

**Table1: Summary Statistics**

<b>CONTROL VARIABLES</b>				
	<b>Description</b>	<b>Mean</b>	<b>Median</b>	<b>Std Dev</b>
	Average age	35.80	35.00	6.42
	Canadian plant	0.14	0.00	0.34
	% workforce with HS diploma	78.40	85.00	22.74
	Log (employment)	5.30	5.35	1.02
	Log (machines/prodn. workers)	-1.81	-1.70	1.06
	% workforce male	59.37	60.00	23.85
	Regional price index	1.04	1.05	0.09
	Unionized shop workers	0.39	0.00	0.49
<b>INDICES of WORKPLACE PRACTICES</b>				
	Employees have completed full cycle of improvement process	0.00	0.38	1.00
	Groups of workers have influence over each of 6 policies (work methods, safety, etc.)	0.00	0.30	1.00
	z(QCs present) + z(%employees in teams) + z(teams meet on company time)	0.00	0.00	1.00
	z(Semiskilled do 5 operations such as arithmetic, writing; scoring daily = 1,..., rarely = 4) + z(Semiskilled do each of 8 tasks such as set up machines, inspect work in progress)	0.00	0.00	1.00
	Managers report that employees do improvements, managers depend on employees, and managers ask workers for help (1=strongly agree, 5=strongly disagree)	0.00	0.17	1.00
<b>DIRECT</b>	<b>Direct Involvement = Sum of z-transforms for the 5 indices above</b>	0.00	0.14	1.00
	Labor-mgt committee exists + committee meets on company time	0.00	0.70	1.00
	Committees & union have influence over each of 6 policies (work methods, safety, etc.)	0.00	-0.42	1.00
<b>REP</b>	<b>Representative Involv. = Sum of z-transforms for the 2 indices above</b>	0.00	-0.08	1.00
	No layoffs from productivity + none w/o mgt. pay cuts	0.00	-0.93	1.00
	A formal grievance plan exists + highest level is outside arbitrator	0.00	0.08	1.00
	Company-wide profitsharing, gainsharing or team incentives or skill-based pay exist (referred to below as the Index of Contingent Pay)	0.00	0.27	1.00
	Hours of formal & informal training, measured separately for new hires and for current hourly employees	0.00	-0.06	1.00
<b>HR</b>	<b>Supportive HR Pract. = Sum of z-transforms for the 4 indices above</b>	0.00	-0.09	1.00
<b>INDEX</b>	<b>Index of Workplace Transformation = DIRECT + REP + HR</b>	0.00	-0.03	1.00
<b>OUTCOME VARIABLES</b>				
	Log(Unskilled compensation)	2.53	2.51	0.32
	Log(Unskilled wages)	2.25	2.21	0.29
	Relative Compensation (1 : much lower, 7 : much higher than local labor market)	4.70	4.00	1.37
	Annual %turnover	6.31	3.00	8.81
	%change in employment 1992 to 1999 (if still in business)	0.18	0.17	0.70
	%change in employment 1992 to 1999 (including plants that went out of business)	-	0.13	-
	Out of business by 1999	0.15	0.00	0.36

Note: All variables with mean of 0.00 have been z-scored to have mean zero and s.d. equal to unity.