

## Objects of the Taylor Society Incorporated

The objects of this Society are, through research, discussion, publication and other appropriate means:

1. To secure—for the common benefit of the community, the worker, the manager and the employer—understanding and intelligent direction of the principles of administration and management which govern organized effort for accomplishing industrial and other social purposes.
2. To secure the gradual elimination of unnecessary effort and of unduly burdensome toil in the accomplishment of the work of the world.
3. To promote the scientific study and teaching of the principles governing organized effort, and of the mechanisms of their adaptations and application under varying and changing conditions.
4. To promote general recognition of the fact that the evaluation and application of these principles and mechanisms are the mutual concern of the community, the worker, the manager and the employer.
5. To inspire in labor, manager and employer a constant adherence to the highest ethical conception of their individual and collective responsibility.

## Membership

The membership of the Society comprises Members, Junior Members, Honorary Members, Life Members, Firm Members, Contributing Members and Student Associates. Application for membership should be made on a regular form which may be secured from the Society. New members may be elected directly to the grades marked\*.

1. \**Member*: An individual interested in the development of the science and the art of management as engineer, executive, operative, scientist, investigator or teacher. Minimum age 28. Initiation Fee, \$15. Annual dues including subscription to the Bulletin, \$20.
2. \**Junior Member*: A younger member. A Junior Member may become a Member without payment of additional initiation fee at 28 years of age and must change to Member at 30 years. Initiation Fee, \$5. Annual dues including subscription to the Bulletin, \$10.  
For any of the above grades a person engaged in educational work, state service, government service or the service of any other non-commercial enterprise of an eleemosynary nature shall pay one-half the initiation fee and one-half the annual dues of the grade to which elected.
3. \**Honorary Member*: A member elected by the Board of Directors for exceptionally distinguished service in the advancement of the science and the art of management.
4. \**Life Member*: Any Member who has prepaid all dues by the payment of \$500.
5. \**Firm Member*: A firm or organization interested in the advancement of the science and the art of management which desires to make the service of the Society available to members of its organization. A firm member designates two representatives (who may be changed from time to time at the organization's discretion) who have all the rights and privileges of membership except the right to vote and to hold office. Annual dues, including two subscriptions to the Bulletin, \$40.
6. \**Contributing Member*: Any individual, firm or organization desiring to promote the work of the Society by an annual contribution of \$100 or more. A contributing member has all the privileges of personal or firm membership, as the case may be, including one subscription to the Bulletin for each \$20 contributed.
7. \**Student Associate*: A regularly enrolled student of management in any school of engineering, business administration, commerce or arts, of collegiate rank, or a graduate of such institution who has applied for membership not later than one year after graduation, elected upon recommendation of the instructor in charge of management courses. A Student Associate may become a Junior Member, without payment of initiation fee, any time after graduation and must become a Junior Member at the age of 25. Annual dues including subscription to the Bulletin, \$3.

All dues are payable in advance, either annually or in semi-annual instalments. The fiscal year is November 1 to October 31. Members elected other than at the beginning of the fiscal year are charged pro rata (quarterly) for the first year.

MAY -4 1931

©CLB 113429

## BULLETIN OF THE TAYLOR SOCIETY

AN INTERNATIONAL SOCIETY TO PROMOTE THE SCIENCE  
AND THE ART OF ADMINISTRATION AND OF MANAGEMENT

Published by the Taylor Society Incorporated at  
Engineering Societies Building  
29 West Thirty-Ninth St., New York  
Cable address: Taysoc

The BULLETIN OF THE TAYLOR SOCIETY is included in the  
indexing of the Industrial Arts Index which is obtainable at  
Public Libraries.

The reprint of extracts up to 50 per cent of the whole of any  
article herein is authorized, provided the source is mentioned.  
In return the Society appreciates complimentary copies of the  
publications containing such reprints. Permission to reprint  
more than 50 per cent must be arranged through the office of  
the Society.

Copyrighted 1931, by the Taylor Society Incorporated.  
Published every other month. Per year to Members \$2.50;  
to others \$4.00. This issue \$75.

Entered as second-class matter, Dec. 17, 1921, at the Post Office at New York, N. Y.,  
under the Act of March 3, 1879.

Vol. XVI APRIL, 1931 No. 2

### Contents

Comment	45
Balance Sheets of Management	46
Prepared by a Joint Committee of the Taylor Society and the National Association of Credit Men	
Discussion by W. F. H. Koelsch, Stephen J. Miller, Chairman, David E. Golieb, Richard H. Lansburgh, Houston P. Reeder, Sanford E. Thompson, Francis A. Westbrook, Alexander Wall, E. Hay- den Hull, G. E. Schulz, Thomas O. Sheckell, George G. Berger, Arthur K. Schulz, W. R. Williamson, H. S. Person	
The New Challenge to Scientific Manage- ment	62
Discussion by W. J. Austin, Bruce Bliven, Gustave Geiges, A. F. Hinrichs, Paul U. Kellogg, Allan C. Reiley, Mary van Kleeck	
Quality	
A Management Which Reconciles High Standards of Quality with Mass-Pro- duction Requirements	75
By Carl W. Gates	
An Outline of Organization for Quality Control	81
By A. G. Ashcroft	
Spring Meeting	82
Major Urwick	83
Summer Conferences	83
News of the Sections	84
Reviews	85

### Comment

ONE of the most interesting and stimulating sessions of the December Meeting was that devoted to discussion of national planning for industry. The record of the discussion is presented to our readers on page 62 of this issue under the caption "The New Challenge to Scientific Management."

CURRENT interest in the subject has been manifest in numerous articles in newspapers and periodicals, and is now intensified by the appearance of "Business Adrift," a significant book by Wallace B. Donham, Dean of the Graduate School of Business Administration, Harvard University. The clearly presented solid substance of this book and the standing of the author make it one of the outstanding contributions to current industrial-political literature. We emphatically recommend it to our readers.

WHILE reading this book have in mind three questions. First, what is the author's diagnosis of the present trouble with American industry? This diagnosis is essentially that of the propositions discussed at our December Meeting. Second, what is the author's general conclusion? All readers will respect the boldness of it, and many will accept it. On page 61 we give it by quoting concluding paragraphs of the book. Third, what is the author's specific program? Here controversy is certain to develop.

IN THE face of an evident change of opinion by many leaders of American industry in a direction away from intense nationalism, Donham takes the stand for a planned national self-sufficiency. "We should develop our home market by giving greater security and leisure at home rather than depending on exports." This is quite in contrast to the view expressed by Herbert H. Wiggin, Chairman of the Chase National Bank, in January: "Is it not to be hoped that even the blindest among us may now begin to see that our prosperity is interlocked with that of our neighbors and customers . . . ?" The modified-free-trader dean become a tariff advocate; the high-tariff banker become low tariff! There are interesting public discussions ahead.

\*McGraw-Hill Book Company, New York, 1931.