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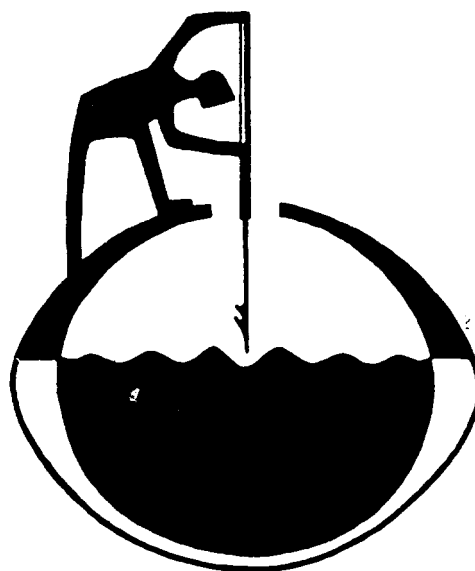
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ALASKA NATIVE HIRE PROJECT  
FINAL REPORT



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**INSTITUTE OF SOCIAL AND ECONOMIC RESEARCH  
UNIVERSITY OF ALASKA  
Fairbanks • Anchorage • Juneau**



ALASKA NATIVE HIRE PROJECT  
FINAL REPORT

By Theodore Lane

with the assistance of  
Jane **Angvik**  
Alaska Native Foundation

Institute of Social and Economic Research

September 1984

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CHAPTER 1  
BACKGROUND

The demonstrations in this final report were developed from both empirical and theoretical research on the issues surrounding Native employment in Alaska. From those research findings, we developed the following conceptualization of why Native turnover is so high in Alaska.

The labor market can be segmented into good jobs and bad jobs. Good jobs are challenging, rewarding, self-actualizing, and usually pay well. Bad jobs are repetitive, routine, **nonmotivating**, and usually do not pay very well.

All modern businesses have a large number of bad jobs which still must be filled in a reliable manner. These jobs are normally filled by persons whose motivations for working are unrelated to the job. These **nonjob-related** motivations are of three types: (1) fear of losing a job because it implies repossession of car, house, and other possessions from which derive both family and community status; (2) a strong and unlimited desire to own things (e.g., a sports car) or do things (e.g., a vacation in Paris) which only money can buy; and (3) a desire to accumulate things; that is, a desire to possess wealth for its own sake.

For most persons who choose to live in village Alaska, these motivations largely do not exist. Cultural values along with a combination of subsistence, seasonal work, and government **progams** eliminate much of the fear. Persons who want to own, do, or accumulate things will find the opportunity cost of living in village Alaska too high and will migrate to larger urban areas.

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\*These findings are reported in **the volume: Technical and Research Papers on the Challenge of Alaska Native Hire** (ISER, 1984).

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As a result, a modern business operating in village Alaska will not find a **workforce** motivated by **nonjob-induced** emotions willing to fill its bad jobs in a reliable manner. A modern business consequently has three alternatives for developing a **workforce** to fill bad jobs: (1) develop a personnel system and cost structure which can accommodate high turnover; (2) pay high enough wages to overcome the opportunity cost of persons with lower 48 motivations living in village Alaska; and (3) create a workplace with a motivating environment that is independent of the work tasks being done.

The demonstrations involved with this project were conceived exclusively with alternative (3). Reorganizing the workplace environment into a motivating place despite the continuing existence of bad jobs.

Given this conceptualization, and following the recommendations from the research findings, we specified the following optimal model of working conditions for jobs in rural Alaska.

A. Job Structuring.

- (1) Jobs should be organized around teams or crews rather than individual assignments.
  - (a) Each team should be vertically integrated " starting with the most unskilled worker and led by a supervisor.
  - (b) All employees should wear identifying clothes and each team should have an identifying badge.
  - (c) Task assignments within each team should be flexible so that each worker performs a variety of tasks during the month.
- (2) The workplace should allow team members to meet each day to discuss the events of the day.



- (a) The discussion should be led by the team supervisor and focus on sharing positive experiences during the day.
- (b) The project manager should rotate daily between the teams.
- (c) The team members should meet at least once a week to discuss areas of common interest.

**B. Leave Policy.**

- (1) There should be a formal policy of giving subsistence time off for all employees who request it.
  - (a) Subsistence leave should be scheduled two weeks in advance or else treated like a termination.
  - (b) Workers taking subsistence leave should be allowed to choose their replacements.
  - (c) Persons selected for management advancement would not be given subsistence leave because they become too important.

**C. Providing a Pay Alternative.**

- (1) A package of fringe benefit alternatives would be available for employees to choose from rather than a fixed benefit plan.
- (2) The cost of each item in the fringe benefit package **would be** listed in cents per hour, and each employee would be given a budget that he or she uses to select various items.
- (3) The fringe benefit package should include an elder pay alternative.
  - (a) Each employee could designate two elder members of his or her family to receive so many cents per hour (in increments of 25 cents) for each hour worked.
    - 1. Checks made out to the designated elders should be given to the employees each pay day for delivery (they should not be mailed).
  - (b) **Once** a year, a week of team meetings should be set aside to discuss benefit alternatives, make suggestions for changes, and make any reselections any employee may wish.

D. Employee Orientation.

- (1) An employee orientation **program** should include:
  - (a) An awareness that (1) there are reasons why things are done and that (2) individual employees can help make them better.
    1. Safety rules, work rules, job assignments, and other operations evolved through a lot of trial and error experience--they are not arbitrary.
    2. By speaking up and expressing ideas through team discussions, changes can be brought about.
  - (b) An awareness that working with people cooperatively in a modern business involves open communication and problem solving.

E. Supervision Orientation.

- (1) The supervision orientation should convey the notions that:
  - (a) As team leaders, they are as responsible for training and motivating their workers as they are for bottom-line sales quotas.
  - (b) As a team leader, their role is to: (1) help their employees mature on the job and develop meaningful careers, (2) help them do their part as responsible team members, and (3) show them how to work with others without hurting their feelings.
  - (c) Their responsibility is to make team members feel successful by a wise assignment of tasks and by positive reinforcement.
    1. They should avoid blaming, criticizing or ridiculing their workers. Such practices create barriers to learning.
    2. When negative comments are required, they should be transmitted through another team member.

Our assumption was that most, if not all, the elements of the optimum model **would** have to be present for it to be successful. Different people would be motivated by different things: identifying with a team, bringing about change, choosing benefits, the elder-pay option, making of different tasks, supportive leadership, or whatever. Taken together, the model's elements created a motivating environment; separately they would not work.

Our next step was to work in three Native village economies to demonstrate the feasibility of implementing our optimum model and evaluate its success. The three communities were: Aniak, a community on the **Kuskokwim** Peninsula; Kotzebue, in northwest Alaska; and **Nondalton**, located in the Bristol Bay region (Figure 1). The balance of this report describes our involvement with those communities.

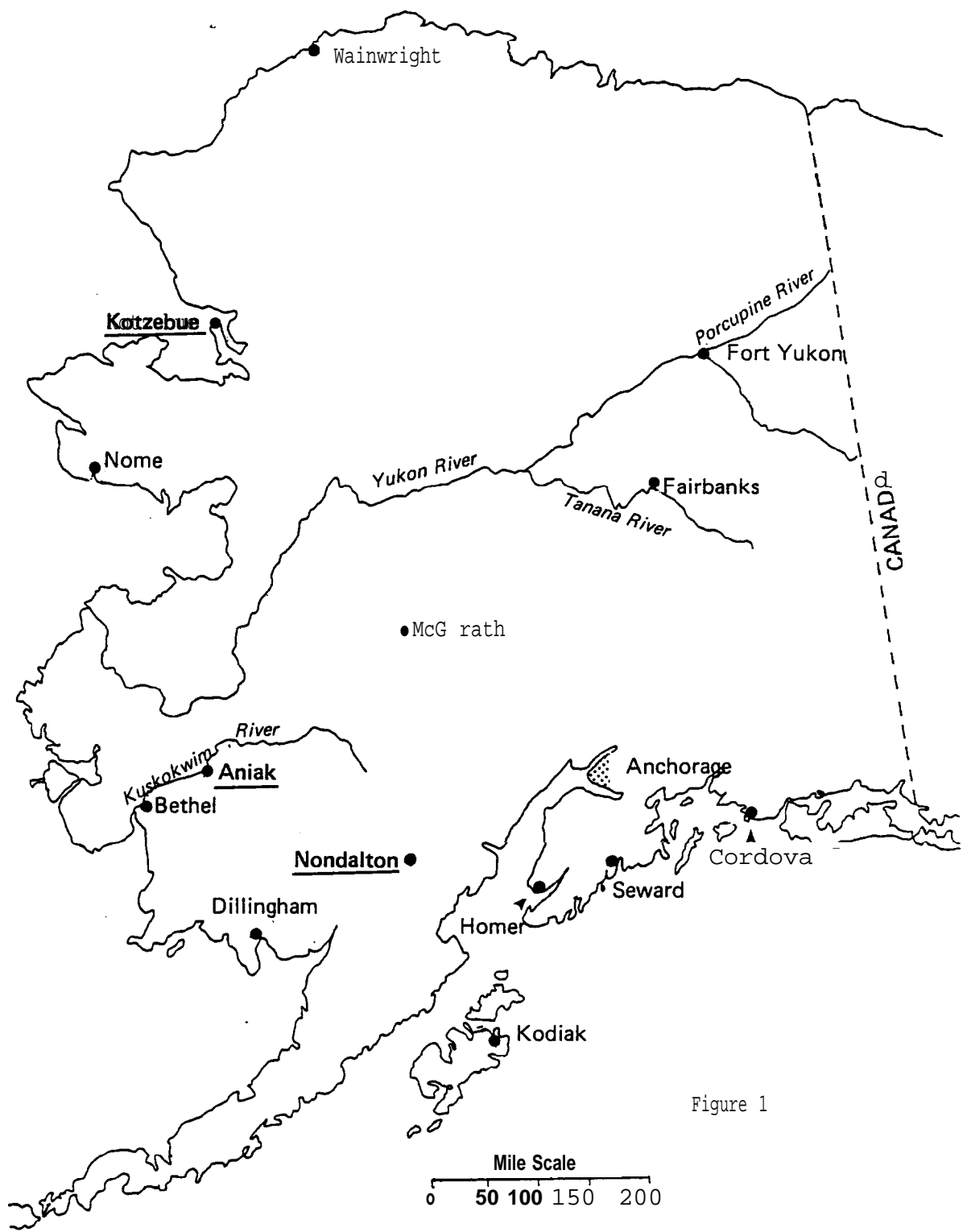


Figure 1

CHAPTER 2  
COMMUNITY DESCRIPTIONS

The three communities we worked in were as divergent in their work structure as they were in geographic location. A brief description of each is given below:

Aniak

Aniak is located on the **Kuskokwim** River, about 320 miles west of Anchorage and 90 miles northeast of Bethel (the **Kuskokwim** Peninsula's regional center). Its 1980 Census reported population was 343 persons, of whom about 64 percent were Native, about equally divided between **Yupik** Eskimo and **Athabaskan** Indians. The median age of the Native population in 1980 was 21 years, and about 57 percent were in the working ages, 18 through 64 years. Women made up about 51 percent of the population.

Over two thirds of **Aniak's** families in 1980 had at least one child living at home in 1980, and about three-quarters of persons under 18 years were living with their parents. Just over 51 percent of all Natives 25 years and over had graduated from high school. About 4 percent had graduated from college.

The economy of Aniak was traditionally based on the subsistence food harvest, supplemented for about half the village's adult population by part-time wage earning. Residents went to fish camps each summer and caught silver, king, and dog salmon, the village's primary subsistence food source. Sheefish, smelt, pike, **lingcod**, and other species provided less important seasonal harvests. Fall and winter hunting furnished residents with moose, bear, **mink**, and a variety of small animals and birds.

Cash entered the village economy in a variety of ways. **Some** salmon were commercially harvested, others caught by outside sports fishermen who often employed local guides. Two small stores, one

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regional and several local air services, and the Aniak Lodge provided most part-time employment for about 25 to 35 people. An additional five to seven people worked for local government, while local utilities and the local school district employed '(together) about twenty full-time and several part-time staff. Regional and state agencies employed 12 to 15 people. mostly full-time. Summer **yough** employment programs, firefighting jobs with the federal Bureau of Land Management (**BLM**), and summer cannery work (away from **Aniak**) provided additional sources of income for residents.

Beginning **with** erection of the military's White Alice radar-relay station just outside Aniak in 1956, public construction has been a major source of employment in Aniak. The construction of schools, public housing, the airport, and other public facilities created new jobs. These projects were competitively bid, and non-local contractors employing non-local labor built most of them.

Aniak is both a city and a Native village. It was incorporated in 1976 as a second-class city and is governed under the authority of a mayor who is elected from a seven-member city council. Aniak's Native population is also represented by a five-member Traditional Council, recognized by the Bureau of Indian Affairs as the official . tribal governing body of the village of Aniak.

For about the past year and a half, the city of Aniak has operated a locally controlled construction program whose purpose was to hire, train, and retain local Native residents.\* The city also entered into an agreement with the traditional council to jointly construct two public facilities: a community hall and a tanning and **cannery** facility. The city of Aniak was the employer with whom we worked.

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\*The city does this by acting as its **own general** contractor and hiring its own work force, an administration 'technique known as "force account" construction.

## Kotzebue

Kotzebue is a regional trade and service center located in northwest Alaska, 26 miles above the Arctic Circle. The 1980 Census reported its population as **2,054** persons, of whom about 77 percent were Native, primarily **Inupiat** Eskimo. The median age in 1980 was about 23 years, and 40 percent of the population was under 18 years of age. Women made up about 47 percent of the population.

About **53** percent of the population 16 years of age and older participated in the labor force in 1980, with the rate for men at 58 percent and the rate for women at 49 percent. The unemployment rate reported in the census was 18.1 percent. Per capita income in 1980 was \$5,315, and median family income was \$18,981. Sixteen percent of all persons in **Kotzebue** were determined to be living below the poverty level according to federal poverty guidelines in 1980 (unadjusted for interior Alaska's higher prices).

Kotzebue is the regional center for almost a dozen **small** villages in northwest Alaska. It contains the overwhelming concentration of the region's cash economy, including governmental services; and the headquarters of the regional and village corporations; the transfer functions for transportation, **regional** services, retail trade, and distribution. A commercial fishery selling to buyers through the **Kotzebue** Sound Area Fisheries Cooperative provides seasonal employment opportunities for **local** residents. There is little other manufacturing, with the exception of some reindeer activity for local consumption demand.

Estimates are that up to half of the region's livelihood is derived from **noncash** subsistence activities. Fishing (salmon and trout), hunting (caribou and moose), and gathering are all seasonally important. These activities are also culturally important. Their value is widely regarded as exceeding their monetary worth in exchange. While a subsistence orientation is greatest in the smaller villages, it is **still** important to how people live in **Kotzebue**.

The Alaska Commercial Company (**ACC**) is a for-profit retail store chain which operates 18 retail outlets in rural Alaska.\* Statewide, it employed 347 persons in 1983, of whom 48 percent (167 employees) were Native. Outside of management, 54 percent of the employees were Native.

ACC has a strong local hire and Native hire policy throughout Alaska. Its 1983 payroll in bush Alaska was about \$3.8 million; if fur purchases are included, ACC generated about \$4.2 million in personal income to rural Alaska residents. Of that amount, about 57 percent was paid to rural Native employees.

The Kotzebue ACC store is a facility of about 18,000 square feet of retail sales space and storage. The downstairs floor space of the store is about equally divided between the hardware and food departments, each of which has a manager. The upstairs mezzanine is devoted to software sales; this department also has its own manager. The manager of the Kotzebue branch is an Alaska Native and a long-time ACC employee.

