

## Plans for the Spring Meeting

Ann Arbor, May 14 to 16

THE spring meeting to be held May 14 to 16 at Ann Arbor, Michigan, under the auspices of the University of Michigan, has been receiving splendid cooperation from members in that territory and from many other executives.

The meetings will be held in the Michigan Union where arrangements have been made for housing members and guests attending the sessions. The program mailed to each member will contain a card to facilitate reservations.

Nine years ago—May 11 to 13, 1916—the Taylor Society held a significant Conference on Scientific Management at the University of Michigan. It is hoped that this meeting will be equally successful.

The following members of the University of Michigan faculty comprise the executive committee in charge of the meeting: Joseph A. Bursley, Professor of Mechanical Engineering and Dean of Students, Chairman; Orlan W. Boston, Assistant Professor of Machine Shop Practice, College of Engineering; Edmund E. Day, Professor of Economics and Dean of the School of Business Administration; Charles B. Gordy, Assistant Professor of Mechanical Engineering and Clarence S. Yoakum, Professor of Personnel Management, School of Business Administration.

They have been aided by the following advisory committee: W. L. Clements, Bay City Industrial Works; James Inglis, American Blower Company, Detroit; D. L. Quirk, Peninsula Paper Company, Ypsilanti; H. H. Rice, General Motors Corporation, Detroit; H. H. Sealey, Motor Products Corporation, Detroit; and Ralph Stone, Detroit Trust Company.

The program will mark the society's first attack on the management problem from the point of view of the banker-investor and will continue the series of studies in industrial psychology. Special attention will be given to the leading Michigan industry—automobile manufacture.

The skeleton program for all sessions follows. Leaders of discussion for the various papers will be announced in the separate program.

**Thursday, May 14, 4:00 P.M.**—Session for Students of Management: "Daily Problems in a Manager's Office" by C. L. Barnum, Consulting Engineer, Pleasantville, N. Y.

**Thursday, May 14, 8:00 P.M.**—Session on the Management Problem from the Point of View of

the Banker-Investor: "A View of Industrial Management That Interests Both the Engineer and the Banker" by H. I. Shepherd, Vice-President, The Guardian Trust Co., Cleveland.

**Friday, May 15, 10:00 A.M.**—I. Session on Office Management: "The Present State of the Art of Office Management" by W. H. Leffingwell, President, The Leffingwell-Dean Co., New York City.

**Friday, May 15, 10:00 A.M.**—II. Session on the Automobile Industry: "Production Control in Automobile Manufacture" by L. J. Purdy, Production Supervisor, Oakland Motor Car Co., Pontiac.

**Friday, May 15, 12:30 P.M.**—Business Meeting Luncheon for members only.

**Friday, May 15, 2:00 P.M.**—Session on the Automobile Industry: "Frequency of Change of Model" by T. J. Little, Jr., Chief Engineering Department, Lincoln Division, Ford Motor Company, Dearborn; and "Should Automobile Manufacturers Make Their Own Accessories?" by J. H. Marks, Purchasing Agent, Packard Motor Car Co., Detroit.

**Friday, May 15, 6:30 P.M.**—Dinner for members and guests.

**Friday, May 15, 8:00 P.M.**—Session on Automobile Industry: "Tendencies Affecting Methods of Management in the Automobile Industry" by James H. Collins, Chilton Class Journal Company, Philadelphia and H. M. Jewett, President, Paige-Detroit Motor Car Company, Detroit.

**Saturday, May 16, 10:00 A.M.**—Session on Industrial Psychology: "Experimental Psychology in Personnel Problems" by C. S. Yoakum, Professor of Personnel Management, University of Michigan.

**Saturday, May 16, 2:00 P.M.**—Michigan-Minnesota ball game; guests of the University of Michigan Athletic Association.

## Salvage

IN A manufacturing plant which we had the pleasure of visiting recently we saw a table in one of the shops on which were a number of parts awaiting inspection of the "Salvage Committee." They had failed to pass inspection either because of defective material or defective machining. It was the duty of the Salvage Committee to determine how much of the loss could be recouped and in what manner. The exceptionally small quantity of parts which this parti-

cular shop found it necessary to condemn—and its product requires precision work—reminded us by contrast of other shops known to us, and set us to thinking about the problem of salvage. On whom rests the responsibility for avoidance of such waste?

In the case of a particular part defective because of the bad craftsmanship of a skilled worker who has been given adequate and accurate drawings and instructions, the responsibility undoubtedly rests with the worker. If he is not a skilled worker the responsibility may be in part his for representing himself as skilled, and in part the management's for not determining his skill, either at the time he is hired or subsequently, as a basis for assignment of work. If the loss is a result of incomplete and ambiguous drawings or specifications, the blame is clearly the management's. This is likely to be the case in the majority of instances—details of allowance and tolerance are frequently left to the worker's guess. If the part is condemned because of defects in the material disclosed only by the machining, the responsibility cannot be allocated, although if the defects in material could have been discovered by adequate inspection, management is responsible.

This is not all there is to waste and salvage. There is infinitely more waste from unbalanced inventories. A fabricated part—no matter how perfect the craftsmanship and the material—is as much waste as is a part imperfectly machined, if it is a superfluous part in final assembly and has no market. On a rising and active market there is not much danger of failure ultimately to find a market, at some loss; but on an inactive or uncertain market the loss may be nearly total. Who is responsible? Clearly management, because of inefficient planning and control or their total absence.

But even with excellent planning and control in the shop, unbalanced inventories may result from ill-considered manufacturing orders from higher up. In such an instance the shop superintendent and his planning staff may be blameless, but the general manager and likely the sales manager are responsible. To be sure, they have less reliable data with which to work than does the staff in charge of mechanical processing, and to the extent that they have made carefully-considered plans on the basis of all available data, they may be relieved of responsibility; but in many instances they have not made any carefully-considered plans, and in the great majority of cases in which they have made such plans, they have

stopped far short of securing all the data available. There result swollen and unbalanced inventories,—a waste not less reprehensible than the waste of a part spoiled by poor machining, and the cost of the waste is infinitely greater.

In moral responsibility there is no essential qualitative difference between the worker who spoils a part because of bad work at machine or bench, the shop superintendent who spoils many parts because of unbalanced production, and the general manager and sales manager who guess at sales programs and cause plant over-production and unbalanced inventories—all are bunglers at their craft. Quantitatively the difference is vast, and the farther from the individual machine and part one is, the greater the waste and the reprehensibility.

A worker using a dull tool or careless of drawings and specifications is not more to be blamed than a shop superintendent without precise planning and control, and neither of these is more to be blamed than the general manager without market analysis, master plans and other schedules. Each is an important member of an organic whole.

And each is essential that values may result from the work of the others. A workman who has spoiled a part has neutralized the values which would have resulted from certain efforts of other workmen, of the superintendent and his staff, and of the general manager and his staff. The superintendent and general manager who fail to plan and control, in the large and in detail, neutralize the values of efforts on the part of the workers—the workmen may be paid for the labor on superfluous pieces but in the end they suffer a deduction somewhere else. In modern industry with division of labor between plants and within plants, each cooperator plays a part in giving value to the efforts of all other cooperators, and no one can create many values by himself. And planning and other "indirect" labor create values as much as do machining and other "direct" labor.

In an earlier day when one individual planned, fashioned and sold a commodity, it was easy to delude one's self into believing that it was the fabricating alone which contributed the value. But with large-scale industry and division of labor before our eyes, one should not be so easily misled. If the planner is to be credited with causing value finally to emerge from the worker's efforts, he must assume corresponding responsibility. He must plan and coordinate with as much precision as science permits.