TOBACCO LITIGATION

TO: William Kloepfer, Jr.

RE: Response Analysis proposal/ Smoking in the workplace

FR: Peter G. Sparber

Having reviewed the Response Analysis proposal, it is my share my views with you as you develop the Division's opinion that it would not serve our needs.

As I understand the proposal, RAC would attempt to relate actual measures of productivity with management perceptions of productivity. This would be done by isolating and studying individual workers.

This approach -- though undoubtedly scientific and objective as possible -- would seem to run counter to several of our needs and limits:

- 1. It is quite likely to document some differences between smokers and non smokers. If the smokers come out ahead, we would not be able to publicize the fact since it might imply some benefit to smoking. If the non smokers appear more productive, then we have supported Weiss' contention.
- 2. There is some real question whether such a study could be conducted at all. To be a valid effort, RAC would have to go to a range of businesses beyond those where the tobacco industry has leverage. To obtain their cooperation, we would have to promise to share at least

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some of the results of the research (whether we liked the results or not.) RAC alludes to this possibility.

Since such a study would become involved in the private relationship between supervisor and worker, and since there intentionally would be some workers at the low end of the productivity scale, we would be placing ourselves in what might be many awkward situations as the study evolved.

The whole question of worker privacy has been raised before. This proposal raises that issue again.

3. The concept is too ambitious. Our objective is to defuse the smoking in the workplace issue, not to add substantively to the literature on productivity. Clearly, we could accomplish the former by attempting the latter -- but I do not think that we need to begin so lavishly.

I do think that Response Analysis is the proper firm. Their track record in employee attitude surveying is probably the best in the business. The excellent AT&T program was developed by RAC and by Al Vogel (the author of the proposal) in particular.

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I think we would be better served if the reserach did the following:

- if it dealt <u>generally</u> with perceptions of productivity as opposed to specific measures of individual worker productivity.
- 2. if the sample were limited to lower management, shop stewards and the workers themselves. I suggest this for two reasons:
 - o these groups are more likely to be smokers and more likely to see smoking as a minor if not unimportant issue.
 - to us in using the research findings with news and politicians. Senior managers are far less credible, even on an issue like productivity. Ultimately, if we are to defuse this issue we will have to demonstrate that the workers do not care about the issue.
- 3. smoking as a factor in productivity should be approached as indirectly as possible, perhaps through open-ended questions. Respondents are unlikely to think of smoking as a factor. However, if we specifically ask people

about smoking and productivity, we will get what I think is an unrealistically high response. What we want to show is that smoking is, in workers' and supervisors' minds, not a factor in productivity.

- 4. I would attempt to cover as many industries (not specific companies) as possible and with sufficient respondents in each industry so that we might generalize by industry. Then, in communicating with individual industries, we will be able to say something statistically defensible.
- 5. Almost monthly, we are seeing this issue grow in intensity and breadth. Since it will take a month, under the best circumstances, to conduct this survey (and more likely 45-60 days) every effort should be made to get this project moving. In anticipation of having a report from RAC, we in public relations should framez carkzaz analyze how we might best convey the results, in a low profile way, to business leaders in a position to minimize the issue. I do not think that this need wait until a report is in but could begin as the research begins.

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