Wage and salary costs represented about 8 percent of gross sales at the Kotzebue store in 1983. Annual turnover exceeded 100 percent. "

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\***ACC is a** unique enterprise in Alaska. Although it is a profit-making organization with its own board of directors charged with the responsibility of operating the chain in a national, profit-maximizing way, it is totally owned by the nonprofit Community Economic Development Council (**CEDC**) of Alaska.



### Nondalton

**Nondalton** is a village located on the west shore of Six Mile Lake, 15 miles north of **Iliamna** (the area's commercial center) and 200 miles southwest of Anchorage. The census reported its 1980 population as 173 persons, of whom about **93** percent were Natives, primarily **Athabascan** Indians. Median age of the population in 1980 was about 21 years, and 37 percent of the population was under 18 years of age. Women made up just under half of the total population (47 percent) and headed up about 21 percent of total households. About 84 percent of Nondalton's 1980 residents had lived in the same house for at least five years. Approximately 56 percent of the adult (25 years and older) population had completed fewer than nine grades of school.

**Nondalton's** per capita income in 1980 was \$6,217, but 56 percent of **all** families earned less than \$10,000 during the year. The primary sources of income in the village were wages and salaries paid through the local school and seasonal returns from fishing and construction.

The census reported about 53 percent of **Nondalton's** population between the ages of 18 and 64 years, inclusive, participating in the labor force in 1980. Women's labor force participation rate, however, was about 58 percent while men's was about 49 percent. Nine out of every ten workers were employed by government, with over two-thirds being employed at the **Nondalton** school.

**Nondalton** is one of the most economically depressed villages in the Bristol Bay region. Before limited entry was legislated in Alaska, Nondalton's economy was based almost entirely on commercial fishing. Now there are only between five and fifteen limited entry permits held by **Nondalton** residents (both set netting and drift netting), and the other job opportunities available are not enough to employ the local population that wants to work.

The main source of summer employment for Nondalton's residents is **firefighting**. The U.S. Bureau of Land Management contracts for one or two crews of sixteen persons (both men and women) each summer. These crews are transported to different fire locations around the state on an as-needed basis. The largest local employer is the school district, with full-time employment for five school teachers (none of whom are local) and part-time employment for three teachers' aides, a library aide, two cooks, a maintenance **person**, and a janitor. The city employs a clerk, a water and sewer maintenance person, a police officer, a person responsible for airport runway snow removal during the winter, and several other clerks on an as-needed basis. A part-time health aide is funded by the Bristol Bay Health Corporation. The Nondalton Knichek **Co-op** Store, Inc., had three full-time employees; however, the store experienced difficulties and is now being reorganized.

With few employment opportunities available, the people of Nondalton depend heavily on subsistence hunting and fishing as a source of food. Subsistence is also an important part of the Native residents' life style and cultural heritage. Red salmon are caught in the summer; and freshwater fish, rabbit, and porcupine are taken year-round. Large game (moose, caribou, and bear) and game birds (ducks and geese) are hunted in season. Many residents move to fish camps during the summer months for subsistence fishing. Others leave for commercial fishing or to work as firefighters.

To stabilize the cash basis of the village economy, the **Nondalton** Traditional Council entered into an agreement with **Kiana** Northern Horizons, Inc., a successful **Anchorage** manufacturer and marketer of giftware products. The Traditional Council (with federal funding assistance from DHUD) was to construct a 7,200 square-foot building and purchase processing equipment and inventories to manufacture **Kiana** Dolls and (possibly) other giftware products. **Kiana** Northern Horizons was to install and test the equipment and provide on-the-job skill training to Nondalton

residents wanting to work at the manufacturing plant. Kiana Northern Horizons was also to market the plant's giftware products.

The plant was designed to employ ten workers at full production.

Turnover at the plant was expected to average 300 percent to 400 percent during its first year of operation and 300 percent annually thereafter. In **Nondalton**, we worked with the Traditional Council.

CHAPTER 3  
PROJECT DESCRIPTIONS

Aniak

The City of Aniak's safe water program has laid 4 miles of sewer pipe at 10-foot depths, constructing both force-main and gravity-main systems and prepared the sewer lagoon. They are currently in the process of hooking up over 80 households, businesses, and facilities to the sewer system. This crew is managed by a local Native supervisor, **Allen** Simeon, who expresses great pride in the work conducted by his crew.

The public works crew has constructed a 1,500-square-foot Day Care Center, is in the process of building (1) a 2,400-square-foot, two-story maintenance and war storage facility, (2) a \$1 million erosion control project including dikes and internal roadways, and (3) a new 4,000-square-foot City Hall and Public Safety Building. This crew is managed by Bob Adams, who came from Montana last September. His five-person crew **is** composed of **four** local workers and one from outside.

The city is also in a joint venture with the traditional council on two projects: (1) a 9,500-square-foot Community Hall, and (2) a 4,000-square-foot tanning and cannery facility. These projects **are** managed by Chief of the Traditional Council, Bill Morgan, who works side by side with his five-person crew.

Hiring and recruitment for both full-time and seasonal work was conducted largely by John Hale by both word of mouth and through advertisement in the local paper, The River, published biweekly by the city. The goal was to hire and train local people. The selection process included evaluation of skills, but most importantly, a willingness to work. Workers are paid an entry wage of \$7.00 to \$9.00 per hour with no fringe benefits.

The construction crews work independently from each other and have developed rather distinct identities. The greatest challenge for the managers was to develop a sense of the work ethic as well as train personnel in performing specific functions such as laying pipe, utilizing heavy equipment, sheet rocking, wiring, etc.

In an effort to train workers to come to work both on time and daily, the supervisors initially picked up each worker in the morning at their homes. (Aniak is quite spread out, and workers can and do live up to three miles from work sites.) They would also be driven home at the end of the day. After several months of providing this incentive, the city purchased 16 three-wheelers and provided them to employees for transportation to and from the work site. While workers are now into the habit of coming to work on time, 12 of the 16 three-wheelers have been largely destroyed by being rolled by employees while off duty and most often inebriated.

The supervisors have continually worked with the employees in all the projects. There is no outward difference among supervisors and workers in dress or manner. All people performed the same work whether it was digging ditches, hauling gravel, or pounding nails. As workers developed their skills in specific functions, supervisors more often left the work site and developed a sense of trust between workers and boss.

Incentives are provided for a job well done throughout the construction project. For example, a bonus might be offered at mid-morning if a crew could lay 500 feet of sewer pipe by 6 p.m. The bonus was for the entire team to be divided equally, and the crew worked hard and together to earn it. Financial bonuses might also be offered for longevity, i.e., all workers know that there is a bonus for completing the season and that it is proportional to the amount of time worked.

Bonuses are, however, are not consistent. On a given day, they can appear or not, depending on the mood and financial condition of management. They have been used often and are now expected periodically.

The leave policy allows persons to take leave without pay as long as notice of at least one week is provided. The experience of Aniak has been that very few persons requested or took leave for subsistence purposes. Instead, workers, all of whom fished all summer, appeared to go fishing in the evening or on weekends. The same was true for moose and duck hunting in the fall.

The discharge policy is nebulous. The primary reason for firing a person is alcohol abuse. However, there is no hard-and-fast rule about being fired and having no rehire options. Some workers have been fired for failure to show for work due to a binge and rehired one week or one month later. Other workers can miss a couple of days and return to work immediately. It is largely a subjective policy, with management trying to rehire "good workers" and having less patience with "not-so-good workers."

There is no formal employee orientation when a person is hired. Thus, management rules and expectations are learned on the job. Supervisors primarily emphasize job safety (**Aniak** has had no serious injuries among workers) and training in skill development.

#### ORIENTATION

Worker training in Aniak was provided by the Alaska Native Foundation, under contract with **ISER's** Alaska Native Hire Project. Jane Angvik and Desa **Jacobssen** conducted the training which focused on communications and team building. There were 27 participants, of which three were supervisors, fourteen were construction-related employees, and ten were city employees. The construction-related employees were from three separate teams: (1) the tractional council's construction crew managed by Chief Bill Morgan, (2) the village safe water crew who were installing the sewer system, and

(3) the city's public works crew. The city manager, John Hale, was so committed to the training that he insisted his six office staff and four part-time students be allowed to participate in the training. Technically, all the construction personnel were city employees because the projects were joint ventures conducted under the auspices of the city in spite of a variety of funding sources, i.e., State Department of Environmental Conservation, Bureau of Indian Affairs, and State grants through the Department of Community and Regional Affairs.

A questionnaire was distributed, and workers were asked to: (1) identify the things they like about their jobs, (2) identify the things they disliked about their jobs, and (3) answer a set of true-and-false statements about their work conditions. After completing the questionnaire, a group discussion was held about the results, and workers expanded on their answers and gave examples of the conditions they were identifying. The results of the questionnaire appear in the Appendix A.

From the morning session we designed the afternoon session to address specific problem areas. They were: (1) communication, (2) developing trust, (3) dealing with anger and alcohol, and (4) team building.

An exit questionnaire was distributed which addressed what the workers felt they could do about the things that they would like to change about their jobs, as well as an evaluation of the session. The results appear in Appendix C.

The training went very well because the managers were committed to participating and made time and space available to conduct the session. Aniak has several elements of the model already existing which accounts for a portion of their success to date.

The communications between workers and supervisors and among workers is the area most likely for improvement in the future. A follow-up session was held in August to evaluate the effects of the talking circle, one of the cultural models used to improve communication skills.

A second training session was conducted in Aniak on August 15 and 16 for city construction crews. Desa **Jacobssen** conducted the training, which focused on a series of exercises designed to encourage participants to improve their communication skills with one another and management. **Ms.** Jacobssen opened the session with a discussion of her recent 19-day fast and told the group why she chose that method to protest the violence and corruption in Bethel. She talked about the destructive nature of alcohol and drug abuse for Alaska Native people, emphasizing the death rate from alcohol-induced violence that Native people were experiencing.

The training session ended with workers and management making a commitment to utilize a talking circle with one another in order to keep the communication lines open.

A follow-up meeting dealt principally with the destructive nature of alcohol abuse. Employees were offered techniques to employ in coping with stress and anger as an alternative to alcohol.

The final Aniak activity was a conference on employment opportunities and how "force accounting" can be utilized to encourage local hire on construction projects.

### **Kotzebue**

The employer with whom we worked was the Alaska Commercial Company (**ACC**). ACC has retail outlets in eighteen villages throughout rural Alaska and sells groceries and general merchandise while operating its own warehouse. ACC has experienced great difficulty with Native employee turnover and expressed interest in



pursuing efforts both to retain existing employees and to advance members of their staff into management roles.

The Kotzebue store has thirty-two employees with five department supervisors. The manager of the store is an **Inupiat** Eskimo from **Unalakleet** (80 miles south of **Kotzebue**). The **ACC** store is the principle outlet for goods in the community, with an average sales volume of \$5.6 million and a payroll of \$468,000 annually.

The ACC was approached early in the project to select a store to be a demonstration site. Preliminary discussions required months of effort because the personnel department was located in Seattle. The original contact with the Kotzebue store occurred in January when the store manager agreed to participate in the program. Training was rescheduled several times. Dates were all delayed by management several times. The training actually occurred more than six months late.

The store is organized into four departments: hardware, meat, software, and groceries. Additionally, the stock people and cashiers are supervised by a fifth manager.

Hiring and recruitment are done through word of mouth and posted notices of job openings. Applicants fill out an application and are notified if hired by the assistant manager. New employees are trained by their department manager in their job duties. There is no overall orientation provided to employees about the company as a whole, and no explanation of work rules from department head to department head.

Workers are given time off for subsistence activity if there is a request in writing in advance and if the department can afford to let them leave at that time." Workers receive fringe benefits of health care, retirement, and workmen's compensation. Taxes and social security are withheld from checks, and employees accrue

vacation time and sick leave and are paid for holidays. The personnel policies are provided to each new employee. They are 29 pages long and written in sophisticated language. The employee mix of local versus outside appears in Appendix D.

The major needs were identified as: (1) establishing a common language for employees and management, (2) developing teamwork, and (3) dealing with conflict. The following action plan for interviewing in the ACC Kotzebue store was then prepared.

Workshops were to be held for the **ACC** employees and management staff in Kotzebue. There were a total of 32 individuals who would attend one of the two training sessions held each day over a 5-day period. Each session was about 2.5 to 3 hours in length. The employees that worked the evening shift would attend the morning sessions, and the employees that worked the morning shift would attend the afternoon sessions.

We prepared the following operating plan for the ACC Kotzebue store, which was discussed and concurred in by ACC'S management (including the chain's personnel director):

#### Kotzebue Personnel Management Plan

ACC'S Kotzebue store is an ongoing business which operates within the personnel management system of the entire chain. There are established job categories (titles, descriptions, and wage rates) and established lines of supervision and management. ACC 's top management did not want to begin with a total reorganization of its personnel system but was interested in developing an evolutionary approach to modifying the work site.

Within this constraint, our strategy was to both (a) create a working environment which encouraged employees to become involved in their jobs by giving them an opportunity to change their work environment and (b) training ACC employees (managers and

nonmanagers ) in the techniques to take advantage of that opportunity. Specifically, we recommended that the ACC's Kotzebue store do the following:

**A. Organization of the Store**

(1) The store should be reorganized into four operating teams: hardware, software, food, and support. Each team would be **led** by what was previously called a department manager and would be vertically integrate from the stock people on up. The responsibilities of the new team leaders should be changed to make them as responsible for encouraging and motivating members of their teams as they are for bottom line sales.

(2) Store hours should be adjusted so that each team would meet daily for at least half an hour to discuss ways of improving the job environment and productivity. The store manager would rotate daily between the four teams and once a week there should be a store-wide meeting of all four teams.

(3) Ideas for changing the work environment which develop team consensus-would be discussed at the store-wide meetings. If **store-wide** consensus were reached and if the store manager concurred in the idea, it would be recommended to **ACC's** top management. Within a month after a suggestion has been made by store-wide consensus, a representative of top management would attend a store-wide meeting to explain why the suggestion was or was not implemented or was implemented in a modified form.

(4) No specific agenda would be given to the teams for their consideration to begin the process; however, we recommended that initial topics for discussion should include the following:

- (a) The potential for interchangeability of work assignments within teams and the necessary wage adjustments that would be required to make such a system work.

- (b) The possible development of a "cafeteria" approach to fringe benefits where each employee would annually select his or her individual mix of fringe benefits instead of being given a preselected benefit plan.
- (c) The potential inclusion of an "elder's pay" option in the sense discussed above for **Nondalton** in the available fringe benefit package.

B. Training

Because the **ACC** personnel system has a long history, training the staff for the new operating system takes on great importance. We consequently recommended that three levels of training be instituted:

(1) Employees would receive training in communications skills and in their ability to effect change in their collective environment. The outcomes of this training should be as follows:

- (a) An awareness that there are reasons why things are done and individual employees can help make them better.
  - (i) **Safety** rules, work rules, job assignments, and other operations of the store evolved through a lot of trial and error experience; they are not arbitrary.
  - (ii) By speaking up and expressing their ideas through team discussions, changes can be brought about.
- (b) An awareness that working with people cooperatively in a modern business involves open communication and problem solving.

(2) Department managers would receive training in their new roles as team leaders. The outcomes of this training should be as follows:

- (a) As team leaders, they would be as responsible for training and motivating their workers as they are for bottom **line** sales quotas.
- (b) Their role as a **team leader** would be to **help** their employees mature on the job and develop meaningful careers, to help them do their part as responsible team members, and to show them how to work with others without hurting their feelings.

(c) Their responsibility would be to make team members **feel** successful by a wise assignment of tasks and by positive reinforcement.

(i) They should avoid blaming, criticizing, or ridiculing remarks, which are barriers to learning.

(ii) When negative comments are required, they should be transmitted through another team member.

(3) Top management would receive training in receptivity to ideas for change developed, and recommended, by employees at the **Kotzebue** store and concurred in by the store manager. The outcome of the training would be as follows:

(a) An awareness that employees' ideas are valuable can contribute to improving the work environment, and can be cost effective.

