to stockholders, and one pointedly addressed to shop supervision which read, "For all engineering information call labor relations dept.".

a \$20.00 per month blanket salary increase, a \$7.00 per month merit increase budget, and a five cents per hour increase were made retroactive to June 21. Also resulting from negotiations were improvements in the Lockheed patent plan (although this was not included in the agreement) and joint re-evaluation of certain job classifications. The Company, having previously granted a ten dollar increase to non-represented salaried employees now gave another ten dollar raise to this group.¹⁸

Among other gains which the Association could claim in 1948 were recognition by the Company of sixth day pay for salaried engineer's sick leave and vacations, cessation by the Company of regularly scheduling extended work weeks not provided for by the agreement, a purchase discount arrangement for the membership with local merchants, recognition by the Company that an employee has grievance rights prior to attaining seniority six months from date of hire, and success in defeating several proposals by the Company which would have reduced employee rights and Association security.¹⁹ Pay gains in 1949 and 1950 helped strengthen the unit, and in 1951 the Chapter moved its offices into a modern office building which it had purchased. It is interesting that in September of that year while the members rejected a Company "package proposal" by a margin of 93 per cent in a vote mainly because of the absence of a provision for three week vacations for ten year employees and dissatisfaction with premium pay, they similarly surprised Chapter officers by voting

¹⁸Professional, Economic, and Social Advancement for Engineering Employees, Aircraft Chapter, EAA, (a pamphlet).

¹⁹Fish, Charles H., Your Executive Committee Reports - No. 8, Lockheed Section, Aircraft Chapter, EAA, March 2, 1949.

down a strike proposal. Further negotiations produced an agreement which provided for two weeks vacation for all employees having service for more than a year, and increased overtime pay for salaried employees.²⁰

Meanwhile the internal organization of Aircraft Chapter was maturing. Interest was aroused on the part of the membership by campaigns of candidates for Chapter offices, and by publicity material stressing the importance of votes in order to be properly represented. Also occasional get-togethers were held and training courses were initiated for officers. The result has been a Chapter organization which functioned smoothly within itself.

However, the relationship between Aircraft Chapter and its parent, the Engineers and Architects Association, has not always been entirely without difficulty. The major problem arises from the peculiarity of two widely different modi operandi contained under one roof. While the collective bargaining chapters seek economic gain by aggressive negotiations along labor union lines, the public employee chapters seek adjustments through semi-political persuasion along civil service patterns. The parent organization* grew up, not in accordance with any well-defined plan, but by a process of evolution, adjusting itself to the changing times.

In 1952 the Association became a charter member of the Engineers and Scientists of America, a federation which mainly functions as an information bureau and lobbying agent. Major policy for EAA is formulated

²⁰EAA Bulletins, October 11, 1951 - December 14, 1951.

*See Figure 1.

at an annual convention. The elected Board of Directors is the chief administrative body, but its conglomerate nature renders it of but nominal importance to the chapters. The policy making body of Aircraft Chapter is the Board of Governors, which is elected annually. The seven members of this body are elected proportionately by sections, and according to the constitution, "at least fifty per cent of the members of the Board from each section shall be either Graduate Engineers or Architects, or Registered Engineers or Architects". Table 2 shows the importance of activities assigned by Aircraft Chapter to various levels of organization. It has felt that its financial contributions to the Association have been out of proportion to the benefits received, and because of this and philosophical differences it has considered disaffiliation from EAA.²¹ However, such action has not been taken, and present indications are that some differences have been reconciled.

²¹Special Committee, Board of Governors, Aircraft Chapter, EAA, The General Relationship of the Aircraft Chapter to the Engineers and Architects Association and the Issues Involved: A Report, January, 1953.

Table 1.

Items of dispute as of October 26, 1945, and their subsequent inclusion or exclusion in the agreement signed November 16, 1945, essentially according to the stand of the party shown.

Item of Dispute	Inclusion or exclusion in the Agreement essentially as proposed by the party shown
Sick Leave	Company
Jury Duty	Company
Retirement Plan	Company
Hours and Days of Work	Company
Premiums for Hours and Days of Work	Company
Overtime Pay and Premiums	Company
Pay Adjustment for Non Standard Workweek	Company
Ratings and Reviews	Company Modified
Holidays	Company
Flight Pay	Company
Field Pay	Company
No Decrease in Pay Rates	Company
Association Security	Company
Lost Time	Company
Downgrading	Company, Modified
Leadmen	Company
Severance Pay	Company
Equity Rating	Company
Layoff Procedure	Association, Modified
Repromotions, Rehiring, Promotions and Hiring	Association, Modified
Exemptions for Exceptional Employees and Trainees	Differs from original proposal of either
Work Simplification	Company
Sabbatical Leave	Company
Profit Sharing	Company
Patents	Company
Discrimination	Company, Modified

Source: "EAA - Lockheed Disputed Items - 10/26/45" prepared by the Association, and the final Agreement between Lockheed Aircraft Corporation and Engineers and Architects Association of Southern California, Aircraft Chapter, signed November 16, 1945.

Table 2.

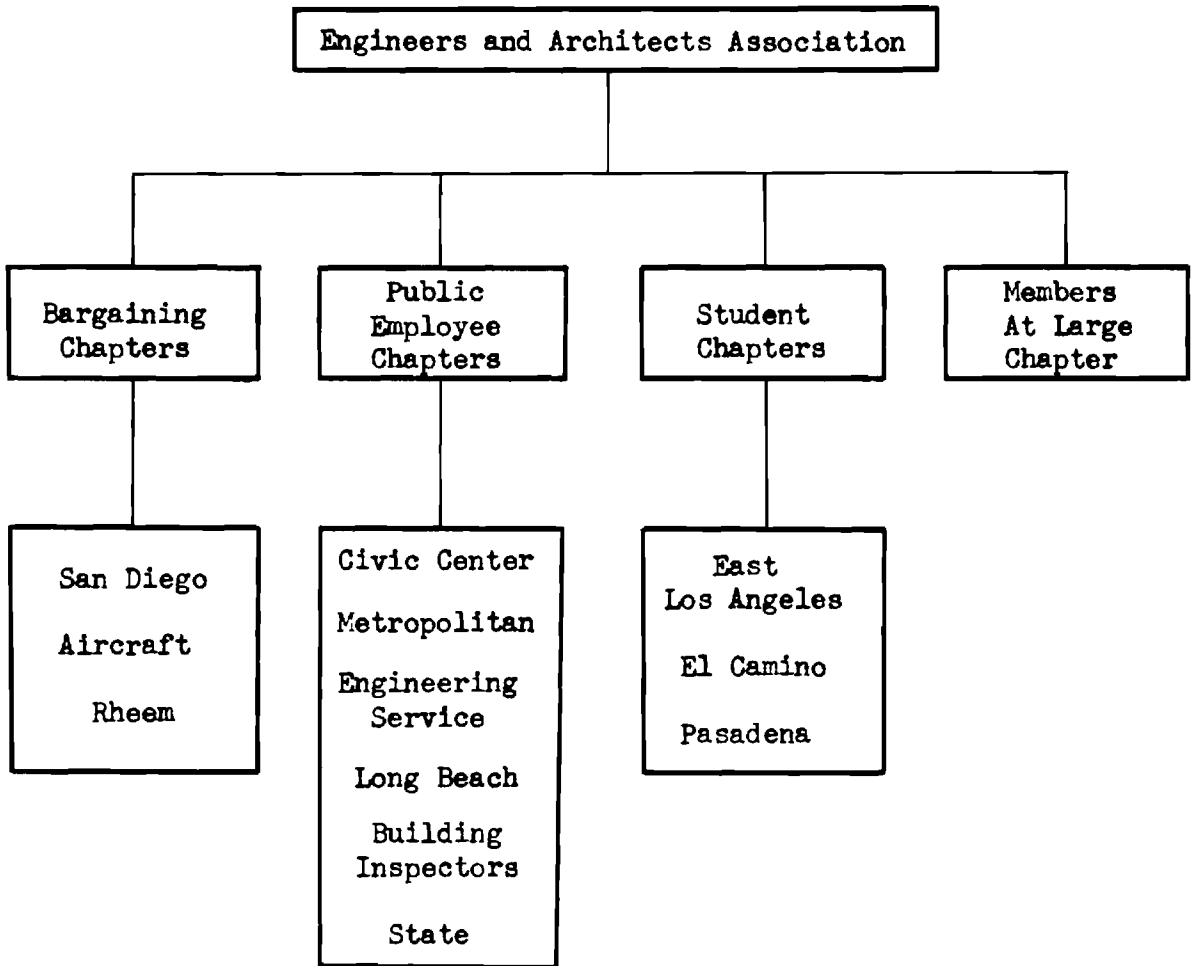
Activities of an Industrial Collective Bargaining Organization
(weighed value and level of performance)

