

International Cooperation in the Promotion of Scientific Management¹

A Symposium Representing Czechoslovakia, England, France, Germany, Holland and the United States

Introduction

MORRIS LLEWELLYN COOKE
President of the Taylor Society

It occurs to me to felicitate this audience, and of course in doing so I include our distinguished guests, on their interest in management, a subject so largely in flux and yet one upon which the peace of society throughout the world so largely depends. In the task of developing administration and management into an art and a science, we have more than a man-sized undertaking. But nothing will further this farflung objective more than international cooperation. We can each learn from the other.

American "managers" are perhaps fortunate in their opportunity to function in an environment freer from the trammels of tradition than do some of their neighbors on the other side of the Atlantic. This, of course, facilitates innovation and change. But we are fully conscious that there accompany this situation all the limitations of youth. We seek, therefore, to do all our planning in the light of the experience of our neighbors across the sea who have had so much more experience in government, in industry and in community living itself.

In every country industry and government have been developed under different conditions, and the resulting differences in emphasis have necessarily effected variations in the structure through which each functions. Such differences are not to be deprecated. We must not look forward to ironing out every expression of the national mind—even in the field of management. Progress usually comes about through the clash of ideas and the contrast of one standard with another. The race is young

¹Addresses given at a joint meeting of the American Management Association, the Committee on American Participation in International Management Congresses, the Management Division of the A.S.M.E., the Society of Industrial Engineers and the Taylor Society, New York, December 9, 1926.

and management barely out of its swaddling clothes.

In his "Shop Management" Taylor called attention to a fact now generally recognized, that the different departments of an industrial plant are rarely in balance as to their relative efficiency. Perhaps because of some special interest or aptitude of the owner, or for some other cause, one department—such as the financial or the sales or the production—will overtop the others in effectiveness. So that in the combination of two plants which have been successfully competing one with the other it very frequently happens that both gain through the mutual adoption of points of strength and the avoidance of sources of weakness, each brought into view through a closer acquaintanceship and a better understanding. Thus it would appear that exchanges between the nations as to their policies and practices in the field of management must necessarily be mutually profitable.

This small gathering tonight is neither the beginning nor the end of such exchanges. You will hear tonight of the First International Management Congress at Prague in 1924, of the subsequent formation of an International Committee on Scientific Management Congresses and of the Second International Management Congress at Brussels in 1925. Plans are now under way for the third Congress in Rome this year and an International Institute of Scientific Management, with headquarters at Geneva, is rapidly taking shape.

It is, therefore, with real satisfaction that the organizations cooperating in this meeting, afford this opportunity for a free exchange of views between distinguished representatives of half a dozen members of the family of nations. And is it not fortunate that we come here to discuss an international matter almost free from controversy—not oil, not rubber, not territory—a subject about which we may entertain widely varying views but which affords no basis for acrimony?

February, 1927

BULLETIN OF THE TAYLOR SOCIETY

313

The International Labor Office and Scientific Management

By HAROLD B. BUTLER
Deputy Director, International Labor Office, Geneva

YOU may perhaps have asked yourselves why any branch of the League of Nations should interest itself in the problem of scientific management. I propose to try to answer that question. It is obvious to everybody and needs no elaboration, especially before an audience like this, that the better organization of industry is a vital matter for any industrial country, because on it depends the wages and the welfare and the standard of living and the prosperity of every industrial community in a very large measure. That necessarily became the fact as soon as production ceased to be an affair of the strength and skill of the individual but depended on the smooth running and the efficiency of a large, cooperative enterprise in which the individual was only one small unit.

That is a truth which has been recognized in Europe to a greater or lesser extent. There are industries which are more scientifically organized and conducted than others, but there are certainly some in most industrial countries which have been modernized and improved to a very considerable extent, especially during the last few years. That is true of Germany, true of France, true of England. I know cases in which a complete reorganization and reequipment has been carried out not merely by the employers but by the employers in cooperation with the trade unions. In one particular industry with which I am acquainted, the effect of that has been to treble the wages in that industry in a very short time. But there is still a great deal to be done, and I think it is true to say that up to now these efforts in the direction of more scientific organization have been unsystematic and uncoordinated. They have not been planned on a national scale and still less on an international scale.

Why, then, should an organization which is primarily concerned with social questions have interested itself in this problem? The International Labor Organization, which is the labor department of the League, draws together the representatives of the governments, the employers and the organized labor of all the countries that are members of the League. They not only have regular annual sessions but they are represented by a

council of twenty-four persons who meet quarterly, who decide all questions of policy which arise during the interval between the annual meetings and who are responsible for the general direction of the International Labor Office of which I am a member.

The principal endeavor of that organization is to improve social conditions and to promote industrial prosperity generally by the free consultation of those three elements in the community.

I think the answer to the question which I proposed at the beginning is a double answer. We think that this is a matter which is of direct interest to our organization for two reasons: The first is because it seems to us to be at bottom a social question, and in the second place, because it seems to us to be essentially an international question. Perhaps I might try to develop those two points.

One of the functions which is entrusted to the International Labor Office by the treaty of peace is the study of all questions touching every aspect of "industrial life and labor." Those are the words used in the treaty. How far, then, may one properly consider that the subject of scientific management falls within that definition? I think the answer is probably given very much better than I could give it in the words of Dr. Stresemann, the present Foreign Minister of the German Republic, in a speech that he delivered at the Office a few months ago when he came to present, on behalf of the German Government, a window to our new building. He used these words, which I think represent what is felt by many people about this question. He pointed out that industry was revolutionizing society, that it was driving people into great cities and destroying the conditions of life as it previously existed, and he went on as follows: "I personally have great misgivings as to this development. I see that human individuality suffers from mass suggestion and mass psychosis, and I see in the concentration of hundreds of thousands and millions of men on the soil of a single city a hindrance and a check to the development of the individual spirit. I see, too, in the transition from the ancient handicrafts to our present-day undertakings, carried on with millions of capital, a decline of the personal labor which has contributed so much to the culture of humanity, in favor of an industrial system under which a man is no longer himself but is in danger of becoming a mere part of a machine.