(b) An appreciation that a key job of management is to support their employees' efforts to create a motivating environment. Profitability will follow naturally if this occurs.

As part of the plan, the ANF provided on-site training. The training focused on communications, team-building and company benefits and policies. The curriculum for the one-week training sessions is outlined below:

- I. Employee Orientation
  - A. ACC Biosketch
  - B. Employee Benefit Options
  - c. Employee Personnel Policies
  - D. Compensatory Benefits
  - E. Company Rules
  - F. Pay Periods
  - G. Employee Use of Equipment
  - H. Time Cards
  - I. Organizational Structure
  - J. Company Goals and Objectives
- II. Developing Effective Communications Skills
  - A. Verbal & Non-verbal Communications
  - B. Cross-Cultural Communications

- III. Employee Development & Training
  - A. Effective Business Communications
  - B. Team-Building
  - C. Group Decision-Making Processes
  - D. Personal Pattern Assessment
  - E. Motivation--Personal and Professional
  - F. Career Goal Setting

The goals of the workshop were:

1. To establish a common language that **could** be used to talk about problems and situations that can depersonalize conflict and put it into perspective.
2. To develop an understanding of personal and professional motivation.
3. To develop and understand how cultural beliefs, attitudes, and **feeling** affect teamwork in an organization.
4. To develop and understand how personal behavior patterns affect an organization by:

Identifying our own personal pattern--increasing your understanding of different patterns--How you come across to others--How you react under pressure.

5. To develop an understanding of how attitudes affect behavior through exploring:

How to eliminate others' negative influence over you--How to be a positive influence in your organization--Positive attitudes get positive results--Negative attitudes get negative results.

6. **To** develop an understanding of the elements of team-building by:

Building a rapport with others, learning: how to develop "esprit de corps"--how to pull together the most effective team--a foolproof method of getting people in your organization to work with you cooperatively.

The time frame planned for the workshop sessions was broken down in the following manner: (1) Employee Orientation, 2 hours; (2) Developing Effective Communications Skills, 5 hours; (3) Employee Development and Training, 8 hours. Please note that the

presentations were condensed from a total of a 25-hour workshop format.

The summer season in the Kotzebue area is the time of year when there is peak activity with construction, fishing, and subsistence hunting and fishing of primary importance. The store has longer hours and customers coming in on a regular basis. This is why we had split shift sessions for the workshop presentations. Some of the obstacles faced in the presentations were:

1. Supportive personnel had to be learning and concentrating. It should be stationed separate from the employees' regular work environment.
2. The only acceptable meeting facilities **available** to the ACC management were the store trailer, which was too small, and the storeroom, which was too cluttered. The storeroom had no heat and was too close to the employees' work environment. Employees were frequently called back to their stations to help with business matters or answer telephone calls.
3. The time frame for the presentation was cut two-thirds because of the needs of the company. Basically, the primary obstacle was that the store, being a public service organization, was concerned about customer needs and maintaining basic operations.
4. Employees had to work at a rapid pace during the training sessions and there was absolutely no time **alloted** for evaluation and debriefing. The management staff was going to allot time for a workshop evaluation at the following staff meeting to be held the next week. They were going to hold a staff meeting for each training shift to evaluate the sessions and discuss how they would incorporate what they had learned into their regular staff meetings. In turn a group memory or minutes of the first two consecutive meetings were going to be sent to the workshop facilitators as a record of the processes used, and the data could be incorporated into the study.
5. Achieving the original goals of the training project required that specific amounts of time be allotted for the presentation any one topic. So when the overall time frame of the workshop session had to be shortened, the facilitators prioritized each individual topic and eliminated topics of lower priority to be presented at a

later date. The agenda for the workshops as presented is as follows:

- |           |   |
|-----------|---|
| 2.5 hours | Developing Effective Communications Skills Facilitator: Desa <b>Jacobssen</b> |
| 6 hours   | Employee Development and Training Facilitator: Darlene Romer                  |

Based on immediate individual feedback received by the workshop facilitators from a portion of the participants, I feel the sessions went well. Many of the participants expressed an interest in attending additional training sessions.

A follow-up visit on the Alaska Commercial Company training sessions was held two months later. It was agreed during the training sessions that there would be two staff meetings held by each shift to address workshop evaluations and structuring of staff meeting procedures in order to utilize the information gained from the training sessions. These staff meetings were to be held within ten working days after the completion of the training session.

An orientation session was held for the department supervisors that took about two-and-one-half hours which covered the following topics:

- A. How staff meetings could contribute to a more effective\* departmental team.
- B. Helpful hints in structuring staff meetings.
- c. Communication and problem-solving needs.
- D. Delegating responsibility effectively.

After the discussion period, supervisors were requested to assist in getting feedback from employees concerning their jobs, supervisors, work environment, and their feelings about some of the problems they encountered on a day-to-day basis.



A total of twelve employees were interviewed, four of whom were departmental supervisors. One individual, a meat cutter from **Nome**, attended the training session because he was on loan to the **Kotzebue** store.

Communications, collaborative problem-solving, motivation, and team-building were the focus of the previous training sessions. The follow-up visit constituted highlighting the effects of the training session on daily interaction between employees or gathering information that could be associated with these topics.

Arrangements were made through the company's personnel office (which had moved to Anchorage, Alaska) to hold the supervisors' meeting and to provide notice for the plans to interview the other employees in the **Kotzebue** store.

The store manager and several of the departmental heads were not working in the store during our visit. They were apparently on leave for hunting or personal business. Therefore, because of the breakdown in communications between Anchorage and Kotzebue employees, personnel in the store were not expecting our arrival. However, we did receive a great deal of cooperation from the acting manager of the store.

Employees were asked about their likes and dislikes with reference to their work: communications between employees and supervisors, attitudes about teamwork, the work environment, and employee work habits. The following topics were frequently mentioned by employees as matters of concern: not enough help, low pay, evening working hours, absenteeism, lack of organization, work station temperature, turnover rate, employees not calling in.

Although rapport between individual employees and supervisors was very good on a personal basis, communications relating to teamwork or organization needed improvement. Employees that had been

with the company for more than one year seemed to enjoy their ability to work at an independent pace and felt that they should individually have a say in how their work was to be done. However, this independence sometimes resulted in excess time spent on new hire orientation. Proper training of permanent employees would ensure that new hire orientation could be more efficiently and uniformly achieved.

It was recognized there was a need for informational sources--bulletin boards, newsletters, etc.--because the employee grapevine was not reliable and efficient. Also, regular employee meetings could help deal with communications problems. Supervisors expressed the need for training in methods of soliciting ideas and concerns from their employees. It was recommended that their training be separate from the work place and perhaps having a session with supervisors from other ACC stores would be helpful in recognizing common problems and identifying alternative ways to dealing with everyday problems they encounter.

**Managment** must encourage structured staff meetings to promote:

- (1) continuous and active communication between employees,
- (2) shared problem solving, and
- (3) the development of the sensitivity necessary to encourage healthy employee development and an efficient, productive business.

#### Nondalton

The Nondalton **Doll** Factory appeared to be the perfect demonstration site because there was an opportunity to design the work rules and job structures from the onset of operation. While it was apparent from numerous meetings with the Traditional Council, representatives of **Kiana** (who do business as Northern Horizons, Inc.), and the **Nondalton** Village Corporation that all parties agreed to the concept of designing the workplace to complement the local culture, obstacles beyond our control prevented us from being able to do so.

The plant was not finished as originally planned, nor in fact was it ever completed. Additionally, there was a conflict over who would manage the plant. Initially, a memorandum of understanding between the Traditional Council and the village corporation indicated that the village corporation would be responsible for management in exchange for 40 percent of the profits. In May that decision was changed it was decided that Kiana (Northern Horizons, Inc.) who was supplying the machinery and the expertise in how to make dolls, would manage the facility.

The issue of start-up operating capital became an obstacle. Again, the village corporation indicated that it would borrow the funds needed for start-up, but there was no agreement about how much money that would be, or the terms to the Traditional Council.

While the Traditional Council was attempting to resolve these issues, we prepared the following personal management system, which was discussed with the Traditional Council and accepted by them in principle:

#### Nondalton Personal Management System

Because the Nondalton manufacturing plant is new, few constraints existed on what we could recommend. Wages paid to persons employed by the Village Council ranged from a low of **\$5.00** per hour up to a high of \$8.00 an hour, and there was local consensus that the wages paid at the plant should fall within this range so as to not disrupt other parts of the village economy. The reason for this was to employ village residents and cause as little disruption as possible to the pattern of life currently existing in the village.

Within these constraints, we recommended that the plant's personnel management system be organized as follows:

**A. Personnel Practices**

(1) Hiring and Recruitment

The manufacturing plant was new to Nondalton, and considerable village-wide interest had been evidenced in its operation. The plant's projected turnover also implied that a significant proportion of the village's potential labor force would be employed during the first year of operation. For both of these reasons, we recommended that the manufacturing plant begin accepting work applications from all interested local residents about a month before the plant is scheduled to open and that all persons who submit applications be asked to attend a three-day orientation session.

The orientation should be conducted during the same hours the plant is open and operating (discussed in (2) below). It should be conducted in the manufacturing plant. The first day of orientation would cover job activities, safety **procedures**, and work **rules**. Day two would address issues related to the culture of work, including an explanation of the purpose and reasons for the work rules and safety procedures of the plant, the work force as a team with mutual commitments and responsibilities, and the idea of work as a career with long-term advances and benefits. The third day would cover work-related communication skills with half the day concerned with worker/worker communication and the other half day with worker/supervisor communication. Role playing and trainee participant" exercises would be used extensively, as would group discussion. (A detailed training curriculum for the Nondalton manufacturing plant is attached to this chapter as Appendix A.)

Upon completion of the orientation sessions, persons should be hired on the basis of the date when they submitted a work application. If more people applied for work and completed the orientation than there were jobs available, a list would be maintained and new workers should be hired from the list in the order of their date of application.

All employees of the manufacturing plant should complete the orientation program before starting work. We consequently suggested that the orientation program be repeated every three months. Persons who submitted new work applications would be asked to attend the full session. Employed workers should attend the last two days of the orientation as a refresher.

(2) Days and Hours of Work

The plant should operate for nine months each year, January through **May** and September through December. The plant should be closed during the months of June, July, and August to allow villagers to engage in subsistence activities.

The plant should close for the following paid holidays: (1) the week in November during which Thanksgiving falls and (2) the last week in December and the first week in January for Christmas and Russian Orthodox Christmas.

The plant should operate five days a week, Monday through Friday. The hours of operation will be **eight** hours a day from **10:00** a.m. until **7:00** p.m. There would be a 60 minute lunch period each day and a 15 minute coffee break each morning and afternoon. Each work day, the time from **10:00** a.m. to **10:30** a.m. would be used for discussion and communication between workers (including supervisors). This time is part of the regular work day and all workers would be required to attend; coffee and tea would be served during the daily discussion period.

(3) Leave Policies

Subsistence leave should occur during the months of June, July, and August when the plant would be closed. Paid leave (vacation time) would be earned at a rate of one day of paid leave for every 160 hours worked. However, the accrual of paid leave would not begin until after an employee had worked for four consecutive weeks.

The taking of all leave, whether paid or unpaid, should require prior notification and scheduling. The taking of leave without prior notification should be reason for dismissal.

(4) Pay System

Workers at the manufacturing plant should be paid a base rate of **\$5.50** per hour, based on an eight-hour work day. The plant supervisor should be paid \$8.00 per hour, based on an eight-hour work day.

Based on an annual output target of 40,000 units, the plant's production (including wastage) should be 1,300 units per week. Workers should be paid a production bonus of \$20 per worker per week for each 100 units produced by the plant each week in excess of the weekly quota of 1,300 units.

Paychecks for hours worked plus production bonuses (if any) would be issued every two weeks.

(5) Worker Benefits

Each worker should receive a benefit package equal to \$1.00 an hour for each hour worked. The benefits available to workers would be the following:

- (a) Elder Pay. Each worker would designate two elder members of his or her family to receive \$0.50 an hour for each **hour** that is worked.
- (b) Family Insurance. Each worker would receive a standard, fixed-dollar deductible family health insurance policy with value equal to the worker's monthly benefit amount.
- (c) Combination. Each worker would receive a standard, fixed-dollar deductible individual health insurance policy and designate one elder family member to receive \$0.50 an hour for each hour worked (the monthly value of the individual health insurance policy will equal the difference between the amount of elder pay and the worker's total monthly benefit amount).

Worker benefits should begin after an employee has worked for four consecutive weeks.

(6) Assignment of Duties

The plant should be organized so that groups of employees work together as a team. Wherever possible, similar activities should be grouped together around large tables; every effort should be made to avoid individual, isolated work stations. We noticed when visiting the **Kiana** manufacturing plant in Anchorage that most workers were at individual work tables located some distance from each other. In the Nondalton plant, this type of work organization should be avoided. The fur cutters, the painters, and other groups should be seated around large tables where they can interact with each other while working. Jobs such as operating the molding equipment, which require only one worker should be organized to maximize the frequency of contact with other workers. For example, the trays of finished molded dolls should be pushed to a storage area which is located next to the dying process.

Each worker should be trained in a primary skill category and at least one other skill category. A person who is primarily a fur cutter should also be able to perform the **tasks** of a painter or dyer. Workers should be permitted (in fact, encouraged) to change their work periodically. This would allow both a reduction in the monotony of a single set of job tasks and the flexibility to substitute workers when there is an absence.

Job titles and descriptions are contained in Appendix B to this chapter.

Skill training for the jobs involved in the manufacturing plant will be conducted under the direction of Mr. William C. Lee, President, **Kiana** Northern Horizons, Inc., under agreement with the Nondalton Traditional Council. The organization of the manufacturing plant and the assignment of specific work tasks will be the

responsibility of the plant supervisor. The supervisor should use the regular morning coffee and tea time to discuss work assignments with employees and make any adjustments which he or she feels will help the workers learn new skills or develop their interests.

(7) Performance Reviews

Performance reviews are part of a continuous process for both the worker and the system of production at the manufacturing plant. These reviews will occur at two levels. First, the plant will have weekly production quotas. As discussed above, it appears that a production quota of 1,300 units a week will be required for the plant to operate profitably. Actual production at the plant for the previous week will be announced at the regular morning coffee and tea time before production begins each **Monday** morning. Should the actual production fall below the quota, the plant supervisor should lead a group discussion on the problems that interfered with production and possible ways to overcome them. These could include the need for more training, better ways to organize the production process, problems with the operation of the machinery, or any other matter which the workers identify as a barrier to efficient production. Once a problem has been identified and agreed upon, there should be further discussion until consensus is reached on its best solution. During the week, it would be the responsibility of the plant supervisor to implement changes which put the solution into effect. This process should be repeated each week until production has been brought up to the required level.

Even when production is at or above the plant's weekly quota, each Monday morning should be used to announce the prior week's production level and have a discussion of ways which the workers have noticed that the operation of the plant can be improved. Again, any suggested improvements should be discussed until consensus has been reached. It then becomes the responsibility of the plant supervisor to implement these consensus changes.



The second form of performance review has to deal with the activity of individual workers on the job. The plant supervisor will maintain a folder for each employee in the plant. Each time an employee does something noticeably favorable or unfavorable, the supervisor should write it down on a 4"x6" card with the date and put it in the folder. Every three months, the supervisor should meet with each worker and discuss the contents of the cards in his or her folder. Favorable as well as unfavorable comments should be fully discussed. **Also**, the unfavorable cards should be subtracted from the favorable cards and the person who has the greatest number of favorable cards left will be named outstanding worker of the quarter and (1) will have his or her picture mounted on a bulletin board and displayed in the plant and (2) will be given an award of one 55-gallon barrel of oil.

(8) Discipline

The manager of the manufacturing plant should consider his primary responsibility as motivating and leading the plant's work team, not disciplining workers. If the manager sees areas in which a work team's member requires corrective action, he or she should work through other team members and by direct discussion with the employee to communicate the problem and help in getting it solved.