	Activity	% Importance Assigned	% Distribution to EAA Level Best Adapted to Provide			
			Local Section	Local Chapter	Local Association	National Federation
Direct Individual Benefits	Discount Purchase Plan	3			3.0	
	Monthly Publication	4		1.0	3.0	
	Vote on Questions	2	1.0	.5	.5	
	Membership Pin	5		1.0	4.0	
	Field Trip Opportunity	1	1.0			?
	Total		15	2.0	2.5	10.5
Direct General Benefits	Improve Pay Rates	12	8.0	3.0	1.0	
	Contract Provisions	5	3.0	2.0		
	Grievance Machinery	5	4.0	1.0		
	Representative Service	10	9.0	1.0		
	Negotiations	10	8.0	2.0		?
	Inter-company Liaison	3		3.0		
	Local Statistics	5	4.0	1.0		
Total		50	36.0	13.0	1.0	
Indirect General Benefits	Increase Support	2			2.0	
	Increase Engineering Pay	5		3.0	2.0	
	Increase Professional Standards	2			2.0	
	Increase Employer Recognition	4		3.0	1.0	?
	Student Chapters	2			2.0	
Total		15		6.0	9.0	
Support Organization	Recruit Members	5	3.0	1.0	1.0	
	Put Out Publicity	3	1.0	1.0	1.0	
	Legal Defense	5		2.0	3.0	
	Legal Advance	5		3.0	2.0	?
	Office and Administration	2		1.5	.5	
	Total		20	4.0	8.5	7.5
TOTAL		100	42.0	30.0	28.0	?

*Values indicated are indicative of membership sentiment in an industrial-type chapter.

Source: A report on "The General Relationship of the Aircraft Chapter to the Engineers and Architects Association and the Issues Involved" by a Special Committee, EAA.

Figure 1
Organization of EAA



CHAPTER III

ORGANIZATION AND FUNCTIONS OF MARIETTA SECTION

Early in 1951 Lockheed leased the huge government-owned aircraft factory* at Marietta, Georgia, and there established its Georgia Division. After a number of B-29 bombers had been modified, production of the new B-47 was set up on a large scale under license from Boeing. Engineering employees in appropriate classifications were automatically represented by Aircraft Chapter in Burbank under the agreement which stated that the Association would be recognized as the exclusive representative of such groups in any new plant established outside the Burbank area.

In June, 1951, the Chapter sent two representatives to Marietta, who established an organization of twenty-five members, and then left the unit in their hands. Thus was born the Marietta Section, which along with the Lockheed Section (at Burbank) and the Lockheed Aircraft Service Section (representing engineering personnel at the Lockheed Aircraft Service Corporation, a wholly owned subsidiary) formed the components of Aircraft Chapter. Since many of the early engineering employees had been transferred from California, including a number of EAA members, the organization was transplanted without many difficulties. At that time the Georgia Division had only about 1200 employees, so the newly established section grew up with the plant.

*The plant was constructed during World War II, and originally operated by Bell Aircraft Company in the manufacture of B-29's.

This early process of development was not without growing pains. In struggling to keep pace with an expanding engineering department, the section was hampered by limited funds, although they could call on Aircraft Chapter for assistance in this respect, and organizational difficulties. One difficulty, which had in the past been experienced in Burbank, resulted from the loss of Association officers as they were promoted by the Company to supervisory positions. Due to the youth and rapid growth of the Georgia Division this problem became particularly acute. A considerable number of representatives, senior representatives, and executive committeemen were lost before peak employment was reached in 1952. This seems to have been completely without planning on the part of the Company; it just happened that officials who had been chosen by the Association as competent leaders were also recognized by management. Certainly EAA had no fault to find with the policy of promoting internally. Nevertheless the problem existed which, because a large number of offices came to be filled with appointed leaders rather than those voted upon by Section members, created an area of possible dissatisfaction.

The first agreement between Marietta Section and Aircraft Chapter, jointly, and Lockheed was signed and became effective December 17, 1951, after only five hours and ten minutes of negotiations. This agreement, which followed the lines of previous EAA contracts in Burbank, was effective for a period of two years with provisions for amendments as to basic rates of pay and vacation privileges in the interim. Among its provisions were also those pertaining to prohibition of strikes and lockouts, bulletin boards, information supplied the Association, voluntary

payroll dues deduction, representatives, grievance machinery, seniority, layoffs, rehiring, promotions, and hiring, trainees, transfers, downgrading, vacations, sick and injury leave, holidays, patents, and pay provisions. Major differences between this contract and that which existed in California are shown in Table 3.

When negotiations were reopened on the subjects of vacations and pay late in 1952 according to the agreement, Marietta Section gained an increase of six per cent, as did also Aircraft Chapter in Burbank. A seventh paid holiday (Memorial Day, May 30) was also added, along with a provision that pay for all holidays would be granted regardless of the day of the week on which it fell, instead of only for those falling on normal work days as previously provided. A final amendment provided for prorated vacation payments to employees laid off or entering the armed forces.

The organizational structure of Marietta Section is shown in Figure 2. The Executive Committee was responsible for the administration of functions specific to the Section in conformance with the constitution and by-laws of Aircraft Chapter. Its members, who were elected annually by Section members in good standing, chose from among themselves a chairman and vice-chairman, who in turn appointed a secretary and a treasurer. The Executive Committee appointed Association members to other committees, such as the Employment Relations Committee and the Negotiating Committee, established a Grievance Review Board to investigate all grievances before presentation at the second step, and itself reviewed all grievances not settled in the second step.

Senior representatives were elected by the representatives which

Table 3.

