

working is that a good operator, by application and sincere effort, should do one-third more than a normal day's work, or produce at the rate of an eighty-unit hour. Continual observation and a careful breaking down of operations have allowed us to set what we believe to be fair units of expected performance. A careful analysis of the figures on the effectiveness of operators seems to indicate clearly that there are few who have failed by reason of age alone to make the standard. There are, of course, many who have not reached the eighty-unit mark, but on the other hand, there are many who repeatedly make sixty units an hour or over.

In setting standards, operators are rated on the speed with which they work during the time in which they are studied. This brings about a leveling out between the slow and the fast operator. An easy standard is not, therefore, obtained from a study on a slow operator, nor is a hard standard set up from the study of a fast one. The ability to judge speed and properly to rate it is, of course, the most difficult thing in time study. We make no claim that we have reached perfection in this regard but we do claim that we have had some experience. Our time studies are the result of the observations made by different time-study men on different operators doing the same job. What we have striven for is fairness, and this we believe we have attained.

Perhaps the fact that experience brings in its wake patience and skill and the knowledge that things done right need not be done over are all factors in favor of the older employe. Sometimes also the knowledge that there is no good substitute for work prevents the older worker from straying into those primrose paths of dalliance that youth is more prone to tread.

"Trustworthy" is a title that is won through years of demonstrated accomplishment; youth cannot claim that which it has not proved. Older employes have retained their positions and remained to be classified as such because they have produced; they have proven their efficiency. If this were not so they would have been included by the statistician in the dividend used to arrive at the quotient "labor turnover." This quotient industry constantly strives to reduce by introducing satisfactory working conditions, by welfare methods, by insurance plans and stock participa-

tion, and in other devious ways. For what purpose and why? The final answer is always: to reduce the expense and wastage involved in a high labor turnover, necessitating the constant traifing of new and inexperienced help. How can this reduction in turnover be better accomplished than by an analysis of the work to be done and by an allocation that requires experience of those who have it; speed, of those from whom the vim and vigor of youth has not departed? Fortunately for our company the diversity of our production makes this feasible. The infrequency of certain operations might prove a handicap if they were entrusted each time to a new crew or inexperienced help. With a fair sprinkling of those who have seen twenty-five years or more of service some things lose the sense of novelty, even if they occur but three or four times a year. A workman who has served the company for twenty-five years may have seen certain work performed one hundred times, even although it occurs at quarterly intervals only.

We recognize the value of these old-time employes, and we have an honor roll on which their names are inscribed. This starts when an employe has been with the company uninterruptedly for twenty-five years. Although he may be on an hourly basis of compensation he is then given the privilege of two weeks' vacation with full pay. Any time off for sickness or from any other cause may be applied against this vacation grant at the employe's request. As an entrant on the honor roll passes from the twenty-five to the thirty-year class and so on by five-year increments his name is advanced on the honor roll.

There are employes who have been with the company for twenty-five years or more but whose service has been an interrupted one. We have for these employes a quarter-century roll, and those entitled to recognition under this heading are granted a day's leave with pay annually for each five years of service. It is interesting to note in this connection that of 77 employes entitled to leaves of absence under these plans forty-eight took their complete leaves while twenty-nine have taken only a portion of the time to which they are entitled.

We have no pension plan which automatically retires employes at a given age, but each individual case is considered on its merits. Those who by

length of service and faithful performance of duty are by age or sickness incapacitated are retired and carried on a pension roll. The details of a pension plan are not so important, but the fact that the company has made some provision for its faithful servants is unquestionably a factor in relieving worry and in creating a frame of mind more capable of considering quality of production and more determined to see that performance squares with promise in producing the best goods we know how to make.

Another matter of importance that has a bearing in developing that intangible something which we call the "spirit of the organization" is the fact that more than 50 per cent of our employes are stockholders in the company; it is therefore their company's product, whose quality they are working to maintain.

We believe our employes have confidence in their fellow employes and the management and that they know the management's desire so far as quality is concerned. I know the management has full confidence in the integrity, good-will and determination of our employes to maintain the standards of the company's products, and in a large measure this confidence is grounded upon the proven character of the older employes, from whom the younger men may learn that perseverance and a determination to shirk nothing that makes for quality are factors quite as important as speed and pep in assuring stability and continuity in business. Give the old boys a chance!

#### News of the Sections Eastern Massachusetts

The Boston Chapters of the Taylor Society, the Society of Industrial Engineers and the Associated Industries of Massachusetts met together on January 14 at the Boston University Club to hear Mr. Alvan T. Simonds, President of the Simonds Saw and Steel Company of Fitchburg, Mass., on the subject "Looking Ahead." Mr. Simonds believes that business can forestall depressions and pointed out some of the signs that it must watch for if it would do this. He himself believes so strongly in the approach of better times that he has recently completed a new four and one-half acre factory. The model features of its construction, as well as the fact that it has been built at this time, are attracting wide attention.

#### Central New York

Mr. J. C. Howell, of the Associated Consulting Economists of New York, addressed the Central New York group for the ninth time in Syracuse on January 27. His subject on this occasion was "The Economic Outlook for 1931." These annual visits of Mr. Howell are considered of such importance that several other interested groups are regularly invited to share them. This year the Manufacturers Association, the Syracuse Association of Credit Men and Cost Accountants and the Purchasing Agents joined with the local branch of the Taylor Society.

#### New York Metropolitan

The 150 people who came together at the Fraternity Clubs on January 29 to hear a discussion of one aspect of Russia's five-year plan gave ample evidence of the widespread interest in what is going on in that country. Mr. H. J. Freyn, President of the Freyn Engineering Company of Chicago, spoke on "The Management Side of the Russian Five-Year Program." As technical advisor to the Soviet Government in its development of the iron and steel industry he has spent a large part of his time in Russia during recent years, and was well equipped to give a masterly presentation of the "management side" of the Russian industrial venture. Miss Mary van Kleck, Director of the Department of Industrial Studies of the Russell Sage Foundation, ably conducted the meeting. Mr. Lewis Lorwin, of the Robert Brookings Graduate School of Economics and Government, who has for a number of years been a student of the Russian system, both here and in Russia, and Mr. L. Rutenberg, himself a Russian and one of the vice-presidents of the Amtorg Trading Corporation, were the formal discussors of the paper. Following the formal addresses a very general participation in the meeting took the form of a variety of questions put to the three speakers.

#### Washington, D. C.

Washington members of the Taylor Society met for the first time this year at luncheon on January 28. Here also Russia was the subject of discussion. Professor John H. Gray, of the American University, who spent last summer with a group of economists in Russia, talked on what there is of practical value in the Soviet economic system which can teach the capitalistic world to avoid such cataclysms as are affecting us at the present time.