If the plant manager feels that a work team member is not trying to help solve the problem, however, he or she shall have the authority to terminate an employee for any of the following:

- (a) Violating safety and health procedures which endanger themselves or other workers
- (b) Unsatisfactory performance as part of the manufacturing plant's work team, including not meeting quality control standards
- (c) Unsatisfactory personal behavior as a member of the manufacturing plant's work team, including tardiness, absenteeism, or disruptive behavior.
- (d) Appearing for work under **the influence** of either alcohol or other drugs

Employees terminated for any of the first three causes should be eligible to apply for rehire after a 30-day waiting period and would be rehired as job vacancies occur. Employees terminated for cause (4), alcohol or drug abuse on the job, should not be eligible for rehire. Terminated employees who feel they have been treated unfairly should have their termination reviewed by the **Nondalton** Traditional Council.

B. Plant Layout

(1) We **recommend** that the plant layout be modified to have two major areas. The north side of the building should be a single area for the production of foam, molding, cutting, and sanding. Persons working in this area of the building will be trained in a primary skill but **will** also be trained in the other production occupations clustered together in the building's north area.

The south area **of the plant should** contain the finishing operations of staining, hand painting, and fur production. Again, this would be a single area; employees working here would receive training for both a primary skill and the skills of other occupations clustered together in the building's south area.

The plant manager, the training/employment coordinator, and the office assistant should be located in an area in the middle of the plant and be accessible from both sides.

We also attempted to provide some assistance with these internal matters through meetings and suggested work tasks that needed to be accomplished with decisions of who would perform which task. That list appears in Appendix E.

The final obstacle encountered was the turnover among the village corporation personnel who were "responsible" for this project. From January through June there were four different principals, all with varying degrees of knowledge about the project.

In August, we abandoned Nondalton as a possible site because the plant had not opened nor was scheduled **to** open in the near future. It is possible that at some point in the future the Alaska Native Foundation will independently provide some training assistance to Nondalton when they do start the operation. Such assistance is a direct outgrowth of this project, even though the grant will have ended by that time.

CHAPTER 4  
RESULTS AND EVALUATION

Aniak

Aniak was where we expected the demonstration to work best. It had been operating the longest, since about the second quarter of 1988. It had many of the elements of our optimum model: crews, Native supervisors, equal wages, supportive management, time to learn on the job, subsistence leave, supervisors working with employees, and one local person doing recruitment and hiring. The Alaska Native Foundation gave training to workers and supervisors on **communications** skills.

However, other elements, such as a strict dismissal policy for drunkenness and flexible scheduling of work hours were not in place in Aniak, and it appears that they were not applicable there. As the crew supervisors have observed, if they fired everyone who got inebriated and did not show for work, they would have **no** employees left. They also argue that flexible scheduling would have reduced productivity to the point that the projects might have been delayed for an extended period.

Aniak had three crews. The Village Safe Water (**VSW**) crew started working during the second quarter of 1983 and averaged a crew size of five to six workers. The Public Works (**PW**) crew was reorganized during the second quarter and has fluctuated in crew size from seven to twenty-seven workers over the last 18 months. The Construction and Maintenance (**CSM**) crew began working on the community hall last year and averaged a crew of eight to ten workers for the last 15 months. These three crews employed a total of 59 persons (95% local) in the past two years with a peak crew of 43 workers during the second quarter of 1983. The crews averaged between 25 to 30 workers during 1984 (Table 1).

TABLE 1

## ANIAK TOTAL EMPLOYMENT

	Total Persons <u>Employed</u>	Village Safe Water <u>Crew</u>	Public Works <u>Crew</u>	Construction & Maintenance <u>Crew</u>
1983				
1 Qtr.	21		19	2
2 Qtr.	35	4	26	5
3 Qtr.	43	7	27	9
4 Qtr.	31	5	18	8
1984				
1 Qtr.	27	6	10	<b>11</b>
2 Qtr.	23	5	7	8
3 Qtr.	32	6	17	9

Table 2 presents a set of labor **force** rates calculated quarterly for Aniak. Termination rates reflected the **seasonality** of construction work; **however**, rates **clearly fell**. The termination rate averaged 86 percent a quarter in 1983 and 61 percent during the first three quarters of 1984. The 1984 termination rates were all below their equivalent 1983 quarterly rates (Figure 2). The turnover rates followed a similar pattern but also reflect hirings and therefore have higher absolute values and a somewhat modified season pattern.

The utilization rate shows the number of workers employed to work the same number of days as one full-time equivalent worker **during** the quarter. The average quarterly utilization rate for the first three quarters fell from 5.9 in 1983 to 5.0 in 1984. During the same period, the average number of weeks a worker was employed during a quarter rose from 4.8 to 6.9.

TABLE 2

SELECTED LABOR FORCE RATES  
Aniak

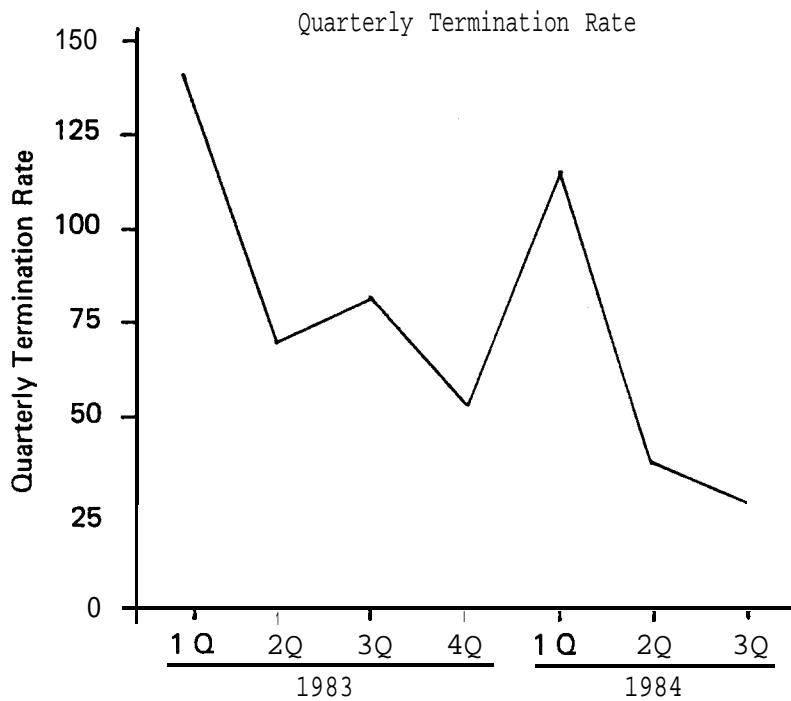
	<u>Termination Rate</u>	<u>Turnover Rate</u>	<u>Utilization Rate</u>	<u>Average Duration of Employ.</u>
1983				
1 Qtr.	140	272	4.80	5.0 weeks
2 Qtr.	69	194	7.23	3.0 weeks
3 Qtr.	81	149	5.66	6.5 weeks
4 Qtr.	54	100	4.24	9.0 weeks
1984				
1 Qtr.	115	153	6.60	5.3 weeks
2 Qtr.	39	91	4.24	9.2 weeks
3 Qtr.	28	89	4.32	6.2 weeks

$$\text{Termination Rate} = \frac{\text{Total Terminations}}{\text{Avg. Weekly Employ.}}$$

$$\text{Turnover Rate} = \frac{\text{Total Term.} + \text{Total Hires}}{\text{Average Weekly Employment}}$$

$$\text{Utilization Rate} = \frac{(\text{Calendar Weeks}) \times \text{Total Persons Employed}}{\text{Total Weeks Worked}}$$

Figure 2



The **VSW** crew employed a total of eight persons, of whom seven were local and one a regional resident. It paid an average of \$3.50 per hour and during the first three quarters of 1984 paid just over \$45,000 in wages (Table 3). Except for the first quarter of 1984, when the crew shut down operations four weeks, turnover has been falling. During the third quarter of 1984, the USW crew's utilization rate was 105, indicating that the crew was within 5 percent of its maximum potential full-time equivalent weeks of work.

TABLE 3

VSW CREW EMPLOYMENT

	Total Persons Employed	<u>Total Weeks Worked</u>		<u>Utiliza- tion Rate</u>	Turn- over <u>Rate</u>	<u>Wages Paid</u>
		<u>Full Time</u>	<u>Part Time</u>			
1983						
1 Qtr.	0	0	0	--	--	0
2 Qtr.	4	6	2	171	100	\$ 4,400
3 Qtr.	7	46	6	157	100	19,800
4 Qtr.	5	47	2	125	120	17,100
1984						
1 Qtr.	6	13	<b>11</b>	292	200	6,600
2 Qtr.	5	42	4	148	50	17,500
3 Qtr.	6	49	3	105	7	21,000

The **PW** crew employed a total of 38 persons, 35 of whom were local, one regional, and two outside residents. Both the outside residents were specialists who moved to **Aniak** after they were hired. It paid an average of \$8.50 an hour in wages and during the first three quarters of 1984, paid almost \$105,000 in wages (Table 4). The **PW** crew averaged the highest turnover among the three Aniak crew, in part because of the more seasonal nature of its work. Comparing the first three quarters of 1983 and 1984 shows that the average quarterly turnover rate fell from 244 percent to 156 percent, while the utilization rate went from 240 percent to 181 percent. More than

either of the other crews, PW'S provided opportunities for summer employment to Aniak residents.

TABLE 4

PW CREW EMPLOYMENT

	Total Persons <u>Employed</u>	<u>Total Weeks Worked</u>		Utiliza- tion Rate	Turn- over Rate	Wages Paid
		<u>Fulltime</u>	<u>Part Time</u>			
1983						
1 Qtr.	19	67	40	<b>284</b>	337	\$28,900
2 Qtr.	26	66	22	236	230	31,400
3 Qtr.	27	153	27	199	164	54,200
4 Qtr.	18	139	22	156	105	60,100
1984						
1 Qtr.	10	49	10	241	200	26,400
2 Qtr.	7	71	9	123	114	40,000
3 Qtr.	17	78	15	179	155	38,700

The **B&M** crew employed a **total** of 13 persons, all of whom were local. The average wage on the crew was \$8.00 an hour, and during the first three quarters of 1984 it paid about \$91,000 in wages (Table 5). During the first half of 1983, the crew worked mostly on maintenance. Since the third quarter of 1983, its primary task has been construction of the community hall in which the city and the traditional council are joint venturing. Since that time the crew's average size was about nine workers. The **B&M** crew's average quarterly turnover rate fell from **182** percent to **79** percent between the first three quarters of 1983 and 1984, and its utilization rate fell from 185 percent to 159 percent.

Overall, the greatest reductions in turnover (and particularly terminations) occurred in the two smaller crews which required greater skill acquisition and which were led by Native supervisors working alongside their crews. The larger **PW's** crew turnover rate, however, also reflects its role as **Aniak's** seasonal employer. Taken together, the three crews appear to support our contention that a work **environ-**ment designed for the employment of local Native residents can, in a relatively short period of time, produce a reliable and productive work force.



TABLE 5

**B&M CREW EMPLOYMENT**

	Total Persons <u>Employed</u>	<u>Total Weeks Worked</u>		<u>Utiliza- tion Rate</u>	<u>Turn- over Rate</u>	<u>Wages Paid</u>
		<u>Full Time</u>	<u>Part Time</u>			
1983						
1 Qtr.	2	18	0	122	200	\$ 9,800
2 Qtr.	5	22	1	267	200	13,200
3 Qtr.	9	60	11	165	146	24,000
4 Qtr.	8	74	12	130	76	45,500
1984						
1 Qtr.	<b>11</b>	73	6	188	115	29,900
2 Qtr.	8	64	0	163	81	28,900
3 Qtr.	9	63	2	127	40	31,411

A second evaluation criteria is a comparison of equivalent work involving workers employed under Aniak's local-hire model and under traditional rural Alaska contracting methods. Beginning in July 1983, the Aniak School District built a new facility in town using competition bidding to select the contractor and requiring rapid completion of the structure. The school was about 90 percent completed by January 1, 1984. During the same two quarters, Aniak's **C&M** crew began building the new community hall. Table 6 compares the two projects.

During the final two quarters of 1983, the Aniak school construction crew employed 33 workers, of whom four were local residents. About 10 percent of its total wages paid (\$52,000) went to local residents. The average hourly wage rate was \$24.80. The cost to the employer per hour, including overtime and fringe costs, was \$31.50. By comparison, the village's **B&M** crew employed an all-local crew of eleven workers. It paid a total of \$69,500 in wages to local residents.

The \$52,000 paid to local residents was the total they received over the life of the school's construction; however, while the community hall will pay out over \$200,000 by the time it is completed. The average hourly wage paid by the **C&M** crew was \$9.50 and the employer's average cost per hour worked was \$10.70.

TABLE 6

COMPARISON OF CONSTRUCTING ANIAK  
COMMUNITY HALL AND ANIAK SCHOOL  
(7/83 - 12/83)

	Aniak <u>Community Hall</u> <sup>a</sup>	Aniak <u>School</u> <sup>b</sup>
Total Persons Employed	<b>11</b>	33
Local Residents		
Number	11	4
Percent	100%	12. 1%
Total Wages Paid	\$69,500	<b>\$499,700</b>
Local Residents		
Amount	\$69,500	<b>\$52,000</b>
Percent	100%	10. 4%
Average Straight Time Hourly Wage Rate	<b>\$9.50</b>	<b>\$24.80</b>
Average Hourly Employer Labor Cost	<b>\$10.70</b>	\$31.50
Utilization Rate	<b>149%</b>	2 4 2 %
Early Termination Rate	<b>44%</b>	22%

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<sup>a</sup>Constructed with city acting as own general contractor and hiring locally.

<sup>b</sup>Constructed with contract let under competitive bid with contractor employing union labor.

The smaller **C&M** crew had a lower utilization rate (apparently because the two quarter period, July through December 1983, included the school crew's start-up and phase-out operations but was an early part of the **C&M** crew's on-going construction operations). The early termination rate for the **C&M** crew was twice that of the school, 44 percent to 22 percent.

A critical difference was the time **frame** for the two projects. The school was 85 percent completed in six months and completed in

nine months. The community hall took 15 months to be about 80 percent completed, and its start-to-finish time took about two years. By slowing down the construction schedule, significant amounts of on-the-job training became part of the work experience. Average hourly labor cost to the employer was almost three times higher on the school crew than the C&M crew. It consequently allowed little time for training and only fully experienced (mostly non-local) craftsmen were hired.

A lengthened construction schedule, a place that incorporates on-the-job training as part of the work experience, and wage rates that keep hourly labor costs to the employer in line with output appear able to construct public "facilities in a cost-effective manner.

**Kotzebue**

The ACC store in Kotzebue had high turnover of the store's 35 workers during the third quarter of 1984; 60 percent had been employed more than six months (Table 7).

TABLE 7

EMPLOYMENT DURATION, KOTZEBUE

<u>Employment Duration</u>	<u>Number</u>	<u>Percent</u>
5 or more years	5	14
3-4 years	0	0
1-2 years	4	12
6 mos. - 1 year	5	14
1 - 6 mos.	21	60
Total	35	100 %

The store's average annual termination was about 237 percent, with about a third of this occurring among temporary workers (Table 8). Ninety percent of the terminations were those who quit.

TABLE 8

 TURNOVER PATTERNS: KOTZEBUE  
 (1/83 - 8/84)

	<u>Total</u>	<u>Full Time</u>	<u>Part Time</u>	<u>Temporary</u>
Employed	35	25	9	1
Quit	93	43	23	32
Laid-off or discharged	11 -	-5	-1	-5
Total	144	73	33	38
Average Annual Termination Rate	235 %	110 %	152 %	2,114 %

The Kotzebue store had accommodated to its high turnover with an appropriate overhead structure and was successfully operating. ACC's management, however, was committed to both maximizing local hiring and creating a good working environment. It consequently agreed to include the **Kotzebue** store in the demonstration.