Comparison of Differences in EAA Agreements at Burbank and Marietta

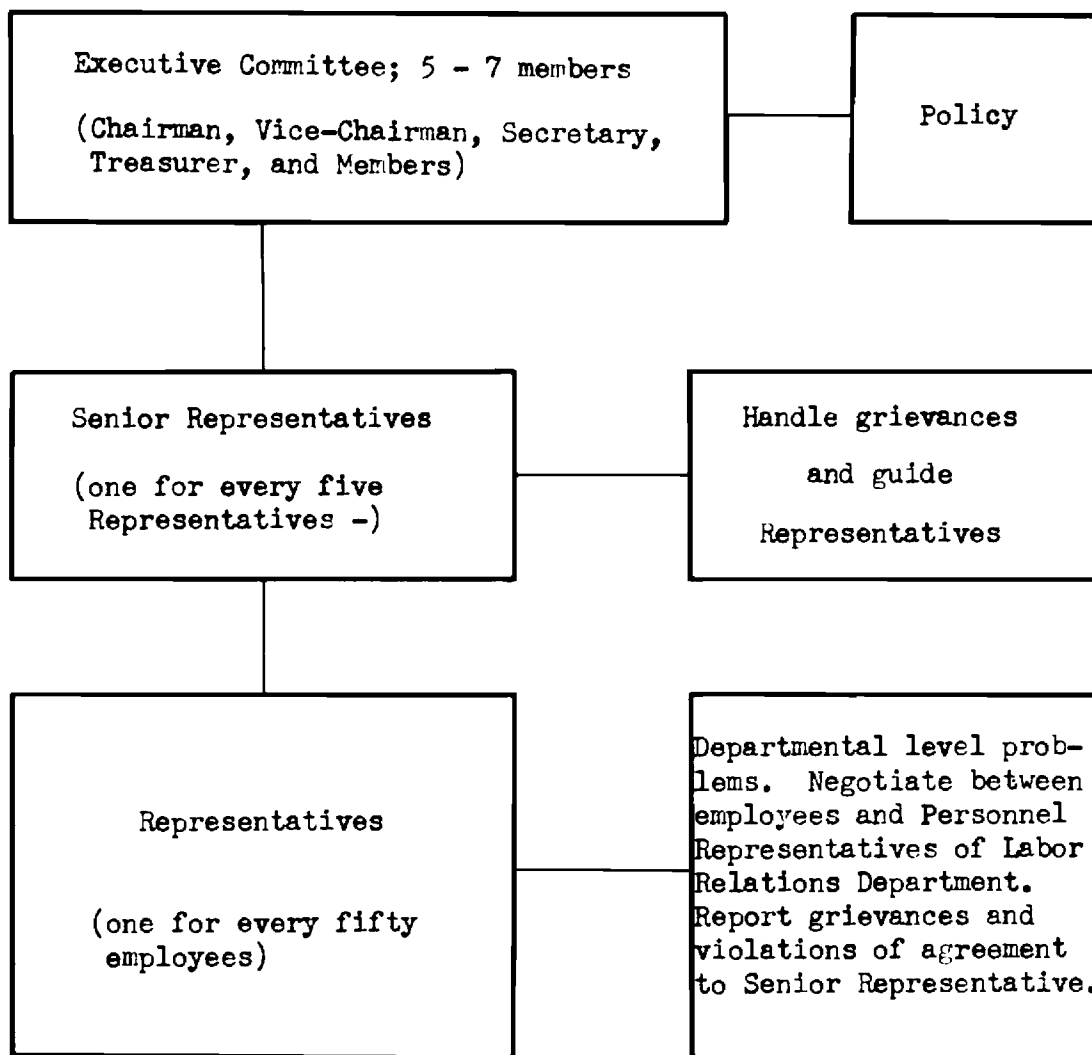
Marietta	Burbank
Recognize EAA Aircraft Chapter and Marietta Section as exclusive collective bargaining agents for employees of Georgia Division in classifications set forth in the agreement.	Recognize EAA Aircraft Chapter as exclusive bargaining agent for employees of Company in the unit found to be appropriate and for which the Association was certified by NLRB certifications of 12-29-44 and 7-15-47. (additional NLRB certification for tool designers, etc., in 1952)
Period of agreement: December 17, 1951 to December 17, 1953, with reopening date, October 3, 1952, to October 17, 1952, for basic rates of pay and vacation privileges.	Period of agreement: October 29, 1951 through October 28, 1953, with reopening date August 15, 1953 through August 29, 1953, for basic rates of pay and vacation privileges.
Open shop	Maintenance of membership
Employment relations committee composed of three Company and three Association members.	Employment relations committee composed of five Company and five Association members.
Association may present grievances involving rights of the Association only.	Association may present grievances in the name of an employee, and may present grievances involving rights of the Association.
No priority in filling vacancies. On promotions in major organizational units other than Engineering, selection of employees for consideration will be first within the department, then within the major organizational unit, then within the Company.	Priority in filling vacancies as follows and in order stated: (1) rehiring, (2) promotions, (3) hiring. On promotions in major organizational units other than Engineering, selection of employees for consideration will first be within the department, then within the major organizational unit.

Table 3. (continued)

Marietta	Burbank
Layoff provisions excluded in regard to retention of trainees.	Layoff, rehiring, promotion, and hiring excluded in regard to retention of trainees.
Provision for Co-op trainees	No provision
No provision.	Provides for optional incentive leave for salaried employees after twelve years seniority.
Payment for unused sick leave to hourly people.	Accumulation of unused sick leave.

Figure 2

Organization of Marietta Section, EAA



they led. Most of their activities were concerned with the handling of employee grievances. Representatives were elected by the employees in the area which they served and had as their major functions, membership liaison, the collection of pertinent information, contacts with prospective members, the distribution of bulletins, and contract administration. Marietta Section was represented by one of its members in the Board of Governors of Aircraft Chapter. All elections were held by secret ballot.

Something of the nature of the background of employees represented by Marietta Section may be gleaned from Tables 4 and 5. In a study of the group, the Company set up the following minimum eligibility requirements: for hourly paid personnel, (1) one to four years of college, related major, or (2) one year engineering experience, or two years related aircraft experience, or (3) combination of engineering experience and related aircraft experience of three years; for salaried personnel, (1) one to four years of college, related major, or (2) four years of engineering experience or four years of related aircraft experience, or (3) a combination of engineering experience and related aircraft experience of four years. In view of these criteria, the Company found that 92 per cent of hourly paid employees and 93 per cent of salaried employees possessed minimum or better, requirements for retention on the job. Somewhat surprised by these high figures, management considered them a tribute to its selection policy.

The Association normally kept its relations with the Company on a high plane. The article quoted in part below from the EAA Southern

Table 4.
Educational Background of 434 EAA Salaried Employees

Years College	Engineering or Related Major	Non-Engineer- ing Major	None
0			67
1	6	5	
2	44	10	
3	35	8	
4	174	20	
5	40	2	
6	14	2	
7	4	3	
Sub-total	317	50	67
Percent of Total	(73.0%)	(11.6%)	(15.4%)

Source: Compiled from Lockheed Georgia Division file on educational and experience qualifications of EAA employees prepared by Wage and Salary Department, 1953.

Table 5.

Educational Background of 144 EAA Hourly Paid Employees*

Years College	Engineering or Related Major	Non-Engineer- ing Major	None
0			17
1	10		
2	20		
3	23	2	
4 or more	72		
Sub-Total	125	2	17
Percent of Total	(86.8%)	(1.4%)	(11.8%)

*Does not include Co-op trainees.

Source: Compiled from Lockheed Georgia Division file on educational and experience qualifications of EAA employees, prepared by Wage and Salary Department, 1953.

Review of December 22, 1953, confirms the attitude commonly shown by Section officials.

