

Putting Productivity Into Pay Trend

INDUSTRY and business may be swinging back toward the custom of paying workers what they are worth.

This should be good news for diligent producers, but a lot of people don't want to work for that rate of pay. Jokesmith Bob Orben observed that we might not need a machine that does the work of 50 people if 50 people would do the work of 50 people.

Management experts studying ways to keep down costs of products and services to increase sales and profits usually recommend improved productivity. They propose bonuses, higher pay rates or profit-sharing plans for better producers.

For decades, the trend has been in the other direction. Low producers have been paid the same wages as high producers, especially in occupations dominated by trade unions. More competent workers may be discouraged from doing their best if they can expect no more rewards than the slowest and laziest workers.

Employment contracts have established uniform rates of pay for all workers in hundreds of vocations. Average pay is motivation to do average work, not a stimulant to superior production.

Because of layoffs and plant closings during the past couple of years, it seems that some labor unions are realizing that productivity, profits and payrolls are interconnected.

Revised work rules and pay schedules are leading the way in isolated instances reported. Crown Zellerbach is dealing with its \$00 loggers in Washington and Oregon as outside contracting crews, resulting in greater productivity and higher pay for many workers.

Kaiser Aluminum Co. in West Virginia and labor unions have expanded types of jobs each worker may do, resulting in flexibility that reduces work overloads and idleness on the job.

B.F. Goodrich Co. and the rubber workers union have done away with a rule that workers hired for one

area of the plant at Akron, Ohio, couldn't be required to do the same work in another area.

Among those who do not want to be paid according to their worth are teachers. "Merit pay" is a hot issue in Oklahoma and elsewhere. A poll by Newsweek magazine showed 80 percent of respondents favored basing teachers' salaries on merit to retain better teachers, but teachers unions oppose the idea.

An incentive pay plan for "master teachers" enacted by the California Legislature this spring called for raises for all teachers and extra pay for those earning ratings as master teachers.

Perhaps more workers would aspire to becoming the best in their professions if they were assured of being paid more if they did better work and produced more.

Could it be that resistance to merit pay comes from those who do not want to risk being paid only what they are worth?