

8. The minor executives and young men who have come into industry soon find themselves engaged in routine work and overwhelmed by the details pertaining to their tasks, and soon lose the habit of thinking about their problems in the large as well as intensively. They soon get into the habit of imitating, instead of creating, and of seeking superficial short cuts, instead of thorough investigation and thinking out their problems. They need a stimulus, and a practical aid, to help them avoid these habits. Meetings, the Bulletin, conferences and correspondence are intended to help the young men as well as the major executive.

9. The entire personnel of an institution, from major executive to the latest recruit, should be a co-operating group of individualities—cooperating, in the sense that each must play a part in a system of operations; individualities in the sense that each should be an original source of inspiration and new ideas, and a creator of new methods which fit and promote the work of the system. Too many institutions simply inbreed. Individuals lose their individuality and the organization loses its vitality. The greatest asset of an organization is not plant and equipment, cash in the bank, or even an organization of persons; but a spirit of cooperation, an atmosphere of live interest in the best management principles and practice, an *esprit de corps* of search for wiser policies and better methods, and individualities which have not lost the power of creation within cooperation.

10. What the Taylor Society calls its educational work is intended to help an individual and a firm to acquire this most important asset. It realizes that its efforts will be futile if it does not make its meetings and its publications compact with things fundamental and practicable which contribute to that end.

III. CONSULTATION AND INFORMATION SERVICE

11. But the Taylor Society strives also to serve its members in a manner more specific than is indicated by what it calls educational work. It aids in the solution of a member's concrete problems.

12. By this is not meant that the Society offers service which competes with or has the nature of the service of the professional investigator or consulting management engineer. It does not attempt to solve a member's problem in detail. Its assistance in this respect is rather advisory with respect to the scope of a problem, the fundamental management principles involved, and methods of its solution; and informational with respect to what others have done or are doing, what has been printed, and what special reports may

have been made which would throw light upon it.

13. This work of the Society, like Topsy, has just grown. It was not laid out on paper and then built up; it has grown up from small beginnings and is now for the first time being laid out on paper. A few years ago a member dropped in to the office to talk over a problem; then another; then others. The office happened to have facilities for explaining things and securing information, the word was passed along, and members, as was their privilege, began to utilize the office of the Society in this way. At present a large part of the time of the executive officer is taken up by this work.

14. The nature of this service may be best indicated by a few disguised actual cases:

a. Mr. A, the proprietor-manager of a plant, was impressed at a meeting of the Society by the necessity of long-range planning of sales-production schedules. He came to the office of the Society and discussed the matter for nearly two hours, and secured helpful information concerning the methods and experiences of other firms.

b. Mr. B, the general manager of a plant, impressed by a committee report to the Society on sales planning, consulted the office concerning phases of the problem not covered in the report, received additional information, inquired about competent consultants, and has begun the development of sales planning in his business along sound lines.

c. Mr. C, the works manager of a plant, seeking a competent comptroller, conferred with the office concerning aspects of his problem, worked out in conference the specifications describing the man wanted, and secured the man through the office.

d. Mr. D, the consulting engineer of a French plant, called with a letter of introduction from a French member of the Society, received an explanation of the things worth observing in American management, had an itinerary worked out for him, and proceeded on his investigation with letters of introduction from the Society.

e. Mr. E, a minor executive in a plant, who had been assigned the task of investigating and reporting on stores control, called for information on that problem. He was given helpful information and saved false steps in starting work on the assignment.

f. Several minor executives engaged on methods work in various organizations, are in the habit of exercising membership privilege by frequently calling at the office of the Society to explain specific problems, present tentative plans of solving them, and ask for advice and criticism.

g. The works manager of a certain plant, confronted by the problem of the suitability for income-tax report purposes of an accounting system devised for purposes of operating control, secured valuable information through the office of the Society.

15. Such service as is illustrated by the above cases is possible for the reason that the Society, because of the nature of all its work, has to keep informed concerning the latest developments in managerial methods. It saves its members the trouble and expense of having to develop individually such centers of information.

IV. MINOR SERVICES

16. The Society endeavors to serve members in other ways; for instance, it conducts on behalf of members a specialized employment service and fre-

quently secures individuals of particular functional experience to fill positions requiring such special experience.

V. PROFESSIONAL—NOT COMMERCIAL

17. The Taylor Society is a professional, not a commercial, organization. It does not promote any particular interest. It undertakes no commercial work. Its object is mutual help within its membership. It does not charge a member a special fee for any advisory or informational service. Its sole source of income is from annual dues of members, a few non-member subscriptions to the Bulletin, and an occasional contribution.

VI. THE NEED OF A TAYLOR SOCIETY

18. There are two reasons why the educational and service activities of such an institution as the Taylor Society are worthy the active support of every executive of every enterprise in the United States. One is, the acquired characteristics of the American executive; the other is, the future of the managerial problem.

19. Thoughtful executives realize that their executive habits have been determined by past industrial conditions. These conditions have been those of a frontier community exploiting natural resources and serving a rapidly-growing population—operating in general under the conditions of a sellers' market. These circumstances have developed a particular type of executive—the forceful, acquisitive, go-getter type which drives straight to results regardless of methods and cost.

20. But while the forceful, go-getter type of executive will always be essential, managers have come to realize that an organization must be balanced by the inclusion of the thinking, investigating, planning type of executive who surveys conditions and tendencies, formulates precise plans, establishes schedules and budgets, keeps departments coordinated, maintains precise control of operations, has regard for efficiency and economy of methods, and all the time appraises progress and results in terms of plans. Even the go-getter executive, so useful in the early days of an enterprise, must become a thinking, planning executive after the enterprise is well established as a going concern.

21. The thinking and planning type of executive will play an increasingly important part during the next decade. The managerial problem of the future promises to be radically different from that of the past. The frontier conditions of a continual sellers' market, of emphasis on acquisition and go-getting

without regard to methods and cost, are disappearing. Natural resources are generally appropriated; rapid increase of population by unrestricted immigration has been discontinued; wages are settling at a new high level; industry is equipped for large production; the development of a foreign market will remain an uncertain opportunity for a long time to come;—all signs point to a most intense competition to secure shares of the domestic market. Such competition as has been experienced in the past, has been only a *play* competition; *real* competition appears now to be ahead.

22. This competition will be between enterprises which command the same materials at approximately the same price, the same labor skill at approximately the same basic price, the same mechanical equipment at approximately the same price, the same go-getter executives at approximately the same price, and all will have access to the same social facilities of distribution at the same price. The differential between competing concerns which will give success in competition will be the new elements in management—superior analysis of industrial and market tendencies and conditions; superior long-time and short-time planning; superior budgeting and scheduling; superior cooperation between owners, managers and workers; superior selling and production methods; and superior periodic checking of progress and results.

23. To help every organization to incorporate into its established methods of management these new elements on which the future management problem will compel emphasis, is the object of the Taylor Society.

VII. HISTORY OF THE TAYLOR SOCIETY

24. *The Background.* In 1886 Henry R. Towne presented before the American Society of Mechanical Engineers the paper "The Engineer as an Economist," the first paper in America to consider management as an engineering problem. This was followed during the next twenty years by other contributions before the A.S.M.E., notably by Taylor's "A Piece Rate System" (1895), "Shop Management" (1903), and "On the Art of Cutting Metals" (1904); and by "The Present State of the Art of Industrial Management" (Majority Committee Report, 1912).

25. But the concern of that society with an increasing number of technical subjects did not permit expansion of its program to give that attention to management which importance of the subject required. A small group of its members therefore decided that a supplementary organization which could specialize on management was desirable.