Contrary to the opinion of a few people, the Association does not consider the Company a villainous organization dedicated to surpressing its employees. Instead, we recognize that there is a natural tendency on the part of the Company to obtain the services of its engineers for the least cost to the Company. The vast number of engineering employees makes it necessary for the Company to consider this group as a class of labor that representa a large part of their payroll. It follows that the EAA is the necessary counter-part of this tendency and that it must have you as a member if it is to best represent your interest.

Most of the EAA represented individuals are acquainted with at least one member of top management and recognize him as a personable and capable leader. Your EAA officials meet these leaders very frequently and are eager to agree that they are very capable and honest individuals. The Association further recognizes that these same members of top management are required to adapt their thinking into line with that of the Company's interest. This means that they must accept the engineering employees as a class of labor thus removing some of the individuality of the engineer. This loss of individuality can only be compensated for by active participation and membership in the EAA.

Association officials by and large termed top management "friendly" and "gentlemanly", but registered distaste for those individual engineers who, taking advantage of this attitude, attempted to gain influence with company officials in order to advance themselves over their fellow employees. Company officials also generally referred to the EAA leaders as "gentlemen", but also stated the opinion that EAA served as a "crutch" in advancing the less qualified at the expense of the more competent.

It is interesting, however, that EAA's general attitude toward first line supervision has not been so healthy. Association leaders felt that group supervisors resented EAA for curtailing their power. The statement was made that EAA's most valuable function was to act as a cushion for grievances of employees against the Company, arising from friction with immediate supervision. The majority of such grievances

were related to the periodic functional ratings given each man, job classifications, and merit increases. Many grievances carried with them the accusation that supervision was not competent to give a proper rating, that supervision was partial to other employees, or more serious charges. The signed statement quoted below reveals a more bitter grievance, which serves well to illustrate what was often considered the misuse of arbitrary powers on the part of first line supervision.

To Whom I May Concern:

On Friday, May 8, 1953, Y sent for me to come to his office and I submit the following as what transpired thereafter:

Y. We are going to have to have someone else on swing shift. Can you work it?

X. No. (Surprise registered on Y's face, and caused me to comment:) Maybe I'd better explain - my Dr. told me not to work swing shift because I could not get adequate rest while working swing shift.

Y. I think the Doctor will allow swing shift as well as day shift. You will work it or else. I want to know today (Friday, May 8), so you can take off and go home to discuss it with your wife, then come back and let me know.

After discussing it with my wife we decided that rather than quit Lockheed immediately, maybe I could work a few weeks longer in order to improve our financial condition enough so that I could seek day work in accordance with my Doctor's recommendation (and incidently the Lockheed Medical Restrictions).

On May 11, I went to Y and said, "When do I have to start swing shift?"

Y told me to come in on Tuesday, May 12, at 3:30 p. m., which I did.

I continued on swing shift until May 24, when illness necessitated my hospitalization.

Signed: X

Employee Number: XXXXXX

One former official of the Section stated that in his opinion there were two methods by which a supervisor could get rid of an employee whom he disliked personally. One way was to continually nag and criticize his work on minor points. Since it was impossible to prove mal-intent by a formal grievance, a self-respecting victim would eventually resign.

A second, and more subtle means, was to incrementally promote a man to an ultimate position which was beyond his capabilities. Not being able to handle the work, the man would usually resign in preference to being downgraded.

Under the agreement, performance ratings were established in March and September of each year to serve as the main basis for the layoff procedure and the semi-annual review of pay rates. These ratings were made by the group supervisor, considering the factors of work quality and work quantity with a weight of three each, and the factors of ability, potentiality, dependability, and attitude with a weight of one each. The rating sheet was signed by the supervisor, approved by the department head, and then signed also by the individual rated, who stated that he had discussed the rating with his supervisor. Lists were furnished the Association showing the seniority date, current, previous, and average rating of each employee. These ratings could be the subject of a grievance within a period of thirty days. For layoffs, a modified list was drawn up by adding one point for each month of seniority with the Company.

Rumors arose occasionally to the effect that supervision, under the direction of upper management, first selected certain individuals for priority retention and promotion, and then made up the performance rating lists to match. It was stated by one observer that the Association attempted an investigation of this, but since their only hope of securing derogatory information was from disgruntled supervisors who were leaving, they were unable to get such evidence. Belief does exist among former EAA workers that they were rated low because of their

Association activities. Figures compiled from the rating of performance report of September, 1953, show that nineteen anti-association petitioners averaged 8.6 places from the top of their groups which averaged 28 employees, compared to 14 places from the top for a group of nineteen EAA officers in groups which averaged 26 employees. The factors involved, however, are too complex for such figures to be of more than passing interest.

These rumors, insofar as they were believed, had two effects. The greater effect was a loss of respect for first line supervision; the lesser was to blame the Association for having forced the Company to such tactics. Another factor which sometimes created dissatisfaction was the idea that with a fixed budget for merit increases, each supervisor had to negotiate for his share in order to take care of his men and stay in their good graces. This meant a severe drop in morale for a group when its supervisor, for lack of persuasive power or any other reason, failed to obtain expected increases.

Another complaint generally directed against supervision was its part in executing the alleged non-pirating agreement between the Company and other members of the industry. Such an agreement suggests the unwillingness of companies to compete for engineering services any more than is necessary, although competition between firms places great stress on engineering excellence. A case was cited by an EAA member of an individual who had made arrangements to go to work for another producer on the west coast, but who was so naive as to discuss the matter with his supervisor before quitting. The supervisor offered him a transfer to

Lockheed's California division, but did not offer a raise and travel expenses as had the other company. Some two weeks after turning down this offer the employee was surprised to receive a letter from the other company which stated that due to an unexpected change in its situation it was forced to withdraw the previous offer of employment.

The Marietta Section Executive Committee met about once each month for the purpose of carefully reviewing grievances with the employee and his representative present. The situation would be carefully analyzed, and both sides of the argument brought out insofar as possible. No grievance could be refused for processing, but if it were felt that the man did not have a substantial case under the agreement, he would either be convinced of this or asked to wait sixty days to "cool off" before its presentation. If the grievance were believed valid it would be rephrased for more effective presentation. The Association realized the necessity for such care in handling grievances in an area in which collective bargaining was not well established, in order to get a good reputation by keeping dealings with management on a high plane. Most grievances were taken no further than the department head or to the industrial relations office, steps one and two, respectively. Three were resolved in step three by the Employment Relations Committee, and none were carried to step four, which was arbitration.

In view of the volume of grievances related to performance ratings the Statistics Committee of Marietta Section made a statistical study of the situation in late 1952 entitled, "Performance Vs. Wage and Salary". The text of the study is presented below.

1. Purposes:

- a. To show whether there exists any correlation between performance ratings and rates of pay.
- b. To show whether there exists any comparison between rates of pay for different classifications.
- c. To show whether there seems to be any favoritism or partiality in the classifications which received increases in the July Review.
- d. To show whether there exist any correlation between performance rating and whether a man received an increase in the July Review.
- e. To show whether any standardization exists between different departments in the level of performance ratings given.

