

The Present State of the Art of Office Management¹

Report of a Systematic Analysis and Rating of a Variety of Offices
During the Past Two Years

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ON a rare day, in June, 1893, I received my "diploma" as a full-fledged graduate of a business college in Grand Rapids, Michigan, and was duly accredited as a competent stenographer and bookkeeper. And no wonder! Had I not spent six months writing word signs and learning to hit the right keys on the old, blind Remington, and to rule neat red lines on my books?

So I went out into the cold, cruel world and began my search for a position—not a job, remember. My father had always said that he didn't want his son to work as hard as he had; therefore I went forth seeking a position "where the hours were not long and the work not arduous."

Though my diploma said I was competent, I soon found that it did not mean much to the business men of that day, for all asked me the embarrassing question, "What experience have you had?" They demanded at least six months of it. Of course, I had to tell the truth, and consequently failed to secure a position. So finally I sought a lawyer who kindly consented to allow me to work for him, provided I was willing to accept a salary of nothing a week. I accepted it gladly and for a magic six months worked at writing briefs, contracts, depositions, wills and other legal documents. To this day I can write a contract full of such mouth-filling phrases as "Whereas, the hereinbefore mentioned party of the first part, has, etc., etc.," and can make it just as dull reading as could any first class lawyer.

After this probationary period of six months' experience gathering, I had no difficulty whatever in getting a position in a furniture factory where there were no briefs or depositions, and all letters began with "We are in receipt of your kind favor, and in reply beg to state, etc."

This company had about 300 "hands" in the factory

and two "gentlemen" in the office—the bookkeeper and myself. He kept all the accounts of the purchases, sales and payrolls, and made out the bills and statements, while I wrote all the letters. After writing them, I had to copy them in the copy press, and then stamp and mail them. That comprised the office work of that day, thirty-two years ago. No cost system, no planning methods, no statistical records, no market research!

What is the office today? What is an office in the modern sense of the term?

The office is that part of an enterprise devoted to the direction and coordination of its various activities. It is characterized by the gathering, classification and preservation of data of all sorts; the making, using and preservation of, all kinds of records; the analysis and utilization of these data in planning, executing and determining the results of operation; the preparation, issuing and preservation of instructions and orders, and the composition, copying and filing of written messages.

My work in the office started at the beginning of the period of so-called "big business"—that period when mergers and trusts began to appear on the industrial horizon. It was then that the first great increase in clerical employees took place. In the census of 1880 there were 172,000 clerks registered; the census of ten years later showed 801,500.

In those days, large scale production was diligently seeking machinery of the automatic type, and I well remember that the kind of news in the papers of those days which most attracted executives usually related to the invention of some new kind of machine which would do the work of many men. Workingmen everywhere dolefully predicted the coming of the automatic factory in which practically no manual labor would be needed. Machines were the one desirable thing; men were only "hands." The big boss of those days was the one who could "throw the fear of God" into those "hands." Great hordes of immigrants came to

America to take the places of those workmen who knew only the trades and crafts which were rapidly passing out of existence. These foreigners were wanted because they would work more cheaply than the native workmen and had no objection to working on the new machines.

This is, in brief, a general picture of industry in the nineties. Organization and control in the modern scientific sense were unknown.

But as industry was being transferred from the small shop with a few craftsmen to "big business" with hundreds, perhaps thousands, of "hands," "big business" began to find that the mere keeping of accounts and writing letters would no longer suffice. It needed improved methods of coordination to match the more complicated situation which was developing. It needed more records, and it must of necessity write more letters. Hence the great increase in the clerical occupational group during this period.

This sudden growth of "non-producers" between 1880 and 1890 did not pass wholly unobserved as a sinister accompaniment of big business, as many of the most discerning of those small business men who had not been absorbed by their larger competitors predicted that this invasion of clerical hosts would eventually ruin all business. We have lived to see the day when the number of 1890 has been quadrupled, yet industry still survives.

Yes, it still lives; but I am now beginning to fear that unless office management is brought up to the efficiency of production management, it will not be many years before the margin of profit will be narrowed to the vanishing point.

The office today is in practically the same economic condition that the factory was in the nineties; there is great attention given to processes and machinery—the more automatic the better—and there is a constant effort to get cheaper and cheaper workers, but there is practically no attempt to manage people.

Management is the art of handling men, materials and machinery for the purpose of producing certain desired results. It is an art that has, in some branches of business, been raised to a high degree of effectiveness, and in some notable examples to what may definitely and without fear of contradiction be proclaimed as scientific.

The art of management has as yet barely touched the office, and in this field a science of management is wholly absent.

For years I have realized that there is a vital need

for measurement of work done in the office. Few office managers have even the slightest idea of what constitutes a day's work on the part of a clerk. In this matter every office is a law unto itself; comparison is difficult and therefore there is no comparison. There is no measuring stick.

Yet without measurement there can be no comparison, no record of improvement; without measurement, science cannot exist. No matter how many examples industry offers us of improvements through scientific methods of management, the office ignores them as inapplicable, and will continue to ignore them while there is no definite method for measuring its work.

This neglect of measurement has its natural effect on the employees. It is a matter of common knowledge that the average clerk of today is not the equal of the average clerk of a few years ago in intelligence, training, and ability to perform a large quantity of work. We are diluting the original fund of good clerks by rearing a horde of parasites whose ideal is to avoid work, and who regard it as cruelty that they should be asked to work. They assume, and act upon the belief, that they are different from other workers, and are therefore privileged to "loaf."

This is apparently a severe stricture; but note that I state deliberately that "we" are rearing this parasitical host, and by "we" I mean those to whom the management of clerical work is entrusted. The clerk is not at fault. His or her natural ability is as great as ever. "We" have made him what he is. "We" are the culprits, not the clerks themselves, whom we have fashioned.

An office manager friend of mine told me recently that he had transferred a clerk from one position to another. A few days later this clerk came to him and asked to be transferred back.

"Why do you wish to be transferred?" asked the manager. "Is the work too hard for you? Don't you like the man you work for?"

"Oh, no," replied the girl; "The man I work for is very nice and the work is not so hard. But on the other job I used to have a couple of hours a day to myself, and down there I have to work all day."

For many years our organization has been measuring the output on individual operations, and we have accumulated a large number of standard times; but in their collection we have invariably found that ability to perform work at a high standard of output depends upon many factors outside the actual operation itself. In other words, the best results are ob-

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