

diate pay-roll necessities. For a time it looked as if such adjuncts of management work were only fair-weather factors. As the period of most severe depression passed and prosperity began slowly to return, it was found that frequently that which had been eliminated from an organization could well be spared, that it was really an after-war overdevelopment of a good principle, badly worked out. But plants found out that they needed personnel departments and production departments, if they were established on a sound basis. Examples of well-managed plants that had weathered the storm best of all, through low inventories and quick turnovers made possible through highly developed organizations, came to be well-known, and the sound basis of management work as applied to a particular plant came to be better understood. The feeling that correlation of various departments within a business was of primary importance and operating methods within the departments come afterwards was a distinct outgrowth of the experiences of many plants during the depression. Labor, even union labor, frequently previously hostile to management developments because of misunderstandings or poor operating methods in particular plants, came to be more friendly because of the depression. It saw that there was less unemployment in better-managed plants, less wild wage-reductions, more sympathy for the point of view of the worker from the executives who were working in accordance with modern management principles. All in all, the depression served to squeeze the water out of the management movement and to put it on a firmer, sounder, more appreciated basis in all portions of industry.

32. The management movement has progressed remarkably when its youth is considered. It has grown rapidly from the early beginnings of Frederick W. Taylor, and it seems destined to continue to grow because of the logical trend to operating methods which we have seen is a fundamental condition in American industry. There are a number of factors which are combining to insure steady progress in the development of the field of management. Among these are the growth of societies, whose membership is largely plant executives and whose interests lie entirely with management problems, the increasing literature, both periodical and book, on management subjects, and the attention being devoted by the next generation of factory managers, now in educational institutions, to management as a study.

33. Just as the growth of scientific education in colleges during the last fifty years has aided in revolu-

tionizing American industry, so the growth of management education is likely to aid the management movement in further revolutionizing it. Ten years ago there were not five courses in management given in American universities. Today practically every business and engineering school in the United States is offering courses in Management. While this extremely rapid growth of management instruction has been in response to the demand from industry, yet in many cases it has led the demand, and has, through its graduates, called the attention of industry to the strides that have been made in management in other sections of the United States. It must be put down as one of the most important developments in management in recent years. Particularly is this true in the instances where industry and the colleges have cooperated in management education, for in practically every case where this has occurred, the combination of practical and theoretical instruction has resulted in very distinct advances in the management field.

34. Probably the best criterion for the continued growth of the management movement is the interest of the general public in management matters. Management literature is no longer confined to technical publications, but a large portion of the public is informed of strides towards better management through the columns of the daily press and popular periodicals. Each time that public interest is threatened through some industrial upheaval such as a strike in a basic industry, editorial comment points directly to industries and factories where better management has solved similar problems. The general public, as well as the enlightened factory manager, is coming to know that a solution of a specific controversy between employer and wage-earner lies deeper than mere adjustment of the problems immediately incident to the particular difficulty. It is coming to be daily better understood what the hidden forces are which make for smooth and effective operation of industrial establishments, and that these forces, though sometimes highly technical in their development, must be successfully coordinated by what is known as management to bring about industrial betterments and the industrial peace so sought after.

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SPRING MEETING

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## THE WAYS AND MEANS OF THE CHIEF EXECUTIVE<sup>1</sup>

By JOHN H. WILLIAMS<sup>2</sup>

IN speaking of the ways and means of the chief executive, I shall try to avoid confusing them with his problems. A problem implies a question of judgment such as the adoption of one means or another. I shall try to avoid advocating any particular means for the solution of any particular problem and to stress the desirability of certain means as having an integrity of their own apart from their application to a given problem.

On this basis the first means of the executive may very well be the recognition of the alternative types of management through which he may function, the selection of one or another of these, and consistency to the selected type of management in all that he may do.

Nothing is more important than morale and nothing will destroy it more quickly or more effectually than inconsistency in those things which characterize different types of management.

By type of management I mean the disposition or tendency for or against such matters as:

The subdivision of duties and responsibilities on the basis of function or of personality of executive.

The lodging of final authority in committees or in individuals.

The centralization or the decentralization of authority.

The use of accumulated experience or the use of research as a measure of accomplishment.

The meeting of conditions as they arise or the seeking to forecast and prepare for them in advance.

By "the subdivision of duties and responsibilities on the basis of function or of personality of executive," I mean that there is a tendency to assign work to individuals because of the circumstance of their availability, their reputation or personal relations to the one making the assignment. However easy and agreeable this method of assignment may be to the chief, it is

<sup>1</sup> Paper presented before the Executives' Club of the Boston Chamber of Commerce, February 20, 1923.

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enormously detrimental to the organization itself. While it goes without saying that the one to whom an assignment is made must be able and have the necessary capacity for the matter in hand, it is in most cases even more important that he should be the person charged with responsibility in such other matters as need to be coordinated with the one in question. This I believe to be the underlying principle of functional organization. The mere making of a chart according to functional subdivisions of the work and the assigning of general responsibilities on this basis, means very little unless the chief is willing to be guided in making special assignments by the relationship of the thing to be assigned to the duties and responsibilities of his various assistants.

By "the lodging of final authority in committees or in individuals," I have in mind the difference between joint and individual responsibility. With the committee form of organization, responsibilities are divided and what is the duty of more than one person is no one's duty. Advisory committees are sometimes helpful in developing various alternative possibilities, but there is always the great danger that they will be used to elude individuality. There is another undesirable factor with reference to committee decisions. Most men will accede and respond to a decision rendered by the person responsible for the decision, but there is an instinctive distaste for accepting impersonal decisions.

A committee is a clumsy thing at best. If it undertook to get a meeting of minds on every question it has to decide, it would be like a jury. It would spend days on each question. It must by the very nature of things be superficial or perish. It is too many-sided, and like the too versatile man, seldom sees anything sufficiently one way or the other to be consistent and forceful. I remember as a boy wondering why so many seemingly stupid men were successful. I know now it was because, although they saw only one thing, they saw it clearly and prosecuted it aggressively. Single-mindedness has made more men than it has ruined.