2. Assumptions:

- a. Because the employee's Performance Rating sheet did not list the maximum and minimum possible rating for any classification, the lowest and highest ratings given anywhere in the company (to EAA employees) were chosen as the minimum (70) and maximum (170). (The rating form lists only the minimum and maximums that were given on that particular classification. No mention is made that the highest rating given was the highest possible, or visa versa.)
- b. The line was drawn from minimum rating, minimum pay to maximum rating, maximum pay on the assumption that the employee to be last laid off should be the most valuable and highest paid employee in the classification. While the areas to the right and left of the "line" have been called over, and underpaid, respectively they could also have been labeled underrated and overrated respectively.

3. Sources of Data:

- a. Rating of Performance Report for employees represented by EAA for September 1952.
- b. Increases for salaried EAA Personnel, effective July 14, 1952.
- c. Personnel Register of EAA employees, dated September 29, 1952 (Report #79-036).

4. Conclusions:

- a. Only about 64 employees out of some 400 under EAA, or about 16%, were reasonably close to or on the boundary "line".
- b. Twenty-eight out of 52 classifications had no employees near the "line".
- c. Approximately 70% of the employees are either underpaid or overrated. In one case, out of 33 in a certain classification, a certain man is listed fifth from the top of his classification. Of the 27 men below that man, all but

the lowest rated man make more than the certain man. If the man were to be paid what the "line" indicates, he would receive approximately \$25.00 per week more. There are several instances of men being rated the same yet their salaries differ by as much as \$35.00 per week. In one classification, six men with the same rate of pay are rates respectively: 70, 90, 105, 120, 135, and 150.

- d. Some classifications received no increases while in others with about the same number of employees with comparable ratings almost all of the men received increases, thus indicating partiality somewhere along the line.
 - e. It is difficult to note any standardization of ratings between classifications. The minimums, maximums, and general levels vary widely.
5. Suggestion:

That the Merit Review Sheets both hourly and salary be scored on some mutually acceptable standard and these values for men in each classification be plotted against performance rating and rate of pay. A much broader study must be made of the overall Wage-Merit-Performance structure, as is clearly indicated by the foregoing conclusions. This broader study must include not only wage and performance and job requirements, but also the very system of telling a man where he stands with his supervisors. Personal interviews indicate that few men understand the real relationship between the "quality" of a review and whether or not an increase is justified. Also a surprising number were not exactly certain of what was required of them to reach the top of their classifications.

An even broader study might point the way to better selection of high quality men who could be trained for managerial and supervisory positions. The employee who knows that there is a ladder to the top and how to climb it is bound to climb. This could lead only to a better company for which to work.

The conclusions and suggestions of this study appear to be an excellent summation of the Section membership's general opinion concerning the evaluation system and pay structure.

CHAPTER IV

DECERTIFICATION OF MARIETTA SECTION

Many of the conditions under which Burbank Chapter had been formed in California in 1944 were reversed in Georgia in 1953. Engineers did not feel that their pay was being held at artificially low levels, but that it was rising naturally; the Georgia Division was still expanding, with the future outlook rather good; moreover, non-represented salaried personnel had been recently granted certain advantages in pay and insurance from which the EAA unit was specifically excluded. But most important of all, ideological sentiment against any form of collective bargaining by engineers was now beginning to emerge as an active force. Many Lockheed engineers were members of societies opposed to collective bargaining, such as the Georgia Society of Professional Engineers, at the meetings of which conversation naturally dealt with the subject. Many received publications, such as the American Engineer published by the National Society of Professional Engineers, which devoted considerable space to a campaign against collective bargaining.

Also, due to the very rapid expansion of the Georgia Division engineering organization, there were employed many young engineers not long out of college. It is generally recognized that engineering schools of the nation stress "professionalism" and ignore collective bargaining to a point which often leads graduates to be surprised, if not somewhat bewildered, when they find it affecting them early in their career.

Campus organizations emphasize the importance of professional ethics, of registration, and of individualistic creative thought as the prerequisites of an outstanding engineer. Moreover, upon graduation from a technical school the young engineer is likely to find that he has several job offers from large companies who have sent representatives to the campus to woo him at a salary well above average for the area, and generally exceeding that of non-engineering graduates (many of whom get jobs which nominally at least are managerial in nature) by a comfortable margin.

Under such conditions the young engineer is hardly likely to feel that he is oppressed, or a victim of the "doctrine of economic humility". He is more inclined to feel that his job is properly a part of management and to have great distaste for such restrictive union practices which he has heard about as restricting output or opposing the use of labor-saving devices created by the engineer. In short, he is devoted to progress, efficiency, and rugged individualism, which to his mind appears incompatible with unionism.

At Lockheed's Marietta plant there were employed a total of 34 cooperative students whose work was interspersed with engineering studies at Georgia Tech and the Alabama Polytechnic Institute. These co-ops, while a part of the bargaining unit, were specifically exempted, along with other trainees, from the provisions of the contract related to layoffs. Because of their peculiar position, therefore, they felt that little was to be gained for them by the Association. In the election which eventually occurred their ballots, which were distinctively colored, were noted by several observers to reject the Association with but one or two exceptions.

The deep south of which Marietta is a part has not been traditionally receptive to unionism.* While this effect is perhaps no longer so noticeable in the large industrialized cities, it is still outstanding in the more conservative agricultural sections. The influx of young people from such areas where unionism is very rare indeed, into the metropolitan areas tend to perpetuate this attitude. While it is difficult to evaluate the significance of the environment in this respect, it is not unreasonable to assume some effect.

Apparently the engineers' attitude toward social pleasures has undergone some changes since Wood referred to a lack of interest in 1894. The modern industrial engineer, because of his education and comparatively high pay, has a great many opportunities to engage in various activities. Besides belonging to a variety of organization, a number of Lockheed's engineers had outside business activities which they pursued after-hours. This fact, and the fact that they lived over such a wide area as to make any meeting place inconvenient for many, contributed to a very small membership showing at Marietta Section meetings. Evidently this problem had been solved to a degree at Burbank by a deluge of publicity before each meeting with refreshments and entertainment often promised as added attractions. Such enticements are, of course, expensive, and Marietta Section did not possess an abundance of funds. More-

*Manifestations of this feeling are not restricted to engineers. At the convention of the American Nurses Association, April 29, 1954, the Georgia delegation stood alone among those of the 48 states in opposition to collective bargaining because "it puts nurses under the umbrella of unionism". "Its strictly a matter of principles with us" stated the president of the Georgia State Nurses Association. . . . "Maybe its just Georgia provincialism, but we wanted to be on record as opposing any resolution which will find nurses going to the National Labor Relations for a raise in pay".

over, engineering employees were so dispersed within the plant that it was impossible to effect extensive publicity by word of mouth.

But in addition to these reasons, there existed a sizeable bloc of opinion that the Association functioned more as a stumbling block than as an effective instrument in negotiating with the Company. The position of management was hardly calculated to improve Association security. It has been observed that Labor Relations Department representatives, when a point of equity was brought up, would say in effect, "This is your agreement and you must live up to it". Such a legalistic attitude would tend to place blame on the Association for imperfections in the contract. In one case, a number of names were signed on a grievance form requesting pay differentials for certain job classifications on the night shift which were not provided for in the contract. The Company took the position that (1) the request with so many names attached constituted a petition, not a grievance, and (2) in any event such a request was a proper item for formal negotiation. This stand placed the Association in the embarrassing position of having to explain why they had not negotiated for the differential in 1951.