We were supposed to begin with a training session for management, but it kept getting delayed and we began the demonstration without it. In retrospect, it was a critical mistake on our part. Management's commitment to the concept remained strong throughout, but because they did not understand what we were doing, they did not (without prolonged discussion) support the specific actions the demonstration required. The demonstration was to have two elements: training and reorganization of the **Kotzebue** store.

ACC's management immediately saw the **value** of the training but not of the store's reorganization. In the end, the store continued to function as it always had. Training, however, was supported. The absence of good communication skills between workers and management is a need identified by management itself. However, the organization is large, highly structured, and is located in a community where

there are several other employment opportunities. (Unlike **Aniak**, where if you **do** not work for the city, you **do** not work.)

While ACC personnel said they wanted training, their actions in terms of preparation for training, providing space for training, providing the workers time for training were less than supportive. The training and follow-up visit were rescheduled by management several times. When it finally occurred, the employees had not been informed that it was to occur or what the purpose was. For the follow-up meeting, the store manager was not even appraised of the schedule. Employees attending the **ACC** training sessions seemed eager to participate after they became comfortable with the idea of sharing their thoughts and learning new ideas. But there was inadequate time for the presentation and discussion periods, and the meeting facility was cluttered, **cramped**, and very cold.

Perhaps the significant finding of the **Kotzebue** demonstration was that management's commitment to a concept is not enough. Unlike **Aniak**, where the project was the conception of the city manager who gave it continual, constant, public and private support, the **Kotzebue** store demonstration was to be squeezed into the normal operation of the store.

We could not get store records for the most recent quarter so we do not know what happened as a result of our training. ACC's personal manager told us that three people had quit, and it was the store's lowest turnover month in several years. Workers in the store said they thought 15 or 16 people had quit.

#### **Nondalton**

The **Nondalton** Doll Factory appeared to be the perfect demonstration site because there was an opportunity to design the work rules and job structures from the onset of operation. While it was apparent from numerous meetings with the Traditional Council, representatives of Kiana (Northern Horizons, Inc.) and the **Nondalton**

Village Corporation that all parties agreed to the concept of designing the work place to compliment the local culture, obstacles beyond our control presented us from being able to do so.

The plant was not finished as originally planned, nor in fact is it open yet. Additionally, there was a conflict over who would manage the plant. Initially, a memorandum of understanding between the Traditional Council and the village corporation indicated that the village corporation would be responsible for management in exchange for 40 percent of the profits. That decision was changed and Kiana (Northern Horizons, Inc.), which was supplying the machinery and the expertise in making the dolls, was to manage the facility.

The issue of start-up operating capital became an obstacle. Again, the village corporation indicated that it would borrow the funds needed for start-up, but there was no agreement about how much money that would be, or the terms to the Traditional Council.

We attempted to provide some assistance with these internal matters through meetings, memoranda, and a suggested list of work tasks that needed to be accomplished along with decisions of who would perform which task. That material appears in Appendix F.

The final obstacle encountered was the turnover among the village corporation personnel who were "responsible" for this project. In six months there were four different principles, **all** with varying degrees of knowledge about the project.

We abandoned Nondalton as a possible site when it became clear that the plant was not opened nor scheduled to open in the near future. It is possible that at some point in the future, ISER and the Alaska Native Foundation will independently provide some assistance to Nondalton when they do start the operation. Such assistance is a direct outgrowth of this project, even though the contract will have ended by that time.

CHAPTER 5  
SUMMARY AND CONCLUSIONS

Research during the past two years strongly suggested the following major findings:

- The problem of creating employment opportunities for Alaska Natives most closely resembles the problem of forming an organized work force during the process of third-world economic development.
- This problem involves several conditions for its solution, including occupational skill training and rural economic development. Satisfying just these conditions, however, is not sufficient. Also involved is a shift along the labor force continuum from traditionally autonomous to modern interdependent production techniques.
- Primarily, this involves learning the behavioral patterns involved in the social organization of interdependent production.
- Our research distinguished between the cultures of autonomous and interdependent production and Native culture.
  - The cultures of autonomous and interdependent production refer to alternative social organizations of production.
  - While our research indicated that the social organization of modern production is not fully compatible with traditional Native lifestyles, our research indicated that culturally sensitive work rules could be developed without affecting productivity.

Our approach was designed to accomplish the following two purposes:

- Structure the workplace so that traditional values are incorporated into its organization and methods of exercising authority.
- Use the workplace to motivate job behavior compatible with the modern social organization of production.

The key elements of our approach come from two years of research and included the following:

- JOB STRUCTURING
  - Working in teams with clear responsibilities identified for each team member as well as for the entire team.
  - Minimize use of hierarchical titles and status roles.
  - Established clear rules, explain their purpose, and apply them equally to everyone.
  - Have and enforce a clear discharge policy for persons breaking work rules combined with a clear rehire policy (except for alcohol).
  - Involve family elders through pay-sharing system.
  - High levels of support and rewards (monthly and quarterly) for following the rules of the job.
  - Subsistence time off available if scheduled, but its use will preclude participation in career advancement training.
- MANAGEMENT TWINING
  - Supervisory workers orientation to working in a Northern cultural environment.
  - Periodic workshops on supervisory problem solving.
  - High-level and clearly defined statements of top management support.
  - Use of "facilitators" available on an as-needed basis.
- WORKER TRAINING
  - Orientation to job rules and expected behavior on the job.
  - Training in communications skills and other job-related interpersonal behavior.
  - Periodic workshops on solving job-related problems.
  - Training for job skills will use a buddy system within the work teams.



- Workers assigned to teams with persons of similar age and sex.
- "Facilitators" available on an as-needed basis.
- WAGE POLICY
  - Wage rates will be set to allow for substantial on-the-job training while keeping the employer's hourly labor costs competitive.

We examined three demonstration sites where our model was to be applied:

- Aniak
  - City as general contractor for building of municipal facilities.
- Kotzebue
  - Retail chain store owned by the Alaska Commercial Company (**ACC**).
- Nondalton
  - Light manufacturing factory owned by the Traditional Council.

The results of the demonstrations were mixed:

- Aniak
  - 59 persons employed.
  - Turnover and utilization rates improving over time.
  - Appears cost effective compared with traditional construction methods.
- **Kotzebue**
  - Difficulties getting model system adopted into store operations.
  - Inadequate management support for training.
  - No results.

- **Nondalton**

- Acceptance of model system by the Traditional Council.
- Abandoned when manufacturing plant failed to open.

Based on these demonstrations, we conclude:

- The Aniak demonstration showed that a combination of work rules adapted to the culture of village Alaska, supportive management, appropriate wage rates, and lengthened production schedules can create new opportunities for Native Hire in 'rural Alaska.
- The Kotzebue demonstration showed that all levels of management have to be involved in the process of implementing a local (Native) hire program for it to be successful. Commitment by top management is not enough.

**APPENDIXES**

APPENDIX A

Aniak Pre-Training Questionnaire Results

WORKERS (/QUESTIONNAIRE

1. The **things** I like the best about my job are:
  - A. The people I work with.
  - B. Getting experience and learning new things.
  - C. A good **boss**.
2. The things I dislike about my job are:
  - A. Low pay.
  - B. Outside supervisors who don't understand.
  - C. Disagreements with other workers and boss.
  - D. Boss changes his **mind**.
3. **Please indicate** if the following statements are true or false.

CONSTRUCTION CREW

		TOTAL	
		TRUE	FALSE
T	F		
11	3		
13	1		
11	3		
13	1		
11	3		
14	0		
13	1		
13	1		
13	1		

QUESTIONNAIRE

	T	F					
13	1		J. Most people who work here like their boss.	21	T	F	1
13	1		K. Most bosses who work here like and respect the workers.	23	T	F	1
13	1		L. It's a good idea for crew members to talk to each other and their boss about the job.	24	T	F	0
11	3		M. Sometimes people who work here are afraid to <b>ask</b> questions because they think they'll look dumb.	17	T	F	6
9	5		N. Sometimes <b>people</b> who work here don't understand" what the boss has told them to do.	16	T	F	8
			4. Generally when people talk about quitting the primary reasons are:				
			A. Low pay.				
			B. Personal problems - alcohol.				
			C. Need babysitter.				
			5. I have worked here <u>          </u> years <u>          </u> months.				

APPENDIX B

**Aniak** Post-Training Questionnaire Results

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.



## QUESTIONNAIRE

1. The things I **would** like to change about my job are:
  - A. Better communication between management and staff.
  6. More money, **more overtime**.
  - C. More materials so we're **not waiting** around.
2. The things I can do to make those changes happen are:
  - A. Open up and say what I **think** and feel to the boss.
  - B. Have more meetings.
  - C .
3. The things I liked about this training are:
  - A. The open expression of personal opinions and listening 'to others.
  8. Desa
  - c.
- 4 The things I didn't like-about this training are:
  - A. Too short.
  - B.
  - c.

OTHER COMMENTS:

A. People were open - warm feelings toward one another generated.

B. .Desa - a Native speaker.

C. Clear and understandable.

4. The things I didn't like about this training are:

A. Too short.

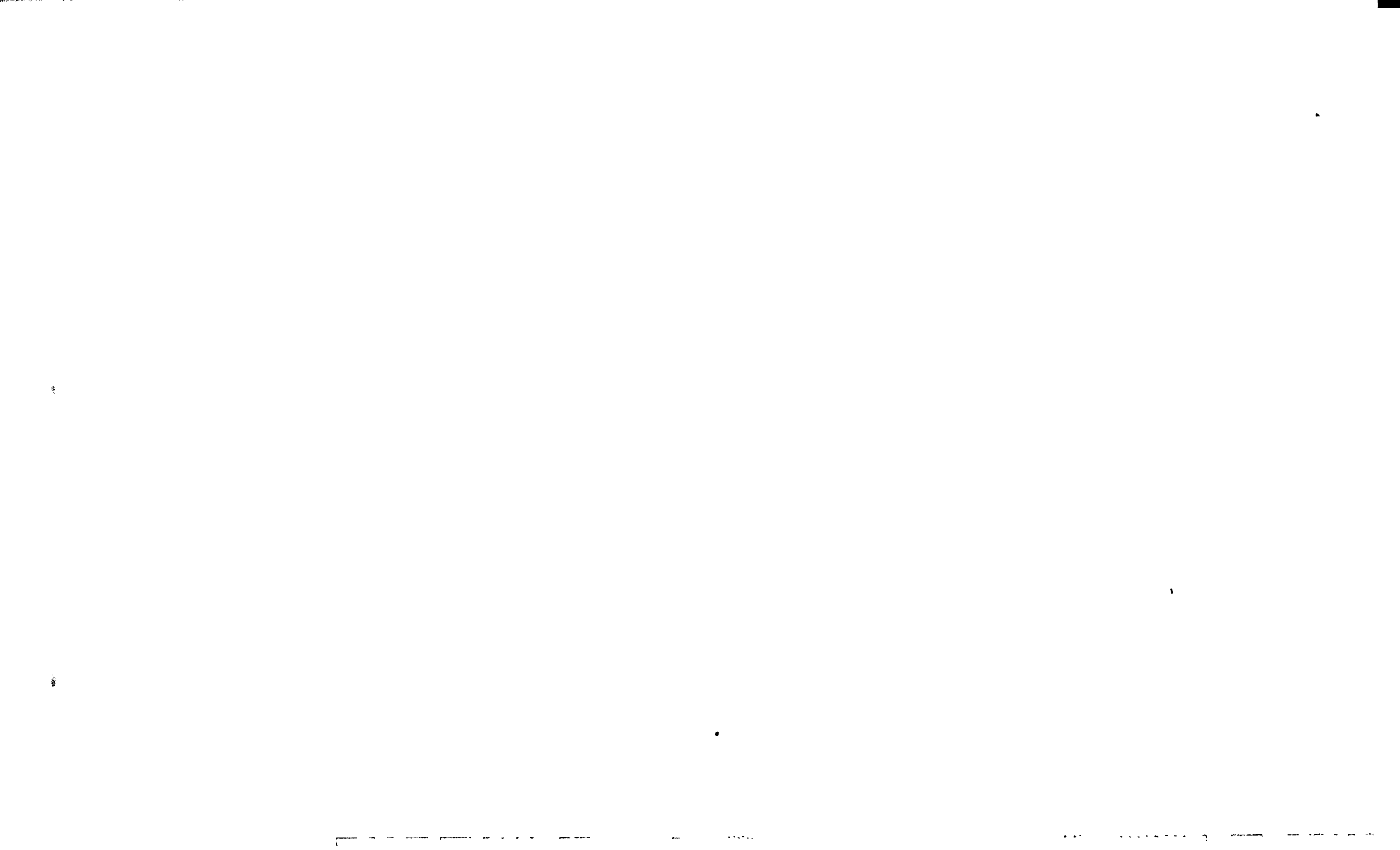
B.

C.

OTHER COMMENTS:

APPENDIX C

Alaska Commercial Company Local-Hire Policy



# ALASKA COMMERCIAL COMPANY

*Tom Evans*

TO: ALL BRANCH MANAGERS

FROM: H/O - Tom Evans

GL#704-MA

SUBJECT Local Hire

DATE: December 7, 1981

We have a **commitment to our** Board of Directors and to the communities in which we have branch stores **TO HIRE LOCALLY** to the **MAXIMUM EXTENT** feasible and consistent with our **requirements**. We must make a good faith effort to recruit locally for all positions and classifications that **are** in your particular branch.

Even though your positions are filled at this **time, recruit** for back-up personnel for every position throughout **your** branch. **Maintain a SEPARATE** file on active local-applicants, create a labor poll to draw **from**. **Generate** contacts with the following and **make** them aware of your **immediate** forecast and/or potential needs: (attached is a letter you can mail out).

1. State **Employment Services**
- 2\* **Public Services** Agencies
3. **Native** Corporations (profit and non-profit" entities --'BOTH)
4. **Clubs, associations** and **local organizations**
5. **Local leaders**
6. **Schools (high schools** and **community colleges)**
7. Communities **within a reasonable distance** to your 'branch location

Post the attached announcement **in** a location or locations, whereas it can be readily read by the" general public, and **within the** entry to the store and in any **other** areas that you may wish to and is permissible.

... # 2

APPENDIX D

Alaska Commercial Company Employee Profile

TO: The Board of Directors - A. R.I. and  
Allan D. Gallant, President of  
Alaska Commercial Company

SUBJECT: Employee Profile of Alaska Commercial  
Company - 1983 *revised*

DATE : May 11, 1983

Attached **herewithin** is the Employee Profile Report as of April 31, 1983. The **employee** profile fluctuates seasonally and by peak periods of employment. For instance, during peak sales periods and seasons, our employment profile **would** reflect more **Native hire** than during the slower periods. But, for the past three years, our records have been consistent **with** the following averages, percent overall:

Native - 47.32 and Management at 19.3%

**After** three years of records, the above percentiles can be considered as the **mean** figures for determining goals and objectives. But, on the other hand, 33 new non-Native employees were inherited through the acquisition of Kenai, which are not in the 1981 and '82 reports. If this amount is extracted from the '83 totals, then the **total** Native profile for the 'Bush' stores would be 53% and management **would** be **21%** Native. We took a decline in Native employment in 1982, **but** progressively improved our percentiles in 1983. We now have **8.5%** more Natives employed over 1982 and 8.12 more Native management personnel. But, more than that, we now have seven Native employees that can move up to management positions **in** the near future, with more training and as openings are **available**.

We have changed our recruitment tactics somewhat in include more concentration towards the **school** system(s). It **is** our experience that recruitment of employees, **who** have experienced high paying jobs are the hardest to retain, due to the fact they **will** leave for better pay much sooner than other employees that have not experienced high wages. So far, the factor has proven out, we are **now** beginning to see a **lessor** turnover this **past** year than preceding years. Our larger branches are actively involved with **local** recruitment through the local schools.

