

American vs. Immigrant Labor

By C. Kenneth Meyer

[During a period of cutback management, foreign workers are recruited to replace American ones at a federal agency. Some of the advantages and limitations, as well as myths and stereotypes associated with hiring immigrant workers are presented.]

There was nothing about the letting of a contract to provide janitorial service for a training center of the Federal Aviation Administration that indicated any problems would arise. It was all routine. The training center had been having the work done under contract to a private company for years, competitive bids were asked, and the contract was let to the low bidder.

The only new thing was that a local firm, Kleen-Sweepers, was taking over from an out-of-state firm, Magic Maintenance, which had held the contract the past three years. Kleen-Sweepers had won the contract with a first-year bid of \$765,848. Acme Cleaning and Maintenance, another local firm, was second with a bid of \$846,909, and Magic Maintenance was third with a bid of \$876,300.

Trouble began when Darrell Sanger, manager of the procurement division at the center, learned from employees of plans by Kleen-Sweepers to replace the entire work force of Magic Maintenance by what they called "foreigners." Magic Maintenance had employed an average of sixty janitors and Kleen-Sweepers intended to reduce the number to fifty, all of them Koreans, either immigrants or persons with work permits.

Sanger did not like the idea of a 100-percent turnover of workers, especially one that replaced the present force with immigrants. The service contracting firm had the right to bring in its own workers, but in the past, as a general rule, it had interviewed and hired on a trial basis most of the old force. Sanger's chief objection; however, was that the wholesale firing of some workers and replacing them with persons of another ethnicity might stir up a storm. Five years earlier the local airport had fired a similar work force and employed Hispanics, and a controversy raged for weeks. Picketers invaded the airport bearing signs and shouting slogans at the traveling public, television stations played up these activities on the news shows, unions issued denunciatory resolutions, and newspaper editorial writers condemned the loss of jobs by hard-working Americans.

In an attempt to avert a similar situation, Sanger met with Troy Ridgeway, president of Kleen-Sweepers, to persuade him to abandon the idea of mass layoffs. But Ridgeway insisted that he could not change his plan. He believed the Koreans comprised a more efficient force than one made up of Americans, in that he had found them to be more industrious, reliable, and likely to do work of high quality. Ridgeway's low bid, \$81,061 under that of the closest competitor, was made possible only because his profit depended on using a small force of the most productive labor available. He already had his workers lined up, he said, and it would be unfair to tell them they would not be hired.

Discrimination and affirmative action did not enter into Ridgeway's program. The common belief that immigrants would work for lower wages than Americans also was not at issue. The wages Ridgeway

would pay were the same he would have to pay any work force. Under government regulations, an agency advertising for a service contract must request from the Department of Labor a determination of a minimum wage for each of the work categories — (e.g., clerk, janitor, and so forth). The determination was usually the prevailing wage in the area and usually comparable to union scales. Persons not of United States nationality must be either naturalized citizens or hold work permits.

Sanger's fear that the employment of Koreans and the firing of Magic Maintenance employees would stir up a row did not materialize. It was only a short item in television newscasts and rated only one story carried on an inside page of the local newspaper. The only outcry was raised by a radio talk-show host, who for several nights complained against policies that allowed immigrants to "swarm over the country" and "take the jobs of loyal Americans." His urging his listeners and callers to write their representatives in Congress resulted in dozens of letters to the state's delegation in Washington, who did no more than ask the training center to provide them with information about the situation and an explanation of the hiring policy.

Although there had been perhaps no great change in American attitudes since the airport incident five years before, Sanger mused, the American people were very likely becoming more cosmopolitan. Japanese management had put to shame American management. Foreign investors and manufacturers, Asian and European, were pouring billions into the economy while Americans contributed to the drain of the money supply by closing plants in the United States and having work done abroad to take advantage of cheap labor. Further, Asian youngsters, were winning many high school and college honor awards and figuring prominently on the Merit Scholar lists. In view of these achievements, Sanger asked himself whether the firing of Magic Maintenance janitors was perhaps an instance of reverse discrimination. Perhaps, he thought, future affirmative action programs would arise for the majority to balance those for minorities.

Questions and Instructions:

1. What do you think of the following stereotypes associated with the employment of foreign labor, immigrants, and displaced persons: That they take jobs that should go to American citizens? That they work for lower wages than Americans and, therefore, tend to keep down wage levels? That they are needed to perform the difficult or menial labor Americans avoid? That they are exploited because of language difficulties, lack of education or skilled training, racial prejudice, and unfamiliarity with American ways?
2. Should the affirmative-action policies established for such minorities as blacks, women, and Hispanics also apply to recent immigrants?
3. In the case of the training center, do you think the procurement manager should have protested more strongly against the replacement of the entire janitorial force?
4. Do you agree with the opinion of the president of Kleen-Sweepers that in what many consider menial work, a Korean force would be more industrious, reliable, and likely to do work of higher quality than an American one?

Case 1: American vs. Immigrant Labor

Name:

Case Log and Administrative Journal Entry

This case analysis and learning assessment is printed on perforated pages and may be removed from the book for evaluation purposes.

Case Analysis:

Major case concepts and theories identified:

What is the relevance of the concepts, theories, ideas and techniques presented in the case to that of public management?

Facts — what do we know for sure about the case? Please list.

Who is involved in the case (people, departments, agencies, units, etc.)? Were the problems of an “intra/interagency” nature? Be specific.

Are there any rules, laws, regulations or standard operating procedures identified in the case study that might limit decision-making? If so, what are they?

Are there any clues presented in the case as to the major actor’s interests, needs, motivations and personalities? If so, please list them.

Learning Assessment:

What do the administrative theories presented in this case mean to you as an administrator?

How can this learning be put to use outside the classroom? Are there any problems you envision during the implementation phase?

Several possible courses of action were identified during the class discussion. Which action was considered to be most practical by the group? Which was deemed most feasible? Based on your personal experience, did the group reach a conclusion that was desirable, feasible, and practical? Please explain why or why not.

Did the group reach a decision that would solve the problem on a short-term or long-term basis? Please explain.

What could you have done to receive more learning value from this case?