These conditions were not conducive to a strong Association. It also appears that the leadership was largely content with the situation and therefore was not very aggressive in attempting to gain security. For instance, although membership in late 1953 was only 17 per cent of those eligible, there was no sustained drive to increase the number. For lack of positive publicity to acquaint non-members with Association actions and their purposes, the inevitable derogatory rumors prevailed

unopposed. To illustrate, it was rumored that the \$50.00 dues paid each year by a typical member were all sent to California, when in reality only \$6.84 were forwarded to Aircraft Chapter, \$43.16 being deposited in the account of Marietta Section. Also certain other events transpired which caused some people to lose patience with the Association. Among these were the facts that EAA-represented personnel were the only group at the Georgia Division who had to pay for group insurance which cost each individual a minimum of \$72.64 per year. The EAA explanation that its agreement had not allowed negotiations on this point in 1952 did not satisfy many people. Also, whereas the EAA had received a negotiated six per cent wage increase retroactive to December 17, 1952, non-represented employees had received the same raise retroactive to August 25, 1952. This meant, according to the decertification committee, approximately \$100 less pay for each EAA-represented person.

Although these conditions made EAA's position shaky, positive action to decertify it seems to have been stimulated most strongly by those individuals who felt that it was undignified and perhaps even unethical for engineers to be represented by what amounted to a union. This feeling was particularly prevalent among the younger graduate engineers, who found comfort for their ideals in the meetings and publications of several professional societies, especially the Georgia Society of Professional Engineers previously mentioned; here they received, in addition, advice as to what action might be taken to uphold them.

The time came therefore after much discussion when a number of individuals decided that it was time something be done about getting

rid of EAA. In June, 1953, engineers J. T. French and W. E. Evans, Jr. called a meeting of individuals from a number of departments who were known to be anti-Association at the home of French. At that meeting plans were made for petitioning an EAA election in October, and publicity, legal consul, and expenses were discussed. On August 20 a letter was drafted to the Association, with a copy sent to Lockheed Labor Relations Department, stating that there was reason to believe that EAA did not have the consent of the majority of employees which it represented to speak for them in negotiations with the Corporation. Therefore the legality of negotiations scheduled for later that year were questioned, and it was asked, in order to clarify the situation, that the Association give its consent to an election. The letter was signed by nineteen individuals represented by EAA.

The Association answered with a letter dated September 4, 1953, and signed by W. S. Macdonald, Chairman of the Executive Committee, which stated that the Committee did not feel that it was necessary to give consent to an election on the grounds presented, and which invited the decertification committee to attend a meeting timed for their convenience to discuss the charges and clear up any misunderstanding. It was stated by a member of the decertifying group that while they considered the Association officers perfect gentlemen, some of the membership might be a bit rough. So they answered the Association by letter on September 22, stating that since their only concern was to obtain an election, and that this could hardly be accomplished at such a meeting, they therefore declined the invitation and would start legal action.

Meanwhile petitions were circulated for signatures, according to later testimony, on company property and on company time. The Company after a complaint by the Association issued a memorandum to the effect that while such activity might be carried out on company property, it must be done so at times other than working hours, and that all members of supervision must keep a strictly neutral attitude. After another complaint by the Association, French was called into Labor Relations Department to discuss the matter; it was later testified by a Senior Representative of the Association that after the meeting he "observed a great deal of glee upon the part of the individuals involved, upon their exit from the office, at which time there was a little laughing". Later the forms originally used appeared in circulation again with the word "petition" deleted.

On September 25 the petition was filed with the NLRB with 229 signatures attached out of approximately 640 employees in the engineering group. A two and one half day hearing followed, after which attorneys for each side were given until November 3 to submit briefs to Washington. According to an EAA official the real reason for the Association's fight against an election at that time was in order to gain time for a publicity campaign. At first the Association had taken the position that an election in the Georgia Division alone would not be proper, because the Aircraft Chapter had been determined as the appropriate unit on a company-wide basis in 1944. On the second day of the hearings, however, they suddenly abandoned this position and agreed that this point did not constitute a bar to an election, though still holding the proposed

discuss problems and keep the paper work moving; that he had no authority to make decisions on company policy, to discipline, hire, or discharge employees; that during this period he refrained from any anti-Association activity whatsoever; that in view of this French came into the hearing with clean hands; that there was no testimony that the Company in any way inspired or fostered the petition; and that therefore an election should be ordered among the employees in the unit at an early date that they might express themselves for the first time as to whether the Association was their choice as a bargaining agent.

The Company, upon receipt of a list of proposed modifications to the agreement which was soon to expire, informed Marietta Section that negotiations could not be initiated until the question of representation had been settled. There then occurred an exchange of letters between the interested parties, which were publicized by each of the opposing factions to its own advantage. The Association, coming out of its lethargy, had started printing and distributing a weekly news sheet which was instrumental in gaining support. In a letter to employees represented by EAA from the decertification committee dated October 20, 1953, it was alleged that the 239 signers of the petition constituted a body more than ten times as large as that of twenty-one people attending the last rally of the Association, October 13. It was further charged that the EAA, in order to prevent this first opportunity for an election, had hired an attorney who was well known as a clever lawyer for CIO unions. The tactics of EAA were deplored, and contributions were solicited to pay for counsel for the decertification committee to fight them.

The Association's reply to this letter, also addressed to all engineering employees, offered proof that the petitioners by seeking legal counsel had forced the Association to do likewise. It was charged that certain of the petitioners had approached the IAM union, and tried to persuade them to intervene in the NLRB hearings to claim representation for the hourly employees under EAA jurisdiction. EAA emphasized that the case was properly under the jurisdiction of NLRB, and that it would willingly abide by the Board's decision. In closing, the letter quoted the Bible* and Justice Holmes as to the strength to be found in unity.

The next move of the Marietta Section was, on the advice of its counsel, to challenge French to remove his name from the petition by amendment, contending that the election would thereby be made legal. French, however, following the advice of his attorney, refused to do this, stating that there was no assurance that the Association would even then consent to an election. Such delaying tactics on the part of the Association appears to have lost many votes.

The National Society of Professional Engineers, at the request of the decertification committee, furnished it information and literature to be used as publicity material, in the hope that the decertification of any engineering collective bargaining units would influence Congress to take favorable action on a proposed amendment to the Taft-

*"It is better therefore that two should be together than one; for they have the advantage of their society; If one shall fall he shall be supported by the other; woe to him that is alone, for when he falleth he hath none to lift him up." (Eccles. 4: 9-10)

Hartly Act which would provide for "freedom of association". Such action would mean that all professional engineers employed by a firm, including those in supervisory positions, could freely associate among themselves and with professional societies for the purpose of formulating and communicating their desires and recommendations to management, without being certified as a "labor organization" under the act. Also about this time there appeared coincidentally in the Georgia Professional Engineer (a publication of the Georgia Society of Professional Engineers) of December, 1953, an article entitled "Unionism of Engineers in Georgia" by C. M. Mower, which dealt primarily with EAA. This article was partly reprinted in the Association newsheet, and at the time the petitioners thought its appearance had damaged their cause. Later they came to believe that the article probably helped them. It read in part:

The appeal of a union is strong because it is a direct dollars and cents, here and now argument. When a payment of \$3.00 a month will return a \$50.00 a month pay increase, how many will hesitate enough to remember that unions level down as well as up and place a limit on rewards for exceptional ability to the same extent that they increase the reward for mediocrity?