We **will** always experience a high degree of turnover in the non-management **employees in** retail. I've researched turnovers in the urban areas, (Bon, **Jafco**, **Penney's**, Fred Meyers and Nordstrom), and they have the same turnover problems we have experienced. Fortunately, the urban area firms have a larger human resource pool **to draw from**. As a **matter** of fact, they **almost** rotate their employees from firm to firm with experienced people. Our situation differs only in the fact that we don't **have** a large resource to draw from.

There are some factors that should be again brought to light:

1. Native Alaskans make up **16%** of the state's population and our **Native** employees make up 48% of our work force.
2. Native Alaskans make up 11.9% of the employable work force of **Alaska** and our Native employees make up 48% of our work force.
3. **Native** Alaskans make up **12%** of the Alaska Retail work force and our Native employees make up **48%** of our work force.

NOTE : In 40 years, the **Native** population changed from **45%** to 15%. On the other hand, Native **migration to urban areas is at a rate of 6.9%** Per annum, which resulted in a **69%** growth in urban Native population in urban areas over **the** past decade (10 years). Those **migrating** were those that were seeking employment and the betterment of themselves.

Migration reduced the employable Natives in rural areas dramatically; thereby. reducing the resource pool for us to draw from.

4. The retail industry has historically been a "white man's" job and not acceptable by many Natives as acceptable employment or socially approved by their peers. Whereas, seasonal construction, fisheries were **more** acceptable and more sought after as a means of employment. Governmental employment is **still** a major competitor in the work force and more acceptable means of **employment**. Plus, seasonal work is more acceptable to **accommodate** traditional economic activities and life styles.
  5. Population changes in rural areas in the next decade will bring a rapid increase of **non-Natives** and a subsequent decrease in the percentage of Alaska **Natives**. Along with the non-Native increases. there **will** be more marketable **non-Native** skills available for employment, which rural Natives will have to compete with. **All** is not bleak though, assimilation of the rural Natives into wage employment will escalate as the economy changes in their respective areas.
  6. In areas as Dutch Harbor, Nome, Bethel, **Kotzebue** and Barrow, industrialization has made it **more competitive** for us to hire Native employees. Constantly, we are being raided by higher paying opportunities for the employable Natives.
  7. **We employ** more full-time, year around Native employees than any Native Regional Corporation.
  8. Our payroll in Bush Alaska in 1982 was \$2.8 million, of that amount, **Native Alaska** earned \$1.34 million and this past year, Bush Alaska payroll was at \$3.8 million and of that amount, Native **Alaskas** earned \$1.99 (2) million.
  9. Local employment - all non-management employees are hired locally by the Local **Branch** Manager. At times you will see non-Native employees from **all** over the **lower** 48 employed, but bear in mind, they were hired there. Usually **they** come with spouses and seek employment through ACC.
  10. This past year we have had management changes **and** had **to** hire outside of the communities. But, we have concentrated on hiring Alaskans first. Out of twenty management changes. ..promotions, transfers, and new hires. **..only** six were recruited outside of Alaska. **ONLY** six were recruited and Company paid transportation provided from the **Lower** 48.
  11. In our **employment** statistics, casual and part-time employees are not included. **We employ local** Natives **exclusively** in **casual** and **part-timework** and these hires could have been included in our total work force **but** would distort our establishing some real mean figures to work from. Now we have been able to establish the average Native" employment to be at 47.3% and Native Management to be at 19.3% and anything lesser than that should not be acceptable.
- NOTE : Another factor not included **inour** employment statistics is our fur buying which indirectly **employees** more Native Alaskans. Last **yearwe** paid **out** \$700,000 and this year approximately \$400,000, (not as many **trappers** trapped this past year - market too low).
12. **All in all.** we have put out **\$2.39** million in **earnings** to rural Native Alaskans (payroll and fur buying).



14. This coming year a sore concentrated effort will be **made** to train our new **and** employed employees in an effort to reduce turnover and improve the capabilities of our employees for promotions from **within**,

15. Though the office managers are a level of **management**, but have not been counted as such in past reports and are not included *as* management in this report. Of the 17 branches, the office managers in 11 are Native Alaskans.

I. ANALYSIS OF THE PAST THREE YEARS

In 1981, the Board of Directors mandated the Company to maintain records reflecting the ethnic profile of the employees of ACC. This has been done, and primarily to determine the comparison of Native employees to non-Native employees. Prior to that date the records of employee ethnic profiles were not maintained in an accurate system of retrieval due to the federal law making it mandatory not to define national or ethnic origin. This law remains in effect to this date. For this reason, we can only go back three years for analysis purposes.

| YEAR                | <u>1981</u> | <u>1982</u> | <u>1983</u> |
|---------------------|-------------|-------------|-------------|
| Total No. Employees | 215         | 302         | 347         |
| Total No. Natives   | 105         | 136         | 167         |
| Percent             | 49%         | 45%         | 48%         |
| Total Management    | 43          | 53          | 61          |
| Total Native        | 9           | 9           | 12          |
| Percent             | 21%         | 17%         | 20%         |

1983 - We now have seven Native full time employees that are now considered potential management personnel in the Branches, that will be ready for promotion when they attain the experience and the opportunities are open. This is the first year we have been able to stabilize potential management candidates.

NOTE : Management increases in 1982 and 1983 reflects the two new branches of Kenai and Barrow.

II. BRANCH ANALYSIS

ANIAC BRANCH

Sales increased 24.4% during this past year, from \$1 million to \$1.3 million and payroll increased 24.9%, "from \$88,000 to \$110,000.

Management:

Tom Fogarty, (non-Native) - Branch Manager and Regional Branch Operations Manager for five small branches in that geographical area. Long term ACC employee (11 years), transferred from Bethel to Aniak. . . (Wife Karen acts as Branch Manager in his absence.

Chuck Bender, (non-Native) - Manager of Motorized Sales and Services. Local hire. long-term Aniak resident, married to local Native resident.

Ruth Vaska, (Native) - Office Manager, life time resident and understudy to replace the Branch Manager upon his vacating that position.

Profile Statistics:

Management: 100% non-Native  
Hourly Crafts: 80% Native - 20% non-Native

(3) (1)

BARROW BRANCH

This Branch has been under ACC management for two months and a comparison to last year's sales is impossible. Sales for two months were \$1.1 million and payroll \$128,000, or 11.1% of sales. Payroll was high during this period due to re-doing the store completely.

Management: (All new, recruited management)

Roy **Wiseman**, (non-Native) - Branch Manager, long term Alaskan resident from Kodiak. Alaska recruited.

Bob Hartz, (non-Native) - Meat Dept. Manager - former ACC employee and Alaska resident. Alaska recruited.

Clifton Burnette, (non-Native) - Black, **Software** Manager, long term Alaskan resident - lived and was raised in **Rural** Alaska. Alaska recruited.

Steve **Kikendall**, (non-Native) - Grocery Manager, long-term Alaskan resident and ACC employee, transferred from the Nome Branch. Alaska recruited.

Richard **Beneville**, (non-Native) - Housewares/Furniture Dept. Manager - Anchorage resident. Alaska recruited.

Larry **Prickett**, (non-Native) - Hardware Dept. Manager, the only non-Alaskan resident recruited.

**Matt Gunderson**, (non-Native) - Produce Dept. Manager, long term Alaskan resident from Kodiak. Alaska **recruited**.

Jim Fagundes, (non-Native) - Motorized Equipment Sales & Semites, long term! Alaska "resident from **Nome**. Alaska recruited. .

Please Note: Management positions were the **only** positions recruited and hired from outside of Barrow. This was **due** to the **lack of qualified** Applicants. Matter of fact, there were no applicants from Barrow for any of the management positions.

**All** employees in the store were either former employees or **were** hired by the Branch Manager.

There are several local Native employees that could work their **way** up to management, but it is a little early to make a true analysis.

The Branch Manager is recruiting graduating students for full time **employment** with ACC. Barrow is **auniquecommunity** with a lot of employment opportunities at a rate of pay **we** can not compete with. But, on **the** other hand, turnover has not been much different than elsewhere in our chain of Branches.

Management: **100%** non-Native (87.5%-white & **12.5%** black)  
Hourly Crafts: **39%** Native - **61%** non-Native  
(16) (24)

BETHEL BRANCH

Sales increased 21.1% during the past year, from \$6 million to \$7.2 million and payroll increased 20%. from \$566,000 to \$680,000.

Management:

Jon Yancy, (non-Native) - Branch Manager, resident from Anchorage. Alaska recruited.

Dwayne Duxbury. (non-Native) - Hardware Dept. Manager, resident from Seattle area.

Bob Wendelschaeffer, (non-Native) - Grocery Dept. Manager - former Produce Manager - promoted from within.

Bill Larson, (non-Native) - Meat Dept. Manager - resident from Seattle area.

April Varnell, (Native Alaskan) - Software Dept. Manager - long term Bethel resident. Alaska recruited.

Bill Dallman, (non-Native) - Motorized Sales and Service Manager. Resident from Seattle area.

We now have two local Native employees understudying department managers for possible promotion when the opportunity is available.

Profile Statistics:

Management: 87% non-Native  
17% Native

Hourly Crafts: 59% Native (35)  
41% non-Native (25)

CORDOVA BRANCH

Sales increased 8.1% during the past year, from \$1.1 million to \$1.2 million and payroll increased 3.6%, from \$96,600 to \$100,000. (This Branch is solely a grocery store.)

Management:

Jeff Lenz, (non-Native) - Branch Manager, long term ACC employee.

Dennis Rose, (non-Native) - Meat Dept. Manager, long term local resident. Alaska recruited.

Profile Statistics:

Management": 100% non-Native

Hourly Crafts: 20% Native (1)  
80% non-Native (5)

DUTCH HARBOR

Sales increased **19.8%** during the past year, from \$3.2 million to \$3.9 million and payroll increased 1.5% from \$329,000 to \$333,500.

Management:

Jeff **Voltz**, (non-Native) - Branch Manager, long term ACC employee.

Fred Johnson, (non-Native) -Hardware Dept. Manager, long term ACC employee, transferred from Bethel.

**Susan Carlile**, (non-Native) - Software Dept. Manager, long term Alaska resident of Dutch Harbor, promoted from within. Alaska recruited.

Mike **Mincemoyer**, (non-Native - Commercial Gear Dept. Manager - long term ACC employee and Alaskan resident of Dutch Harbor, promoted from within. Alaska recruited.

**Cuong VO**, (non-Native) Vietnamese Grocery Dept. Manager, long term ACC employee and Alaska resident, promoted from within. Alaska recruited.

Profile Statistics:

Management: 100% non-Native (80% white and 20% Vietnamese)

Hourly Crafts: 17% Native (3)  
832 non-Native (16)

EMMONAK

Sales increased slightly, **1.5%** during this past year, from \$1.19 million to \$1.2 million and payroll increased 24.5%, from \$89,000 to \$110,000.

Management:

George **Hootch**, (Native) - Branch Manager, lifetime Emmonak resident and long term ACC employee.

Profile Statistics:

Management: 100% Native

Hourly Crafts: 80% Native (10)  
20% non-Native (2)

FORT YUKON

Sales increased 46.6% during this past year, from \$1.0 million to \$1.5 million, and payroll increased 21%, from \$86,000 to \$104,000.

Management:

Beri **Morris**, (non-Native) Branch Manager, long term local Alaskan resident. Alaska recruited.

Bob Evans. (non-Native) - Motorized Sales and Services, long term Alaskan resident. Alaska "recruited.

Profile Statistics:

**Management:** 100% non-Native

Hourly Crafts: **100%** Native (9)

KENAI BRANCH

Sales surpassed forecasted projections and were at \$3.0 million first full year of operation, and payroll was at 13.9%-\$409,000. Payroll has been high due to excessive hours of operations to expand consumer base.

Management:

Mark Gage, (non-Native) - Branch Manager, resident from the Spokane area.

Bob Henry (Native) - Branch Management Trainee - resident Kenai

Department Managers:

|               |                  |
|---------------|------------------|
| Amy Cook      | - Sportswear     |
| Denise Grimm  | - Cosmetics      |
| Bonnie Lee    | - Office Manager |
| Pat Price     | - Lingerie       |
| Dawn' Rysdahl | - Mens           |
| Penny. Vann   | - Children .     |

All the above *are* former Nordstrom employees that chose to remain with Alaska Commercial Company and are **all** Alaskan residents.

Profile Statistics:

Management: 100% non-Native **12.5% Native**

Hourly Crafts: 102 Native (2)  
90% non-Native (22)

It **must** be considered that the Company inherited a staple work force and turnover has been minimal. Kenai Native Association has been contacted for referrals, but to date there has not been one applicant referred to ACC.

KOTLIK BRANCH

Sales increased **19.2%** during the past year, from \$740,000 to \$880,000 and payroll increased 33.7%, from \$64,000 to \$86,000. (This is due to a number of management changes during the year).

Management:

Rosalind Virg-In (non-Native) - Branch Manager, long term Alaskan resident and ACC employee. Promoted **and** transferred from Emmonak.

Profile Statistics:

Management: 100% non-Native

Hourly Crafts: 100% Native (4)  
D-8

KOTZEBUE BRANCH

Sales increased 26.3% during the past year, from \$4.5 million to \$5.6 million and payroll increased 25.22, from \$374,000 to \$468,000.

Management:

Alvin Ivanof f. (Native) - Branch Manager, long term ACC employee and Alaskan resident.

Neil Colby, (non-Native) - Hardware Dept. Manager, Seattle resident.

Charles Sauer, (non-Native) - Meat Dept. Manager, Seattle resident.

Ernest Norton, (non-Native) - Assistant Manager and department replacement, life long resident of Kotzebue.

Ruth Nanouk, (Native) - Software Manager, life long resident of Kotzebue.

Profile Statistics:

Management: 40% Native  
60% non-Native

Hourly Crafts: 852 Native (25)  
15% non-Native (5)

McGRATH BRANCH

Sales increased 16.0% during the past year, from \$1.0 million to \$1.2 million and payroll increased 24.1%, from \$83,000 to \$103,000.

Management:

Jim Pierson, (non-Native) - Branch Manager, long term Alaskan resident and ACC employee.

Profile Statistics:

Management: 100% non-Native

Hourly Crafts: 17% Native (1)  
83% non-Native (5)

NAKNEK BRANCH

Sales decreased 1.2% during the past year, from \$644,000 to \$636,000 and payroll increased 24.8%, from \$51,000 to \$64,000, but this includes several management changes.

Management:

Jerry Holbrokk, (non-Native) - Branch Manager. long term ACC employee. promoted from within.

Profile Statistics:

Management: 100% non-Native  
Hourly Crafts: 100% Native (2)

NOME BRANCH

Sales increased 34.8% during the past year, from \$4.6 million to \$6.2 million and payroll increased 13.7%, from \$473,000 to \$538,000.

Management:

Steve Olson, (non-Native) - Branch Manager and General Manager Branch Operations, with additional duties as Operations Manager over the five larger branches.

Mark Melton, (non-Native) - Ass't. Branch Manager, local resident married to a local Native. Alaska recruited.

Bob Schum, (non-Native) - Grocery Dept. Manager, Alaska resident. Alaska recruited.

Allison Chaffin, (non-Native) - Software Dept. Manager. Local Alaskan resident.

Jess Chapman, (non-Native) - Meat Dept. Manager, Alaskan resident and long term ACC employee.

Don Wright, (non-Native) - Hardware Dept. Manager, Alaskan resident, long term ACC employee and inter-branch transfer.

This Branch has three Native employees understudying department managers for eventual management positions.

Profile Statistics:

|                |      |            |      |
|----------------|------|------------|------|
| Management:    | 100% | non-Native |      |
| Hourly Crafts: | 70%  | Native     | (34) |
|                | 30%  | non-Native | (15) |

ST. MARY'S

Sales during this past year were \$321,000 and payroll at 12.12 or \$37,000. Payroll was high due to extra hours spent on refixturing and remodeling. (No past year to compare with.)

