

He has a phrase that ought to be framed, in large letters, in the office of every sales executive in the country:

"Your market varies with the power of your selling structure."

About that thought, in all its implications, a volume—indeed, several volumes—could be written. It embraces the entire theory and practice of advanced sales management.

Mr. Livingston has clearly outlined the high spots in the process of removing sales control from the field of personal prejudice, guess, hunch, argument and rule of thumb. His formula is exact, and while in operation it is not as simple as it sounds (nor does he imply that it is an easy task), it is a formula as applicable to the small, personally-led sales unit as it is to the largest, impersonally directed and highly organized sales machine.

Mr. Livingston, by the limitation of his subject, could not enlarge on the specific application of the methods he describes, but the principles are all included in his paper:

1. The breaking of the territory into units and their individual measurement as to market potential.
2. The parallel breaking down of the sales operation into its basic form—a species of time study.
3. The setting up of averages—both as to territory potential and sales operating results.
4. The creation of an ideal standard operation and a standard sales unit.
5. The multiplication of this unit as many times as is necessary to accomplish the task.

With this as a basis, it is clear why Mr. Livingston criticizes, by inference the search for the "star" salesman, and why he knows that under this plan of control the good man becomes better, and the poor man is pulled up to average.

Since man-building is a primary duty of a sales executive, it is clear that only by some such means as this can he take the good, the average and the mediocre, and, while improving them as individuals, weld them into an effective selling structure.

No less important is the deduction to be drawn from his description of quota making. Quota has suffered from the enthusiasm of its friends. It has been hailed as a panacea for sales troubles, and has frequently added to them. Unless it is scientific—unless it is based on accurate knowledge—unless it is acceptable on its merits to the sales force and to management alike, it can do and is daily doing far more harm than good.

The company from which Mr. Livingston has drawn the specific illustration he used has publicly testified to the fact that scientific quota making of this kind literally saved their business. The contrast between this and the crimes committed under the name of quota is in itself an endorsement of the very great value of Mr. Livingston's presentation.

News of the Sections

New England

The New England Section planned its meetings for the entire year on the general subject of "Distribution" and announced them in an attractive folder.

The following have been held according to schedule: *November 6, Boston*—"Tackling the Rising Cost of Distribution." Speakers: E. A. Filene, President, Wm. Filene's Sons Company, and B. A. Franklin, Vice-President, Strathmore Paper Co., Mittineague, Chairman New England Section of the Taylor Society.

January 8, Springfield—"Interaction of Sales and Production." Speakers: Edwin Krause, President, The Corporation for Inventory Conversion, Springfield, on "The Relation of Sales, and Production to Unbalanced Inventories"; John H. Dowd, Billings and Spencer Company, Hartford, Conn., on "Responsibility for Product Specifications"; E. H. Davis, Scovill Manufacturing Company, Waterbury, Conn., on "Should the Sales Department or the Production Department have the Master Voice?"

February 5, Boston—"Are the Following Tendencies Lessening the Importance of the Sales Force: 1, Direct Selling and the Cooperative Movement; 2, Advertising as a Distribution Factor; 3, Manufacturers' Retail Branches?" Speakers: President Charles F. Adams, John T. Connor Co.; Major P. F. O'Keefe, O'Keefe Advertising Agency; Harry Morse, The Florence Stove Company. A. L. Filene, who presided at the meeting, gave a brief resume of the recent Washington conference on distribution.

Two other meetings are planned—one to be held in Worcester in March on the subject, "Scientific Approach to Distribution Problems," the other a summary of the season's meetings to be held in Boston in April.

New York Southern Tier

The New York Southern Tier Section reports the following successful meetings held in Elmira.

February, 1925

November 10—"Economic Effects of Labor Saving Equipment in Industry," by James A. Shepard, Vice-President of the Shepard Electric Crane & Hoist Company, Montour Falls, N. Y. Mr. Shepard is a member of the sub-committee of the American Society of Mechanical Engineers working on an application of the formulas for computing economies of labor saving equipment, and his paper at this meeting was the first information regarding it which has been given to the public.

December 8—A Case Presentation of the Bedaux Wage Payment System, by George V. Lennon, Treasurer, Stromberg-Carlson Telephone Manufacturing Company, Rochester, N. Y.

January 12—"Industrial Psychology," by H. S. Person, Managing Director, Taylor Society, New York.

According to present plans C. F. Brown, Treasurer and General Manager of the Corona Typewriter Company, Inc., will address the section in February on "Labor Classification and Pay Roll Analysis"; C. E. Killinger, General Manager of the Willys-Morrow Company, will talk in March on a subject not yet selected; and Robert J. Andersen, Production Manager of the Bowen Products Corporation and Secretary and Treasurer of the Central New York Section, will address the April meeting on "Why Systems Fail."

Central New York

The fall meetings of the Central New York section were reported in the October BULLETIN. The first meeting of the new year was held in Syracuse, January 16, with a paper on "The Present State of the Art of Office Management," by Mr. W. H. Leffingwell, President, The Leffingwell-Ream Company, New York. In spite of zero weather and blocked roads, eighty members and guests attended this highly instructive and interesting meeting.

Future meetings planned will include a talk on "Sales Analysis," and an address on "Management of Prison Industries," by Robert T. Kent, newly appointed Superintendent of Prison Industries for New York State.

Cleveland

The Cleveland Section reports a meeting January 26, with a paper on "Factory Appraisals" by Mr. Utter of the Lloyd Thomas Appraisal Company. The next meeting will be a round-table discussion using the case method.

New York Metropolitan Section

Miss Eugenia Lies, Director of Planning, R. H. Macy & Co., Inc., spoke on "Scientific Management Applied to Department Store Practice" at the dinner meeting of the New York Metropolitan Section, January 22. P. J. Reilly of the Retail Research Association and W. H. Leffingwell discussed the paper.

Chicago

The last meeting of the Chicago Section was a dinner meeting January 15, followed by a round-table discussion on "Outstanding Advance in Management in 1924 in my Profession or Business."

Reviews

Scientific Management since Taylor. Edited by Edward Eyrre Hunt. McGraw Hill Book Company, Inc., New York, 1924. pp. xv, 263. (658.)

This important collection of authoritative articles on scientific management takes its place beside C. Bertram Thompson's earlier collection. Comparison of the two is illuminating. Thompson's collection of some fifteen years ago emphasized the fundamental principles and the technique of production—its articles concerning the human aspects of scientific management were more or less speculative. Hunt's collection emphasizes achievements, general administration and the human aspects. Scientific management is proved to be a dynamic thing which has met the challenge of new problems in industry.

In his introduction to Hunt's collection, Morris L. Cooke makes this significant statement:

"But, after all, personnel, as contrasted with material, is the dominant factor in industry. . . . It is the design of this book not only to emphasize the importance of human relations but to show how and where the beginnings have been made in organizing these relations on fundamental lines."

"On fundamental lines." In other words, scientific management takes the point of view that sound industrial relations must be established on such foundations as continuity of operations, continuous employment and precise and waste-saving methods, which make possible satisfactory working conditions, high wages and regular earnings, and make practicable participation of workers in the determination of conditions of work.

The author has made a very satisfactory grouping of articles under four headings, the first of which is "The Nature and Achievements of Scientific Management." This first group of articles reviews the nature and achievements of scientific management, emphasizing the achievements of the past decade, and establishes a background for the sub-

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