The NLRB in Washington issued its decision on the case on December 17, 1953. The Board concluded that French was not a supervisor within the meaning of the Act and was, therefore, a proper decertification petitioner. Since this had been the sole issue, an election was ordered by secret ballot for January 15, 1954. Meanwhile the propaganda war continued. In replying to charges of having made no gains for engineers, EAA had pointed to its negotiating time and half for overtime for salaried personnel, two weeks vacations for hourly personnel, and pay increases. The public reply of the decertification committee to this

said:

About the only time the EAA gets busy and does anything is when its officials want to feather their own nest. In proposed contract negotiations with the company, EAA officers and representatives have proposed that they be automatically placed at the top of the Performance List and that they remain at the top of the Performance List for a period of six months after their terms in office have expired. What correlation is there between being a politician in a union, and being rated as the best engineer in a group? Do they think that we are so stupid that we cannot see through their scheme to advance themselves at our expense? All of their pious explanations cannot conceal or justify such shenanigans. Men are elected to official positions in most unions in order to represent all and not to use the union for personal advantages. The EAA admits however in the last issue of the Review that their representatives are appointed, not elected.

As might be gathered from all this publicity on the part of both sides, there was a great deal of mud-slinging.

Meanwhile the petitioners drafted a letter to the Labor Relations Department (as the Association had already done) asking (1) if EAA were certified, would retroactivity of pay increases have to be negotiated? and (2) if EAA were decertified, would pay increases recently obtained by non-represented employees be awarded with retroactivity to former EAA personnel? Would deducted payments for group insurance be refunded to the retroactive date? Would engineers classification titles be changed? Would pay and labor grades remain the same?

The Company's answer was (1) that the agreement was terminated only by written notice after the anniversary date, and that the company expected that it would remain in effect until the representation issue was resolved; and (2) the company would treat EAA people in all respects the same as other non-represented employees in the event of decertification. If the Association were certified, retroactivity dates would be a proper subject for negotiations. The other questions could not be

answered, according to the Company, because of legal aspects.

In a last minute scramble on January 11 and 12 both sides presented their final pleas; the decertification committee stressed the point that professional societies could do more to advance the engineer than a union, and EAA refuted this, pointing out that since these societies were composed of both employers and employees they could hardly best represent the interests of employees. A Company letter signed by the general manager urged all employees concerned to vote their convictions, but whatever they did, to vote.

In the NLRB-supervised election which was held January 15, qualified employees voted 362 to 241 against representation by the Engineers and Architects Association. This means that approximately 90 per cent of the unit voted and of these, 40 per cent were in favor of the Association, with 60 per cent against it. As of that date, therefore, EAA was no longer the exclusive collective bargaining representative for engineering employees in the Georgia Division.

CHAPTER V

POST-DECERTIFICATION CHANGES

The election had been on Friday, and employees left the plant not knowing its outcome. The results were described in newspapers next day and on local news broadcasts, but personnel affected generally had no opportunity over the week-end to get together and speculate as to what it would mean in the future.

The company reacted quickly to the results. When the people who had participated in the election reported to work Monday morning they found on their desks memos from management (which had been prepared over the week-end) stating what action the company would take in view of the decertification. The first change consisted of a four per cent pay increase applied to all hourly and salaried non-supervisory professional and technical people retroactive to December 21, 1953. In addition the company immediately assumed payment of premiums for employee coverage of the Group Insurance Plan. It was also announced that the present wage and salary structure was being studied with a view to certain modifications.

On February 2 the modifications were specified, which resulted in approximately 100 out of the 140 hourly people put on a salaried basis. The new classifications generally had higher maximum pay, and several new jobs were created, with additional changes planned.

As a matter of interest the results of negotiations concluded in

Burbank in December, 1953, are briefly summarized: a four per cent wage increase was granted to all personnel; group insurance payments were to be assumed by the Company after the legal deduction of one per cent on the first \$3,000 of salary; a graveyard differential of eight cents per hour was negotiated for hourly personnel; a mileage allowance of eight cents per mile for employees using their personal cars on Company business; jury duty during working hours to be paid for by the Company; hourly leadmen to be paid a twenty cents per hour premium retro-active to November 2, 1953; some changes in classifications were made; three weeks vacation were provided for all salaried and hourly employees without sacrifice of sick leave after fifteen years of seniority. Marietta Section in its proposals for negotiations submitted to the Company before the election had included most of these modifications, among others. Of course, what they would have been able to negotiate had they been certified is a matter of pure speculation.

A final issue of the EAA Southern Review, dated February 16, 1954, termed the engineers decision "unfortunate", and called attention to the fact that changes put into effect by the Company were generally in line with those negotiated in Burbank, but that "it remains to be seen if the company will continue in that vein".

There appeared in the two leading Atlanta papers about this time a letter to the editors from the president of local IAM Lodge 1996 stating his attitude on the matter:

There recently appeared in your paper an article stating that thirty per cent of the engineers and architects at Lockheed felt that it was undignified to be represented by a union. What could add to a person's dignity more than job security, good working

conditions, and decent rates of pay, which even the less informed recognize as being the fruits of collective bargaining?

We the Machinists, District 33, represent approximately 12,000 employees at Lockheed. Among that group are many professional and semi-professional people who certainly do not feel that their dignity is impaired, but rather enhanced, by being represented by a trade union. . . .

It is still too early to determine what the final reaction of the employees concerned will be to the decertification and the resultant changes. While members of the decertification committee generally feel that the people are well pleased with the new situation, former union officials maintain their belief that if the election were held today, the results would be quite different. They claim that a sizable number of Lockheed engineers are waiting until school is out to quit their jobs because they feel insecure in their present situation. Since the Association in a previous cutback claimed success in persuading the Company to retain most engineers in lateral or lower job classifications, its former officials feel that in the event of a future layoff this function would be sorely missed. Also the cessation of overtime pay for salaried employees has resulted in some dissatisfaction. One engineer so affected states that he is called upon repeatedly at odd hours to solve production problems. A request for overtime pay on his part resulted in only a letter of commendation being inserted in his record. When he asked what material benefits would accrue from such a letter, he was told to consider how well such a letter would look if he ever left Lockheed. This engineer feels, therefore, that he is actually being penalized for having proved his competency to the extent that his aid is so often sought.

A management memo dated April 20, 1954, which was issued to all salaried personnel deserves comment. This memo discussed management's "open door" policy, which was that salaried personnel having problems or complaints should discuss them with immediate supervision. However, effective April 22 this policy was altered to permit such people to first take the problem to an impartial Management Selection representative for advice before talking to the supervisor. The general tone of the document suggests that salaried people had not been taking advantage of the policy, and that this caused management some concern.

According to a former Association official, employees were generally discouraged with the policy because they expected little sympathy on the part of supervision in the event of a real grievance. Apparently this policy was management's method of fulfilling the function of communication formerly performed by the Association's grievance machinery. Management's concern with the problem would seem to indicate that such policy has not been very effective in executing this function. Whether this matter will be resolved satisfactorily in the future is another matter of speculation. But the situation does seem to indicate that the EAA had at least a working arrangement with respect to the problem which the Company was unable to immediately replace.

CHAPTER VI

MAJOR FINDINGS AND CONCLUSIONS

Marietta Section, Aircraft Chapter, Engineers and Architects Association was organized and functioned essentially along labor union lines for purposes of collective bargaining at the Georgia Division of Lockheed Aircraft Corporation. It was automatically recognized as the exclusive bargaining agent for appropriate engineers and allied technicians at the establishment of the new plant by virtue of an agreement between Aircraft Chapter and Lockheed in California.

