OUTLOOK

By Bruce F. Shank, Editor

There are very few people that have not felt some discomfort from today's economic climate. The elections turned out to be the way voters vented their up-to-then quiet frustrations. Bureaucratic inefficiency is no longer an acceptable excuse for rising taxes, higher prices, layoffs, and counterproductive interest rates. Someone must be accountable, not something.

Company executives have been forced to deny excuses by subordinates and to make changes in management. The sense of security in many companies has dropped greatly as changes are made almost weekly. Certainly the mood of employees and executives is different from the days of financial comfort.

Unfortunately, the feelings of distrust and disloyalty may only extend the negative effects of a bad economy for the company and the employee.

Basically, it gets down to the fact that accountants have to establish a dollar value to each employee in order to manage corporate resources. This value is based upon output and income generated by the individual. What may not be considered, however, are the other values of the person not reflected in the balance sheet. Intangible benefits such as the employee's good influence on other employees may be overlooked if the decision to change the person is made directly from the columns of a balance sheet.

Furthermore, had some managers paid closer attention to both the balance sheet and employees some of the financial strain might have been avoided or at least handled in a more sensitive way.

Employees should recognize that if layoffs are emminent due to market conditions, they are also painful to the person doing the laying off. Everyone feels some pain. At this time, the best thing anyone can do is to consider the other guy's position as well as your own. You are bitter at the boss and the boss is bitter about the market. You both feel that matters have slipped out of your control and you are exposed and vulnerable. Most likely, some of this pressure is finding its way home causing additional strain.

If you work for a large company you should realize that size is often a cause for less individual attention. The structure of the large corporation has only so much flexibility. You can't realistically expect to receive the same concern from a large corporation as from a small one. It is a risk you take to gain the benefits of a large corporation, such as stability, income, and fringes.

Working together with management is not impossible. During the Depression, William Danforth, president of Ralston Purina, paid his valuable employees in stock instead of money. They were hungry then, but 30 years later most of those employees were millionaires. There are ways to protect a company and its jobs if management and employees work together. And when the economy does recover, the company's recovery will be much simpler.

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