

ARRANGEMENT averages 65.15 per cent. This we have subdivided into eleven parts, the first being Economical Use of Space. Space is expensive everywhere, but particularly so in the large cities where the great armies of clerks are found. We find that as a rule space is very poorly utilized. I quote at random five cases from some of our findings as to the possible rental saving per annum by an economical use of space: \$2,750, \$9,125, \$3,300, \$6,336 and \$13,008. There are frequent violations of Direct Flow of Work to be found in many offices. With respect to Adequate Light, the rating, as a rule, is very poor. We have set the standard at ten-foot candles, but very few offices have better than an average of three or four-foot candles, and in one large building recently completed for one of America's greatest corporations, we found readings as low as two foot-candles and only one spot where it ran above nine. In one office where the average was three foot-candles where the clerks worked, we found that the cloak room was lighted with an intensity of twenty foot-candles, a condition showing the ridiculous lack of appreciation of the necessities of illumination. Circulation Aisles are usually not adequate except in the larger offices. Preventable Noise is rarely systematically attacked as a problem to be overcome, though it is easily demonstrable that noise is a fatigue producing factor with most clerks. In the matter of Ventilation, windows are usually the sole resource. This is fairly satisfactory in the summer season, but usually worthless in the winter. Adequate Cloak-rooms are sometimes provided, but often not. Adequate Toilet Facilities are provided as a rule in large, public office buildings, but not in others. An Adequate Reception Room for the public is occasionally found, though little constructive thought is apparently given to this subject. Adequate Drinking Fountains are usually provided, but there is often gross neglect in selecting their economical location. I know of one large office with a thousand clerks, in which calculation shows that each clerk walks an average of 50 miles annually to reach drinking water—50,000 miles annual travel for the entire office force—a long way to go for a drink even in these days! The General Appearance factor is very often ignored, though it is a matter of vital importance, connected not only with the impression received by the general visiting public but with the morale of the office as well.

STOCKKEEPING averages 63.2 per cent. It is a subject of great importance in large offices, but of

comparatively minor import in small ones. I will pass lightly over this matter with the remark that stockkeeping as a science is unknown to the office manager. We found but two good Location Systems, and Order and Neatness are generally defective. Issuing Systems and Control Methods are usually absent, and an adequate Inventory System is almost unknown.

PERSONNEL rates 53.8 per cent. Considering the great amount of public attention that has been directed to this subject since the war, this low rate seems rather surprising, unless one remembers that the office, as a general rule is behind the times on most management subjects. There are few offices which keep Progressive Records of Employees' Performance, and most office managers apparently consider that such a record would be merely a waste of time. Methods for Testing Employees' Ability will be found only in the largest and most up to date organizations, the "hire and fire" policy being used almost exclusively everywhere else. There are practically no offices with definite Training Methods. Employment Methods and Discharging Methods are not up to the standards usually found in the shops, and there are few offices which have any definite policy governing Promotions. Methods for Developing Employees' Versatility are usually lacking, though this has proved a veritable gold mine in some cases. Plans for Determining Causes of Dissatisfaction are only occasionally found. As a rule, however, there is a Vacation Policy, which is perhaps to be explained by the fact that office employees were the first in industry to have a vacation with pay. Bonus, Profit-sharing, or Other Plans of Similar Nature are found occasionally, but as a rule little attention is paid to these methods of developing office morale, except in banks and similar institutions. The banks have a custom of paying an unusually high bonus at the end of the year, but this is generally accepted by employees in lieu of salary, which therefore nullifies its character as a bonus, or something extra. This subject, which is highly developed in other fields of modern management, stands very low in the office, an additional proof of its failure to keep pace with modern industry.

CLERICAL OUTPUT, the final subject, depends upon all fourteen subjects which we have considered. The purpose of each of these divisions is to produce a certain level of output, and just how well the average office manages with these fourteen subjects may be deduced from the rating on clerical output, which

is 48.5 per cent. The subject itself has three subdivisions for rating purposes; Division of Labor, Interruptions, and Quantity Performed, the heaviest weighting being given to the latter. Though office work especially adapts itself to division of labor, and though it is well recognized that this principle is basic to modern economics and mainly responsible for our present industrial civilization, it is not carried out in the average office to anywhere near the extent it might and should be. It is not at all rare to find clerks engaged on half a dozen or more different tasks in one day, and in some cases we meet with the claim that this is a superior method, a view with which I emphatically disagree. In one large office, which was particularly low in all other ratings, the clerks worked on an average of 11 different duties each day of the study. Closely allied to this is the subject of Interruptions, one office averaging 23 interruptions per clerk daily. Little thought is given to this, despite the very apparent loss of time and output it causes. In Quantity Performed the record is very low, indeed. In handling orders, for instance, it is by no means uncommon to find that it requires a full day for performing all the clerical work upon each order. The best record we ever found in this matter was 30 minutes, and the worst, 1,200 minutes, the latter in one of the largest organizations in the country. The average output per stenographer in square inches of type-writing is less than 100 per hour, though the standard of 200 is easily attainable by the normal trained stenographer. In one important office we found that the average number of letters written daily per stenographer was 4.5 and there were more than 25 stenographers in this office. We frequently find that offices are not getting 25 per cent of our standards on certain operations. In making our general calculations, however, we do not rate on one operation, but take a number and average the efficiency on each. I believe it to be a conservative statement to say that the offices of this country, taken by and large, are not getting half the output from their clerks that can be obtained by proper management methods.

This completes the picture of modern office management as shown by our examinations and measurements—a sorry picture, I must admit. But bad as it is, the indications are not that office management is getting any better, but that year after year it is getting progressively worse.

Let me back up that last statement. In 1880 there were 10,000 bookkeepers and accountants in all the

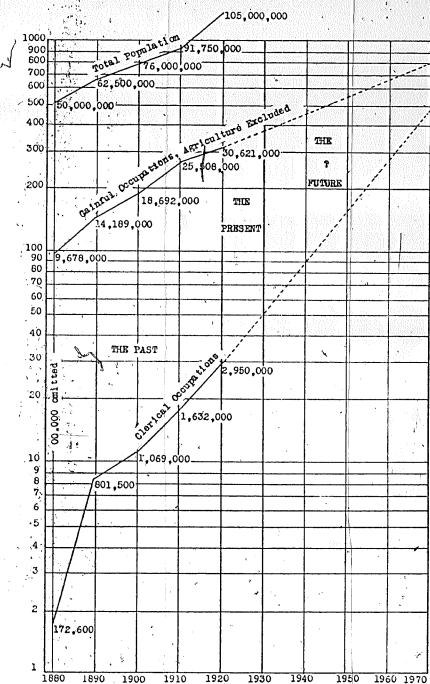


Figure 2
The Growth of the Clerical Groups

banks of the United States, and today three banks in New York alone have that many, and there are 30,000 banks in the entire country. In 1880 there were 172,000 clerks, while today there are nearly 3,000,000. It will naturally occur to you that there are many more people in the country now than in 1880. Very well! The population has a little more than doubled during this time, but the number of clerks has multiplied seventeen fold, a growth which I have graphically pictured on the accompanying chart (Figure 2). Does it not present a startling condition that must be corrected if business is to survive and continue profitable? How long can the office continue to grow at the rate shown for the last ten or twenty years? Make all the allowance you care to for the increasing use of clerical operations in modern busi-