Conditions which stimulated the formation of Burbank Chapter (later Aircraft Chapter) as a collective bargaining agent for Lockheed engineers and technicians in 1944 were:

- 1) a pay freeze maintained during the war in the face of increasing living costs;
- 2) the probability of cutbacks after the war in view of the unstable nature of the industry;
- 3) the closing gap between the economic positions of engineers and production workers;
- 4) ideological support of collective bargaining by certain professional societies; and
- 5) the threat of absorption by industrial type labor unions.

Factors which lent sufficient strength to Aircraft Chapter to permit survival at crucial times included:

- 1) a lengthy struggle for recognition which resulted in aggressive, experienced leadership;
- 2) superior bargaining power arising from its large size and financial independence;
- 3) support of a parent organization due to its proximity and common interests.

Conditions which preceded to the demise of Marietta Section in Georgia in 1953 were:

- 1) a number of pay increases over the past several years;
- 2) an immediate probability of expansion rather than cutbacks, due to national policy and a backlog of orders;
- 3) the superior gains of non-represented employees compared to EAA-represented personnel as to pay, fringe benefits, and prestige;
- 4) comparative safety from union encroachment due to an unreceptive environment.

Factors which so weakened Marietta Section that it was unable to survive an election included:

- 1) its peaceful establishment which resulted in unaggressive, inexperienced leadership;
- 2) the physical dispersion of personnel and rapid growth of the engineering department, which led to a small scattered membership and an unstable organization; and
- 3) lack of decisive aid from its parent organization due to its distance resulting in diminished interest.

Negotiations with management were on a high plane, with gains

tending to parallel those of the larger unit in California. The major function of Marietta Section was to act as a "cushion" for grievances to the mutual benefit of employees and the Company. The grievance machinery served as a channel of communication to management. The membership sought security in the Association from what they considered the often misused arbitrary powers of immediate supervision as to performance and merit rating, and treatment on the job.

The conclusion of this study is that unaffiliated collective bargaining units for professional engineers and allied technicians, while inherently unstable due to the upsetting forces of ideological opposition, can survive under conditions which are otherwise favorable. This conclusion is born out by the virile unit which has functioned, although not without difficulties, in California since 1945. Its strength and character appear to have been derived from the rather severe early struggle for establishment, and to have been perpetuated by resistance which would have made laxity fatal. While setting up as its long run goal a relationship with management on a "professional" plane, it has through the years resorted to almost every "union" device allowed by law to expedite immediate economic gains. This has been particularly evident during slump periods as a reaction to the legalistic attitude exhibited by the Company.

Engineers in general are naturally empowered for bargaining purposes by their peculiar and growing importance to the increasing number of firms (and industries) forced by a dynamic economy to engage in technological competition. In times of prosperity, therefore, a

competent engineer, by virtue of the demand for his services in view of a long run shortage thereof, may feel that his position as an individual is sufficient to render collective bargaining, with its leveling tendencies, unnecessary as an instrument for immediate economic advancement. During periods of recession for the industry, however, when cost competition predominates (and because of the growing number of engineers, their pay is coming to be viewed more by management as a direct and variable cost of production) those engineers in a marginal position are likely to feel acutely the need for job security available in a strong collective bargaining organization. Since the virtues of merit rather than those of seniority are predominately recognized by both management and the engineering profession, the considerable area of doubt as to who merits retention may contribute to a stronger organization than would otherwise be the case.

In general it is found that younger engineering graduates whose outlook has been tempered by a professional education, and possibly by more fundamental environmental conditions, are likely to oppose activities associated with unionism on ideological grounds strengthened by rationalized arguments as to their degrading effect on the dignity of the profession. On the other hand older engineers, many of whom suffered severe disillusionment early in their careers during the depression and who felt more sophisticated after a bird's eye view of the success of shop unionism, generally express their belief in the necessity for equally effective unity on the part of professional employees.

From the almost universal recognition of merit as the prime

virtue of a professional man (which recognition is extended to include such technicians as are closely allied) and its necessarily subjective evaluation stem most of the day-to-day personnel problems related to his industrial employment. As might naturally be expected the force of most grievances is directed toward entities proportionate to their responsibility for such evaluations. At Lockheed this meant that the brunt of criticism was born by immediate supervision, with the bargaining organization also suffering to the extent of its limited authority in this respect. In its dealings with the Company, Marietta Section was torn between a need on the one hand for aggressive action along union lines in order to maintain a balance of power, and a desire on the other to exemplify a dignified "professional" relationship with management in order to appease a hostile environment. Its unhappy compromise resulted in a somewhat impotent hybrid attitude which depended for strength upon the unit in California and for reputation upon its passivity.

Notwithstanding its inability to survive, Marietta Section did perform one outstanding function for the professional engineer. Its grievance machinery served as a two way channel of communication with management, with a built in sounding board and dampening device. Such a system, energized by the apparent intense friction between the Association and first line supervision, provided for management a valuable indication of employee attitudes and problems. Management's tacit dependence upon the system was revealed by its concern over sluggish readjustments after the election.

The peculiarity of the Engineers and Architects Association, in

that it embraced and was supported by two groups of widely divergent interests vested in virtually autonomous subsidiary organizations - one group upholding collective bargaining, the other by its nature emphasizing formalized professional advancement - has been a mixed blessing. Undoubtedly such an organization was beneficial to Burbank Chapter during its early period of establishment, but internally generated friction seems to have vaporized most of its attributes in later years, as the interests of the two groups assumed more distinctive lines. The recent federation formed to unite the collective bargaining groups, and attempts made on the part of major professional societies to unify their activities indicate tendencies toward the precipitant condensation of principles and consolidation of functions desired by each group.

From debates concerning the proposed freedom of association amendment to the Taft-Hartly Act, there emerge concrete and opposing stands on the part of the two schools. The collective bargaining federation, the Engineers and Scientists of America oppose the change, which is favored by the National Society of Professional Engineers. The crux of the matter appears to be this: NSPE is primarily opposed to heterogeneous collective bargaining units which include other than professional engineers. They also oppose homogeneous units of professional engineers to which the degrading term "labor organization" is applied. ESA on the other hand refuses to entrust its functions to such an organization as NSPE which is heterogeneous in the respect that it includes employers along with employees, which would make questionable its effect as an instrument to advance the economic status of engineers employed by

industry.

General conditions which appear to favor the establishment of collective bargaining units for engineers boil down to these:

- 1) job insecurity due to instability of the industry or general business conditions;
- 2) an unfavorable economic position from the viewpoint of engineers, compared to other employees;
- 3) threat of absorption by industrial type labor unions or conditions of work imposed by management similar to those of production workers which might tend to lower professional prestige; and
- 4) a favorable environment for such an organization including particularly the ideological support or at least lack of moral opposition by the concensus of professional engineers in the area.

Conditions which favor the survival and effective functioning of such a unit once established are:

- 1) an alert, experienced and aggressive leadership (likely to result only from a struggle for establishment) which constantly strives to maintain the support and interest of employees;
- 2) favorable legislation which enables the unit to maintain its integrity and a balance of power;
- 3) sufficient numerical strength or affiliation with a larger unit to insure financial solvency;
- 4) sufficient concentration of employees in a physical sense so that inter-unit communications are facilitated.
- 5) a sufficient homogeneity of interests within the bargaining group so

that the organization is not disrupted internally;

6) establishment in an industry characterized by advanced technological competition.

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