

"Shop Management" presents a scheme of definite tasks for each machine; the mind of the reader with imagination pictures a department as a machine with a definite task; the book presents a scheme of current checking of the accomplishment of each machine with respect to its definite task; the mind of the reader with imagination pictures a scheme of checking the accomplishment of each department's definite task; and then it pictures the checking of the definite task of the business as a whole; and so on. The basic principles are in the book.

WHILE out of American industry have come the revolutionary developments in management, and while many executives from across the Atlantic are coming to this country to examine into them, we are sure there is no ground for any condescension on our part. Our European friends move slowly—because they have to—but they move exceedingly well. They do a deal of thinking before every move. There is undoubtedly more study and discussion of scientific management in Western Europe than in the United States, and in due time the results will be manifest. There has recently come to this country a little book, Sheldon's "The Philosophy of Management," by an Oxford graduate now on the staff of a large industrial concern. The book is not revolutionary in content; it presents no great discoveries. It is a good Taylor book throughout, although it mentions Taylor and scientific management infrequently. Its sources are sources influenced by Taylor but secondary to Taylor. But for a careful thinking-out of a philosophy of management we believe it is unexcelled. We believe that it is the first work on management which can properly use the word *philosophy* in its title.

SOME weeks ago we received an aerogram from an English firm to send at once half a dozen copies of a *Bulletin* containing a certain noteworthy article. Recently the executive head of that concern has been in this country, and we asked him about the reason for the rush order. He laughed and said: "I read the article and it struck me as having so much of fundamental importance that I instructed the heads of departments to study the article and be prepared for a conference upon my return from America. You know, we don't go into conference without preparing on what we are going to discuss. By the way, will you give me an introduction to the man who wrote that article?" Now the circumstance set us to pondering, and we asked our-

selves several questions: How many American major executives among our subscribers (over a thousand) had *found time* to read the article? We know of a few, but only a few. How many American executives had rated it as of importance enough to warrant a conference preceded by a careful study of the article by each department head? We do not know of any. How many American executives had asked us for an introduction to the author? None.

#### RELIEVING OUR PRESIDENTS

THE death of President Harding, following the breakdown of President Wilson, has caused a turning of thought to the problem of relieving the President of part of his burden. One suggestion would divide his responsibility and authority; another would make him ineligible to a second term; another would restrict his travel. All such suggestions are superficial.

The problem is one of proper organization and involves principles in no wise different from those which must be observed in proper organization for the conduct of a private enterprise. There must be recognized in organization for and procedure in public enterprise, that same distinction of major functions necessary in the ordinary private enterprise; *the distinction between policy determination, management and detail execution.*

For *detail execution* there must be built up a stable operating force of competent individuals. Each should be trained for his or her respective function, should be held to strict accountability for excellence of performance in accordance with formulated standards, and be subject to removal or transfer according to performance. The adoption of this one principle would relieve the President and members of the Congress of three-fourths of their present "burden." It would free them for attention to the more important matter of national policy.

For *management* there should be a body of competent executives—comparable, if you please, to the department heads of a private enterprise—whose function should be the translation of general policy into working plans and programs and the direction and inspection of detail execution. They too should be judged by standards of service which it is not impossible to formulate, and their service should be reasonably permanent. The recognition of this principle would further relieve the President and members of the Congress of "burden," and would further promote greater attention to policy determination.

For *policy determination* there is left—the President and the Congress. Determination of policy and general responsibility for the securing (not the detail directing) of efficient execution constitute their proper function. The President would be assisted by executives—cabinet members, major executives not concerned with details but comparable to "vice-presidents in charge" in private enterprise—appointed by him and removable by him. Giving their exclusive attention to policy and to ways and means of executing policy, more of our Presidents would be statesmen, as would also perhaps an appreciable number of members of the Congress.

Then presidents should play golf more, instead of less; spend more restful hours on the *Mayflower*, instead of fewer; travel more and talk to the people more, instead of less, concerning questions of national policy. They should be subject to re-election, for re-election would mean approval of wise policies and effective general administration instead of reaction to political manipulation.

Organization and procedure along these lines would not require constitutional changes; but would require a profound change in mental attitude.

#### POLITICS vs. GOOD MANAGEMENT IN PUBLIC AFFAIRS?

ONE day last spring the Secretary of the Interior called in Arthur P. Davis, Director of the United States Reclamation Service, and demanded his resignation within two weeks. No adequate reason was given and Mr. Davis declined to resign. Thereupon the Secretary exercised his authority, dismissed Mr. Davis, and appointed a western "business man" in his place.

Mr. Davis, a trained engineer and competent executive, had been many years in government service. He had directed the affairs of the Reclamation Service in a competent manner, not only from the engineering point of view but also from the point of view of the detail business problems involved. As an example: In connection with the construction of one of the great conservation dams he had believed the bids for supplying cement too high; he solved the problem by building a cement plant on the site, raw material being available, and saved the government a large item of expense. Throughout his conduct of the office had been after this fashion. No specific charge had or has been brought against either his engineering or his business ability.

As successor there was appointed, on the ground that the Reclamation Service could better be administered by a "business man," a man without noteworthy record

for success in business but who had been more or less active in regional politics. Are "business man" and "politician" synonymous in the Secretary's vocabulary?

Two aspects of the situation are especially interesting: At a time when industry is to a greater extent every year calling upon trained engineers with executive capacities to head industrial enterprises, the Department of the Interior dismisses a technically equipped man with proved executive ability from the direction of an agency of the government essentially technical in its nature;

The only serious criticism of Mr. Davis' business direction of the Reclamation Service had been by certain interests in the West who had endeavored to secure a reduction in or had endeavored to repudiate payments for reclaimed lands purchased. Should the Secretary's interpretation of the function of a "business man" be to conciliate these interests, then public confidence in the administration of the Reclamation Service would be seriously impaired.

Because of the far-reaching results which might ensue, the organized engineers of the United States are preparing to make a thorough search into the considerations which led to the action taken by the Secretary of the Interior. The American Society of Civil Engineers has appointed a special committee to investigate the matter. The Public Affairs Committee of the Federated American Engineering Societies is awaiting a reply to the following letter of inquiry addressed to the Secretary:

June 24, 1923.

Hon. Hubert Work,  
Secretary of the Interior,  
Washington, D. C.

My dear Mr. Secretary:

The Federated American Engineering Societies has a membership of twenty-eight local, state and national engineering societies, the combined individual membership of which is 50,000. The organization was designed for the purpose of enabling the engineers of the United States to render an essential public service, particularly in relation to engineering matters.

The officers of the Federated American Engineering Societies are much concerned with the recent announcement relative to one of your Bureaus, the Reclamation Service. We are advised that you have requested the resignation of the Director of the Reclamation Service, an engineer; have abolished the position, and in his stead have appointed a business man to fill the newly created position of Commissioner of Reclamation, it being reported that you have decided that a business man should more capably direct this Bureau than an engineer.

While we do not question your right to discharge anyone you may elect, yet we do look with grave concern upon placing in charge of a technical bureau one who is not technically trained and fitted. We, therefore, desire to become as fully acquainted as possible with the consideration that led you toward this action and would most respectfully suggest that an early statement from you might possibly clarify the situation before our officers.

Respectfully,

L. W. WALLACE,  
Executive Secretary.