Management:

Moses Pauken, (Native) - Branch Manager, life long local resident.

Raphael Mike, (Native) - Hardware and Ass't. Manager, life long resident.

Profile Statistics:

|                |      |        |     |
|----------------|------|--------|-----|
| Management:    | 100% | Native |     |
| Hourly Crafts: | 100% | Native | (6) |



ST. MICHAEL

Sales increased 44.7% during this past year, from \$507,000 to \$734,000 and payroll increased **21.3%**, from \$44,000 to \$53,000.

Management:

John Shipton, (non-Native) - Branch Manager. long term ACC employee and Alaskan resident.

Profile Statistics:

Management: 100% non-Native

Hourly Crafts: 100% **Native** (2)

TANANA

Sales increased 10.9% during the past year, from \$521,000 to \$578,000, and payroll increased 9.8%, from \$64,000 to \$71,000.

Management:

Guy Marshall, (non-Native) - Branch Manager, long term Alaskan resident. Alaska recruited.

Verna Folger, (Native) - Life time local resident and under study to replace the Branch "Manager in the future. (Ass't. Mgr.)

Profile Statistics:

Management: 100% **non-Native**

Hourly Crafts: 100% Native (6)

UNALAKLEET

Sales increased 10.8% during this past year, from \$1.4 million to \$1.5 million and payroll increased **17.8%**, from \$128,000 to \$150,000.

Management:

Martin Nanouk, (Native) - Branch Manager, long term ACC employee and life time Alaskan resident.

Profile Statistics:

Management: 100% Native

Hourly Craft: 100% **Native** (8)

Total Employees: 347 (Mgt. 61- Hourly 286)

155 **Native**

131 non-Native

III . . . LOCAL HIRE AND TRAINING

1. **Local** hire prevails in every **Branch**. Every quarter a letter is sent to each Profit and Non-Profit Native Regional Corporation for distribution **throughout** their respective areas. (See attachments.)
2. **Branch Managers**, department managers, and supervisors recruit locally, exclusively for all openings within their respective branches. Bear in mind. . . ALL HOURLY - NON-MANAGEMENT PERSONNEL ARE EXCLUSIVELY RECRUITED AND HIRED LOCALLY BY THE BRANCH MANAGERS. At no time are non-local, non-management personnel recruited outside of the communities we serve.

Though we hire personnel that may be from the Lower 48. (at some point and time), they were in fact locally established on their own prior to hire. **Also**, some of those **non-Native/non-Alaskans** were at times brought into the communities by our Native employees or local Natives as spouses and/or girl friends. The majority of non-Natives hired locally are there with their spouses or were **brought** in by another firm.

3. Promotion from within is an established factor throughout our firm. We now have 7 Native employees that show potential management possibilities. They are being given every opportunity-and motivation to improve their **skill** levels, so that when an opening does exist, they can be promoted.

We've had several opportunities to promote Native employees outside of their communities, but to no avail - most Native employees will not relocate to another community - for their **own** just reasons.

4. This year we have established a Branch Merchandising Support Team, based out of Anchorage and staffed from within, by long term ACC employees, considered to be the best in their fields, that will assist on-the-job training efforts at the Branch level.

Historically, **the** retail industry has never been an established institutionalized training field. Ninety percent of training **is** in-house and on-the-job. **Skill** training is functional **training** to **perform** specific task based on the needs of the Branch.

5. " There are several agencies funded and willing to perform institutionalized training, but without any programs designed nor totally related to the retail industry.
6. The Company instituted our education program for **all** employees the first year of **ACC's** take over. Whereas, an employee can take educational classes that are job related, evenings and/or even during their work hours. up to 8 hours per week from their jobs, with pay, if classes are not available at nights. Tuition and text supplies are reimbursed by the Company upon the employees successful completion of their courses.
7. There are some courses available now at the Seward Skill Center (**Vocational**) that we will recruit employees from within to attend. Meat cutters, which is a natural for our Native employees. Produce management, another natural that does not require a lot of academic skills or time. Plus, we can cross-train our Native employees **intopower** plant **and** refrigeration **maintanance** as additional **duty(ies)** with additional pay.

8. At this time. we are having **each** office-"-manager (majority are Native), come into the Kent Office for training within to improve their skills and earning power.
9. " Due to the fact that OJT (on-the job-training) is our **primary** means of training, each Branch Manager and Department Manager **shall** assess their immediate needs, based on the needs of the Branch now and in the future, and the needs of the now existing employees. Our intent is to upgrade our present employees in order to establish an upward bound **system** from within. Whereas; we shall train our now employed-to be **elevated upward** and new employees will be given secondary training and orientation. In essence. <sup>we</sup> **will** give priority to the employees that have stuck with us first - **all** others **will** be secondary.
10. Alternative training **programs** are now being evaluated on their applicability to our needs as the employer and the needs of our employees.

APPENDIX E

Alaska Commercial Company Training Questionnaire Results

## ALASKA COMMERCIAL COMPANY QUESTIONNAIRE

1. What happens to this company is really important to me.
  1. Strongly Disagree
  2. Disagree
  3. Neither Agree or Disagree
  4. Agree 7
  5. Strongly Agree 5
  
2. I feel very little loyalty to this company.
  1. Strongly Disagree 3
  2. Disagree 7
  3. Neither Agree or Disagree 1
  4. Agree 1
  5. Strongly Agree
  
3. I could care less what happens to this company as long as I get my paycheck.
  1. Strongly Disagree 4
  2. Disagree 7
  3. Neither Agree or Disagree 1
  4. Agree
  5. Strongly Agree
  
4. I often think of quitting.
  1. Strongly Disagree 2
  2. Disagree 6
  3. Neither Agree or Disagree 1
  4. Agree 3
  5. Strongly Agree
  
5. Working for this company brings me the respect of my friends-and neighbors.
  1. Strongly Disagree
  2. Disagree 1
  3. Neither Agree or Disagree 2
  4. Agree 8
  5. Strongly Agree 1
  
6. The kind of work I do at this company is seen as worthwhile by my friends and neighbors.
  1. Strongly Disagree "
  2. Disagree 1
  3. Neither Agree or Disagree 4
  4. Agree 6
  5. Strongly Agree 2

7. Knowing ~~what~~ I now now, if I had to decide all over again whether to take the job I have now, I ~~would~~ decide to take it.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree
4. Agree **8**
5. Strongly Agree **4**

8. If a good friend of mine were interested in getting a job like mine in ~~this company, I would~~ recommend it.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree **2**
4. Agree **10**
5. Strongly Agree

9. My job allows me to use a wide range of my abilities.

1. Strongly Disagree
2. Disagree **1**
3. Neither Agree or Disagree
4. Agree **8**
5. Strongly Agree **3**

10. My job gives me a chance to learn new skills and techniques.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree **2**
4. Agree **7**
5. Strongly Agree **3**

11. On my Job I have a chance to do some things that really test my ability.

1. Strongly Disagree -
2. Disagree **1**
3. Neither Agree or Disagree **1**
4. Agree **9**
5. Strongly Agree **2**

12. My job is generally boring.

1. Strongly Disagree **2**
2. Disagree **7**
3. Neither Agree or Disagree **2**
4. Agree **1**
5. Strongly Agree

- 1
13. It is often rewarding for me to do my job differently than the way the company wants me to.
1. Strongly Disagree
  2. Disagree 6
  3. Neither Agree or Disagree 1
  4. Agree 4
  5. Strongly Agree
14. I could do my job a great deal better than I am now doing it.
1. Strongly Disagree
  2. Disagree 4
  3. Neither Agree or Disagree 3
  4. Agree 4
  5. Strongly Agree 1
15. I used to care more about my job than I do now..
1. Strongly Disagree
  2. Disagree 8 "
  3. Neither Agree or Disagree 1
  4. Agree 2
  5. Strongly Agree 1
16. I have everything I need to do my job well.
1. Strongly Disagree
  2. Disagree 4
  3. Neither Agree or Disagree
  4. Agree 7
  5. Strongly Agree 1
17. I really enjoy my job.
1. Strongly Disagree
  2. Disagree 1
  3. Neither Agree or Disagree 1
  4. Agree 8
  5. Strongly Agree 2
18. Employees should be treated as an individual in terms of work rules, raises, benefits, etc., not just part of the group.
1. Strongly Disagree 1
  2. Disagree 3
  3. Neither Agree or Disagree 2
  4. Agree 3
  - 5\* Strongly Agree 3

19. I am treated as an individual rather than just part of the group.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 5
4. Agree 6
5. Strongly Agree

20. I have a great deal to say about what changes are made in my work area.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 4
4. Agree &
5. Strongly Agree 1

21. I get to influence decisions that affect my job.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree 3
4. Agree 9
5. Strongly Agree

22. If I need time off to take care of a personal problem, I can get it. "

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree 3
4. Agree 9
5. Strongly Agree

23. I am often asked for my ideas by higher management.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 3
4. Agree 7
5. Strongly Agree 1

24. People who get ahead in **this** company deserve it.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 3
4. Agree 4
5. Strongly Agree 4



25. In this part of the company, getting a promotion if based on ability.

1. Strongly Disagree
2. Disagree /
3. Neither Agree or Disagree 3
4. Agree 7
5. Strongly Agree /

26. Job experience is financially rewarded in this company.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 2
4. Agree 8
5. Strongly Agree 1

27. Higher management-of this company is really interested in my getting ahead.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 6
4. Agree 5
5. Strongly Agree

2a. I feel that I have the opportunity to get promoted.

1. Strongly Disagree
2. Disagree 2
3. Neither Agree or Disagree 3
4. Agree &
5. Strongly Agree /

29. I really expected to make more job progress than I have up to now.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 5
4. Agree 2
5. Strongly Agree 2

30. I deserve to have been promoted higher by now.

1. Strongly Disagree
2. Disagree 7
3. Neither Agree or Disagree 4
4. Agree /
5. Strongly Agree

31. I am making satisfactory progress toward my career goals.

1. Strongly Disagree ,--
2. Disagree /
3. Neither Agree or Disagree 4
4. Agree 6
5. Strongly Agree 1

32. I want to stay on my present job until I retire.

1. Strongly Disagree /
2. Disagree 4
3. Neither Agree or Disagree 4
4. Agree 3
5. Strongly Agree

33. I feel that I am more qualified than some of the people who have been promoted to higher positions.

1. Strongly Disagree 1
2. Disagree 3
3. Neither Agree or Disagree 7
4. Agree
5. Strongly Agree

34. My immediate supervisor treats me fairly.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 1
4. Agree 9
5. Strongly Agree 2

35. I can disagree openly with my boss.

1. Strongly Disagree
2. Disagree 3
3. Neither Agree or Disagree 2
4. Agree 7
5. Strongly Agree

36. My immediate supervisor should delegate more work to the employees.

1. Strongly Disagree
2. Disagree 3
3. Neither Agree or Disagree 3
4. Agree 4
- 5\* Strongly Agree 2

37. My immediate supervisor gets too involved in the details of **employees' jobs**.

1. Strongly Disagree 1
2. Disagree 8
3. Neither Agree or Disagree 3
4. Agree
5. Strongly Agree

38. I often get differing **directions** from higher management, and I feel caught in the middle.

1. Strongly Disagree
2. Disagree 6
3. Neither Agree or Disagree 4
4. Agree 2
5. Strongly Agree

39. My immediate supervisor is interested' in listening to what I have to say.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 2
4. Agree 6
5. Strongly Agree 3

40. My immediate supervisor is one of the best **people** to work with.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree 1
4. Agree 9
5. Strongly Agree 2

41. I respect my immediate supervisor as a leader. .

1. Strongly Disagree
2. Disagree /
3. Neither Agree or Disagree
4. Agree 6
5. Strongly Agree 5

42. My immediate supervisor is available to help whenever **I need it**.

1. Strongly Disagree
2. Disagree 3
3. Neither Agree or Disagree
4. Agree 5
5. Strongly Agree 4

43. Communication is good in my work group.

1. Strongly Disagree
2. **Disagree**
3. Neither Agree or Disagree **2**
4. Agree **8**
5. Strongly Agree **2**

44. I really enjoy the **people** in my work group.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree **3**
4. Agree **8**
5. Strongly Agree **1**

45. Members of my work group trust each other.

1. Strongly Disagree
2. Disagree **1**
3. **Neither** Agree or Disagree **3**
4. Agree **5**
5. Strongly Agree **3**

46. If I have problems with my job, I can count on my co-workers **f**or help.

1. Strongly **Disagree**
2. Disagree **1**
3. Neither Agree or Disagree **2**
4. **Agree** **5**
5. Strongly Agree **4**

47. There is a great deal of teamwork in my work group.
1. Strongly Disagree
  2. Disagree
  3. Neither Agree or Disagree 3
  4. Agree 7
  5. Strongly Agree 2
48. There are too many distractions on my job.
1. Strongly Disagree
  2. Disagree 9
  3. Neither Agree or Disagree /
  4. Agree /
  5. Strongly Agree 1
49. I wish they would **change** the way my work area is set up.
1. Strongly Disagree
  2. Disagree 5
  3. Neither Agree or Disagree 3
  4. Agree 3
  5. Strongly Agree 1
50. The productivity in our work group is **high**.
1. Strongly Disagree
  2. Disagree 2
  3. Neither Agree or Disagree 3
  4. Agree 6
  5. Strongly Agree 1
51. The temperature is comfortable.
1. Strongly Disagree
  2. Disagree 5
  3. Neither Agree or Disagree >
  4. Agree 4
  5. Strongly Agree 1
52. The layout of my work space/office is convenient.
1. Strongly Disagree
  2. Disagree 4
  3. Neither Agree or Disagree 2
  4. Agree 6
  5. Strongly Agree

53. I feel that I **don't** have enough privacy **when** I talk to other employees. .

1. Strongly Disagree
2. Disagree **8**
3. Neither Agree or Disagree **3**
4. Agree **1**
5. Strongly Agree

54. Responsibility for achieving goals is shared by everyone in the organization.

1. Strongly Disagree
2. Disagree **3**
3. Neither Agree or Disagree **2**
4. Agree **5**
5. Strongly Agree **1**

55. There is a high degree of trust and confidence-between employees in my work area.

1. Strongly Disagree
2. Disagree **1**
3. Neither Agree or Disagree **1**
4. Agree **9**
- \* 5. Strongly Agree **1**

56. In comparison to people in similar jobs in other companies, I feel my pay is:

1. Much Lower **3**
2. Slightly Lower **3**
3. About the Same **4**
4. Slightly Higher **1**
5. Much Higher **1**

57. Compared to similar jobs in **the** company, I feel my pay is:

1. Much Lower
2. Slightly Lower **2**
3. About the Same **8**
4. Slightly Higher **2**
5. Much Higher

58. I **would** rate the amount of pay I receive on my job as:

1. Very Poor
2. Poor **2**
3. Fair **5**
4. Good **6**
5. Very Good

59. I rate the employee benefit programs at this company as:

1. Very Poor
2. Poor
3. Fair 2
4. Good 9
5. Very Good 1

60. In providing job security, I would rate this company:

1. Very Poor
2. Poor 3
3. Fair 3
4. Good 5
5. Very Good 1

61. Our employee benefit programs cover all the areas they should .

1. Strongly Disagree
2. Disagree 2
3. Neither Agree or Disagree 2
4. Agree 8
5. Strongly Agree

62. Other Companies in the area provide better benefits than this company.

1. Strongly Disagree
2. Disagree 4
3. Neither Agree or Disagree 6
4. Agree 2
5. Strongly Agree

63. People at the top of this organization are aware of the problems at my level of the organization.

1. Strongly Disagree
2. Disagree 2
3. Neither Agree or Disagree 6
4. Agree 4
5. Strongly Agree

64. Sufficient effort is made to get the opinions and thinking of the people who wrk here.

1. Strongly Disagree
2. Disagree 2
3. Neither Agree or Disagree 4
4. Agree 6
5. Strongly Agree

65. The company magazine or paper is a good source of information about what is happening in the company.
1. Strongly Disagree /
  2. Disagree /
  3. Neither Agree or Disagree 3
  4. Agree 5
  5. Strongly Agree 2
66. The bulletin board is a good source of information about what is happening in the company.
1. Strongly Disagree /
  2. Disagree /
  3. Neither Agree or Disagree 5
  4. Agree 5
  5. Strongly Agree
67. My immediate supervisor is a good source of information about what is happening in the company.
1. Strongly Disagree
  2. Disagree /
  3. Neither Agree or Disagree
  4. Agree 10
  5. Strongly Agree /
68. The employee grapevine is a good source of information about what is happening in the company.
1. Strongly Disagree
  2. Disagree 4
  3. Neither Agree or Disagree 3
  4. Agree 4
  5. Strongly Agree /
69. We need more informational orientation sessions.
1. Strongly Disagree
  2. Disagree /
  3. Neither Agree or Disagree 6
  4. Agree 4
  5. Strongly Agree /
70. We need more information about what other departments do in this facility.
1. Strongly Disagree
  2. Disagree /
  3. Neither Agree or Disagree 2
  4. Agree 7
  5. Strongly Disagree 2



