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AUG -7 1922

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## BULLETIN OF THE TAYLOR SOCIETY

A SOCIETY TO PROMOTE THE SCIENCE AND THE  
ART OF ADMINISTRATION AND OF MANAGEMENT

Published by the Taylor Society at  
Engineering Societies Building  
29 West Thirty-ninth St.  
New York

Copyrighted 1922, by the Taylor Society. Published every other month. Per Year to Members \$2.50; to others \$3.00. 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. VII AUGUST, 1922 No. 4

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## COMMENT

IN a discussion printed in an earlier issue of the BULLETIN,<sup>1</sup> a member of the Society called attention to an important fact: that the origin of scientific management coincided approximately with the end of the thirty-year period of falling prices and relative industrial inactivity following the Civil War, and that its development and utilization coincided with the twenty-five year period of increasing business activity which culminated in the intense activity following the World War. And he made the inquiry, What of scientific management during a depression—on a falling market?

<sup>1</sup> Vol. VI, No. 6, p. 234.

EVIDENCE with which to answer the question is gradually becoming available. In the April issue,<sup>2</sup> Mr. Henry P. Kendall, who could testify from experience with several scientific management plants, said: "But I can bear witness tonight, from actual experience, that without scientific management we would not have been able so securely to meet the decline in prices and in business which we have had to meet during the past year; that without the greater knowledge and greater control which scientific management has given, we would not have been able, in the concerns in which I am interested, to get production down to match demand, to reduce business to fifty-five and sixty-five per cent of normal, and still make both ends meet. It has interested me to observe the greater precision with which scientific management has enabled us to meet the situation; for instance, to see the ratio of sales to inventory change from 2 to 1 a few years ago to 4.5 to 1 after the Armistice, and then when greater pressure came on, to 7.5 to 1, a thing which we would have thought impossible a few years ago."

A BRIEF but significant article in this issue<sup>3</sup> brings similar testimony from Mr. Richard A. Feiss: "During these times of industrial depression and stress such as the world has never seen, the organizations whose management can be called truly scientific have come through, and are prepared as are no other organizations in their respective industries for the better times to come." And Mr. Wilfred Lewis, in discussion at the December meeting,<sup>3</sup> made the following observation: "In the last two years we have been through a fire, a moving, and an unprecedented boom followed by an unprecedented depression, and we still have our system intact. . . . Where there is comparatively nothing to do, as at the present, the problem of maintaining an organization and with it an elaborate system of production is very trying indeed, but we figure that eventually it would cost more to shut down and rebuild our organization." And we know other concerns, which shall not be named because they have not put themselves on record, that could give similar evidence; one concern which has performed the remarkable manoeuvre of cutting its force down to nearly a quarter in changing from abnormal specialized war production to normal peace production, and has at the same time greatly

<sup>2</sup> Vol. VII, No. 3, p. 43.

<sup>3</sup> Pp. 126-128.

<sup>3</sup> Vol. VI, No. 6, p. 231.