71. The company should hold meetings of my work group to discuss problems that affect us.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 3
4. Agree 7
5. Strongly Agree 1

72. I enjoy working with customers.

1. Always 8
2. Most Of the time. 1
3. Some of the time. 1
4. Seldom 1
5. Never /
6. Does not apply to me.

73. I feel it is my duty to keep customers from taking advantage of the company.

1. "Always 2
2. Most-of the time.
3. Some of the time. 2
4. Seldom 3
5. Never 1
6. Does not apply to me. 4

74. I think of the customer or final user of our product when I am working on my job.

1. Always 3
2. Most of the time. 1
3. Some of the time. 4
4. Seldom 1
5. Never 1
6. Does not apply to me. 2

75. At work I feel tense. -

1. Always 1
2. Most of the time. 1
3. Some of the time. 4
4. Seldom 5
5. Never 1
6. Does not apply to me.

76. At work I feel short tempered.

1. Always
2. Most of the time. 1
3. Some of the time.
4. Seldom 7
5. Never 4
6. Does not apply to me.

77. At work I feel downhearted and sad.

1. Always
2. Most of the time. /
3. Some of the time. /
4. Seldom 5
5. Never 5
6. Does not apply to me.

78. I enjoy work which I do the same thing over and over.

1. Strongly Disagree
2. Disagree 5
3. Neither Agree or Disagree 2
4. Agree 5
5. Strongly Agree

79. I prefer jobs where unexpected problems often come up.

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 6
4. Agree 4
5. Strongly Agree 1

80. I prefer to be told exactly what I am supposed to do and how I am to do it.

1. Strongly Disagree
2. Disagree 3
3. Neither Agree or Disagree
4. Agree 7
5. Strongly Agree 2

81. I like to make my own decisions about how to do my job.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree 6
4. Agree 5
5. Strongly Agree 1

82. I often worry about making mistakes on my job.

1. Strongly Disagree
2. Disagree 3
3. Neither Agree or Disagree 1
4. Agree 7
5. Strongly Agree 1

83. I feel I am overqualified for my job.

1. Strongly Disagree 1
2. Disagree 6
3. Neither Agree or Disagree 4
4. Agree 1
5. Strongly Agree

84. I feel that I have too much to do to get it done properly.

1. Strongly Disagree
2. Disagree 5
3. Neither Agree or Disagree 4
4. Agree 3
5. Strongly Agree

85. I feel I am being "hassled".

1. Strongly Disagree
2. Disagree 2
3. Neither Agree or Disagree 8
4. Agree 2
5. Strongly Agree

86. I have trouble getting the information I need to do my job well.

1. Strongly Disagree 1
2. Disagree 6
3. Neither Agree or Disagree 3
4. Agree 2
5. Strongly Agree

87. I have difficulty getting tools and supplies when I need them on the job.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree 9
4. Agree 1
5. Strongly Agree 2

88. I never really know how **well** I **am doing on my job.**
1. Strongly Disagree
  2. Disagree
  3. Neither Agree or Disagree 6
  4. Agree 2
  5. Strongly Agree 4
89. Most **people** have more than enough time to get their jobs **done** properly.
1. Strongly Disagree
  2. Disagree 3
  3. Neither Agree or Disagree 5
  4. Agree 3
  5. Strongly Agree 1
90. Changes in this organization **usually** create more problems than they **solve.**
1. Strongly Disagree
  2. ~~Disagree~~
  3. Neither Agree or Disagree 5
  4. Agree 6
  5. Strongly Agree 1
91. I am encouraged to learn more about my job.
1. Strongly Disagree
  2. ~~Disagree~~ 2
  3. Neither Agree or Disagree 1
  4. Agree 6
  5. Strongly Agree 3
92. The performance review program **allows me** an opportunity to discuss my contributions and performance difficulties with my supervisor.
1. Strongly Disagree
  2. Disagree 2
  3. ~~Neither~~ Agree or Disagree 2
  4. Agree 6
  5. Strongly Agree 2
93. If I **felt** my supervisor was not **being** fair to me, I would contact my **personnel department representative.**
1. ~~Strong~~ Disagree
  2. Disagree 4
  3. Neither Agree or Disagree
  4. Agree 8
  5. Strongly Agree

94. At this location, we feel isolated from other locations.

1. Strongly Disagree
2. Disagree. 8
3. Neither Agree or Disagree 1
4. Agree 3
5. Strongly Agree

95. I am responsible for **the quality of my work.**

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree
4. Agree 9
5. Strongly Agree 3

96. I understand how other sections or departments work.

1. **Strongly** Disagree . .
2. Disagree 1
3. Neither Agree or Disagree 5
4. " A g r e e 6
5. Strongly Agree

97. Personnel from other sections or departments are usually cooperative and helpful. "

1. Strongly Disagree
2. Disagree 1
3. Neither Agree or Disagree 3
4. Agree 7
5. Strongly Agree 1

98. I try to be pleasant and **polite** to other employees.

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree 1
4. Agree 11
5. Strongly Agree

99. Other department employees . are rude to this department's **employees.**

1. **Strongly** Disagree
2. Disagree 2
3. Neither Agree or Disagree 8
4. Agree 2
5. Strongly Agree

100. There is spirit of cooperation between our department and other departments.

1. Strongly Disagree
2. Disagree /
3. Neither Agree or Disagree 3
4. Agree 6
5. Strongly Agree 2

101. Management has done things which fosters competition between departments or between employees.

- 1. Strongly Disagree
2. Disagree 5
3. Neither Agree or Disagree 2
4. Agree 4
5. Strongly Agree /

102. I receive orders from higher managers that conflict with other orders that I have already received from other managers.

1. Strongly Disagree
2. Disagree 7
3. Neither Agree or Disagree 3
4. Agree 1
5. Strongly Agree

103. Are you:

1. Male 7
2. Female 5

104. How long have you worked for Alaska Commercial Company?

1. Less than six months. 3
2. Six months to five years. 8
3. Six to ten years.
4. Eleven to nineteen years. .
5. Twenty to twenty-nine years.
6. Twenty-nine years plus.

105. What is the highest level of education you have attained?

1. 1 to 4 years high school but did not graduate. 4
2. High school graduate. 7
3. 1 to 4 years college, or a formal vocational program 1
4. Graduated from a 4 year college.
5. Completed some graduate work or graduate degree.

106. What is your age?

1. 20 or less 3
2. 21 to 30 years 7
3. 31 to 40 years 2
4. 41 to 50 years
5. 51 to 60 years
6. Over 60 years

107. The level of your current position is:

1. Department Supervisor 2
2. Middle Level Manager 1
3. Functional Manager 4

108. Your Department is:

1. Sales 7
2. Production 2
3. Accounting/ Administration 1
4. Other Staff 1

APPENDIX F

Management Plans for Nondalton Doll Manufacturing Plant



March 14, 1984

## MEMORANDUM

TO: Don Anderson, Executive Director  
Nondalton Native Corporation

FROM : Lee Gorsuch, Director <sup>19</sup>  
Institute of Social and Economic Research

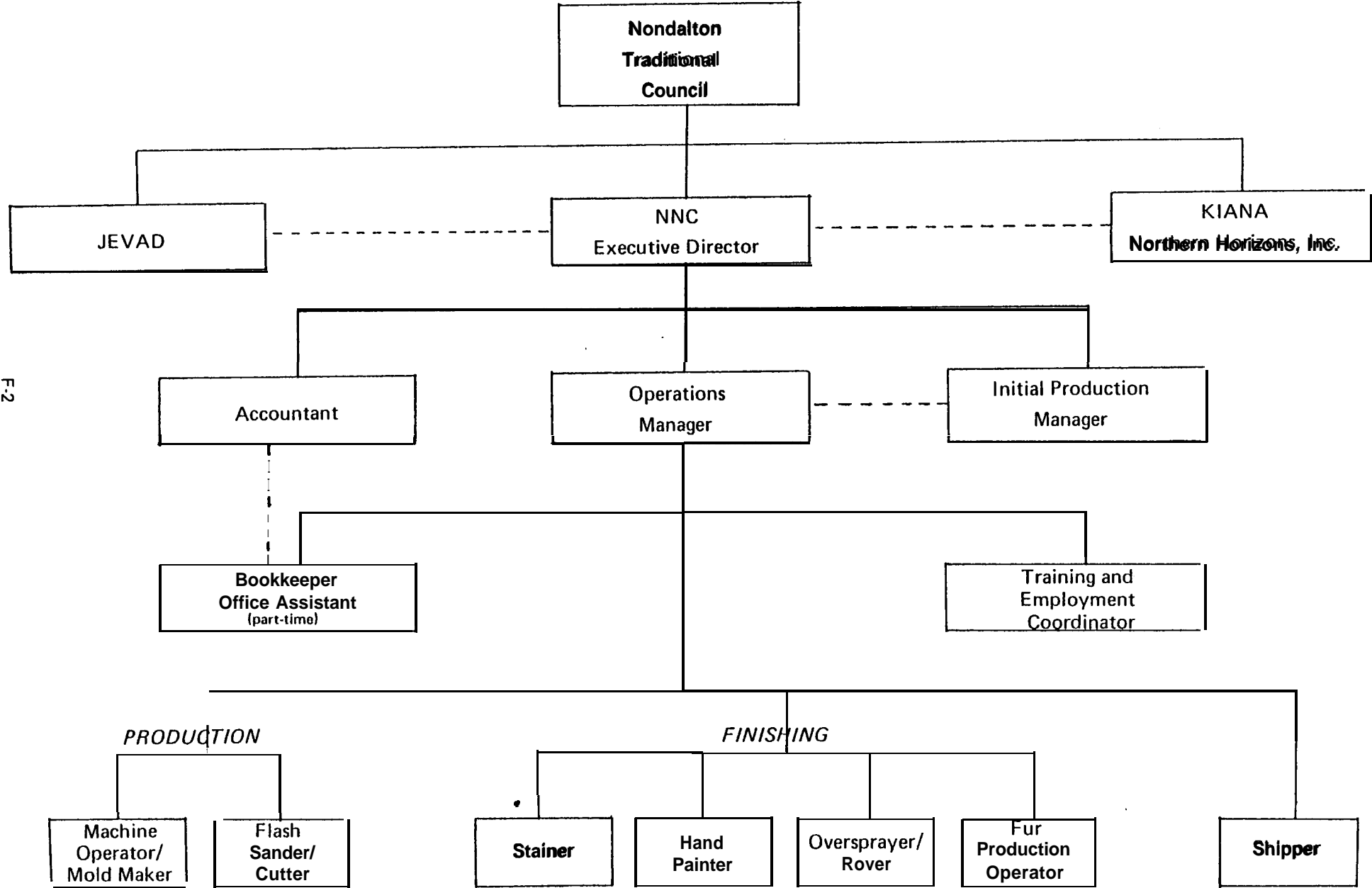
SUBJ : Preliminary Organization Chart

Based upon NNC's proposal to provide the Nondalton Traditional Council with assistance in the initial organization and subsequent management of the doll manufacturing project, I sketched the attached organization chart. I incorporated the plant staffing based on the notes and draft job descriptions Ted left me. Presumably these will be reviewed and recommended to the Council by Bill Lee. I do not know which jobs are full-time but assume the decisions will be made in the near future, once the financial constraints are known and the real work time production requirements are determined.

Please call me if any changes should be made in the chart of if you feel a chart is premature.

Attachment

PRELIMINARY ORGANIZATIONAL CHART OF THE NONDALTON DOLL MANUFACTURING PROJECT



F-2

## MEMORANDUM

TO: John Harris, Steve Wilson, Jane Angvik

FROM : Lee Gorsuch

SUBJ : A DRAFT START-UP PLAN FOR THE NONDALTON DOLL MANUFACTURING PLANT

As I promised yesterday, the following **is** a preliminary **list** of work tasks to be performed in order to get the manufacturing plant in full operation. I **am** certain each of you will want to add to and delete from the list based on your judgment **of** what needs to be done when and by whom. **This list is intended to** simply stimulate your thinking. I do think some such list, once finalized, will help coordinate each of our respective roles and also be a useful means of keeping one another informed on how things are progressing.

If possible, I would suggest you revise this list today and bring your changes with you to the Friday meeting. Hopefully at that time a final list could be compiled and agreed upon. I would also suggest that copies of the management agreement, the marketing agreement, and the draft set of employment work rules be exchanged and discussed at that meeting. "

I hope the following list serves to be helpful.

| <u>TASKS TO BE PERFORMED</u>  | <u>Completion<br/>Date</u> | <u>Person<br/>Responsible</u> |
|---|----------------------------|-------------------------------|
| 1. Secure agreement and <b>ratification</b> of the management agreement between the Traditional Council and NNC.  |                            |                               |
| 2. Distribute copies of the management agreement among interested parties.  |                            |                               |
| 3. Appoint and orient <b>NNC's</b> project supervisor.  |                            |                               |
| 4. Appoint the <b>interim</b> or start-up <b>plant</b> manager.   |                            |                               |
| 5. Secure agreement and ratification of the . marketing agreement between the Traditional Council and <b>Kiana</b> Dolls.   |                            |                               |
| 6. Draft a preliminary budget for plant operations.   |                            |                               |
| 7. Draft a preliminary plan for plant operations including monthly production quotas, size of work force, <b>estimates of</b> supply requirements, operation and maintenance of plant equipment, etc. |                            |                               |
| 8. Secure agreement and ratification of <b>work rules</b> and employment conditions, including wages, <b>benefits, work hours, etc.</b>   |                            |                               |
| 9. <b>Recruit, screen, and recommend resident plant manager.</b>  |                            |                               |
| 10. Employ plant manager.   |                            |                               |
| 11. Begin orientation and training of plant manager.  |                            |                               |
| 12. Review and finalize the physical layout of the plant.   |                            |                               |
| 13. Inspect equipment inventory and install equipment.  |                            |                               |
| 14. Order supplies and set up an inventory control system.  |                            |                               |
| 15. Prepare personnel forms (applications, withholdings, <b>time cards, etc.</b> ) and <b>set up</b> accounting system for project.   |                            |                               |

TASKS TO BE PERFORMED

Completion  
Date

Person  
Responsible

16. Complete plant construction "punch" list and close out **JEVAD** contract and submit report to Traditional Council.
17. Finalize initial plant operation plan.
18. Finalize first quarter budget **for** plant operations, project, cash flow requirements and secure interim financing.
19. Recruit, screen and employ plant employees.
- 20.** Orient and train all plant/project staff.
21. Begin production training of employees.
22. Prepare plans for the official opening of the plant.
23. Implement plan of operations.
24. Establish a management monitoring and reporting system.
25. Prepare and submit monthly production and financial reports to the Traditional Council.