

Business Literature

Reviews

The Regularization of Employment. By H. Feldman, Ph.D.¹ Harper & Brothers, New York, 1925, pages xvi, 427. (658.311)

The importance to the business man of this exceptionally important study is established by its point of view and emphasis. It sees the problem of unemployment as one of employment, and the problem of employment as one of managing. Nearly 60 per cent of the study is devoted to a technique of regularization, i.e., a technique of managing the individual business in such wise as to minimize irregularity of operations. It is therefore essentially a survey of progressive administrative policies and managerial methods.

As the author points out (page 426), society's attempts to grapple with the unemployment problem have, broadly speaking, passed through three stages. First, for centuries, lack of a job was regarded as due to personal fault. Second—and until very recently—interest was focused on the phenomenon of unemployment itself, but it was regarded as inevitable and any remediable program was limited to such measures as public works, public employment exchanges and unemployment insurance. Third, in the stage upon which enlightenment is now entering, (in which matter Dr. Feldman's study should be of assistance) the problem is seen as one having to do with the purposes and methods of management of the aggregate of individual businesses. "The lessening (of unemployment) will then come about in the only way it is now seen to be possible on any large scale—as a consequence of operating plants and industries under intelligent managerial policies." (page 427)

Accordingly, although the author considers the problem in all aspects and gives adequate consideration to causes and effects of unemployment and to social and governmental remedies, he gives principal consideration to unemployment as a problem of wise administration and efficient management of the individual plant. Separate chapters are given to such topics as control of demand through research, diversifying output, simplification and the style problem, changing customary purchasing habits, scientific sales planning, production planning, and employment policies and methods which steady employment.

We recommend this book to our readers for it is 100 per cent Taylor Society point of view. In fact, the chapter which summarizes Dr. Feldman's point of view, Chapter III, *The New American Emphasis in the Attack on Unemployment*, appeared originally in the *Bulletin of the Taylor Society*, Volume VII, No. 5. This complete study now available in book form is published under the auspices of the American Management Association, and constitutes an important contribution on the part of that association to management literature.

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Personal Leadership in Industry. By David R. Craig and W. W. Charters. McGraw-Hill Book Co., Inc., New York, 1925, pp. xii, 239. (658.31242)

This book is based upon "personal interviews with more than 110 successful executives." The authors "wish to acknowledge their gratitude to the executives, from presidents to assistant foremen, who put aside their affairs to talk with the interviewers sometimes for as much as four or five hours at a time." The material thus acquired was critically considered by Dr. D. R. Craig and Dr. W. W. Charters, Assistant Professor of Industry and Dean of the Graduate School respectively of the University of Pittsburgh. Out of these critical discussions "the book was born. The study began presumably as an inquiry into executive methods; "the problem of supervision more and more took on the appearance of a question of leadership" as the reports were analyzed.

The authors claim for the book that it is "a working plan, leading up to the final chapter of self training. . . . It should be read as a definition of qualities and character traits involved in effective personal leadership in industry." In the last chapter a rating scale appears, in terms of which the reader may judge his qualifications for leadership and may by this means learn how to mend such defects as a confidential friend may judge him to have.

There can be no doubt as to the practical utility of this careful study. There is probably no other book so direct, so easy to read, which may be given by a president to his executives or may be acquired by an ambitious executive for himself. Nor is there any doubt that anyone who has to mix with and to direct the labors of others will be the better equipped for his work by reading it. America has an enormous task before her in her need to educate an apostolic succession of executives to carry on the traditions and methods of the great and growing commercial enterprises of the country. The need to take home-grown and imported human material and adapt it quickly to commercial and civil use can be compared only with the emergencies of the world war. And in this task the work of Craig and Charters will find a notable place.

If reviewers were permitted to have eccentricities, one might have asked for some consideration of the contributions to our social understanding which anthropology, clinical physiology and psychopathology have still to make. One is always afraid that a book which is so easily read and so short may fail to warn students of the infinite complexities of the human organism. It might even be misused to enforce the common claim that those at present in charge of industry know very well how to "run" industry; yet no claim could be more false than this in our modern civilization. The average successful executive of our time knows as little of the real sources of industrial trouble as he does of the physiology of blood pressure. Civilization arose as a product of a far-reaching silent partnership between science and commerce. And if this silent partnership were to end, commerce would be powerless to deal with industrial situations. The real causes of industrial trouble are as much outside the executives' ambit and comprehension as the Einstein theory of relativity.

But this fact does not in the least minimize the value of the authors' work to those who train executives and to executives themselves. The book is a new departure and timely. It is an empirical study of industrial leaders which every industrialist should read.

ELTON MAYO.²

The Psychology of Selecting Men. By Donald A. Laird, Ph.D.,³ McGraw-Hill Book Co., Inc., New York, 1925, pp. 274. (658.3115)

Professor Laird dedicates his newly published book on industrial psychology "to those who are furthering industrial efficiency and happiness by studying human beings in the spirit and with the methods of science." According to the preface, he intends his volume to serve both the student entering employment work and the man already in it as a manual which both types can readily understand.

In a very diverting introductory chapter the reader is introduced to the well-known psychological fakir, a natural but questionable by-product of the present "applied psychology" movement, who with his pseudo-science preys upon a credulous public, hard-headed business men included. He is warned of the wiles and the greed of this *bête noir* of the scientific world and then graciously referred to honest-to-goodness, orthodox psychologists with worthy records of achievement.

To the employer following the old methods of employment the industrial psychologist comes as an axe-wielding iconoclast. Fully half of Dr. Laird's book deals critically with these commonly accepted methods of selecting applicants: the letter of application, the personal interview, character reading by facial appearance, bumps or horoscope, and the applicant's reputed industrial history. All of these oldtime idols are subjected to a merciless grilling at the hands of an inexorable science, and come out of it practically stripped of their ancient prestige because of their slight efficacy. The chapters devoted to these critical analyses are all quite readable and the conclusions, supported by a wealth of evidence in the form of tables and illustrations, are convincing.

With the niches empty, the disillusioned employment manager turns from the work of destruction and looks to the latter part of the book for new light on his old problems. Unless he has remained ignorant of the accomplishments of industrial engineers during the last decade, he will find here much with which he should be fairly familiar, such as trade tests, graphs and other records of individual progress. He will perhaps feel the same keen disappointment experienced by the reviewer that the negatory throughout the volume outweighs the positive, and that the latter appears so fragmentary perhaps because of its elementary nature, that one has the impression of many loose ends when the book is finished.

He will hardly be satisfied with mere assertions and assumptions such as: "There are no reasons for not believing that half the applicants rejected by traditional

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methods are better fitted for the work than many who are accepted" (p. 241). He will not be able to share the enthusiasm of industrial psychologists over the superiority and often implied infallibility of their methods and accomplishments as long as he reads such qualifying statements as: "Statistics, charts and tables do not always mean what they appear to indicate" (p. 226). Or: "The exact mathematical value found for the degree of relationship (i.e., between personal data) should not supplant reason" (p. 214).

In the chapters devoted to a discussion of personality traits, their measurement and correlation to determine vocational fitness, there is an abundance of illustrative material taken from studies of salesmen, students, insurance agents and clerical workers. The industrial employment manager will look in vain for any material applicable to the countless American industries whose workers come from that vast army of applicants who have nothing to offer but a pair of hands, a fair amount of schooling and a mind willing to learn. True, the final chapters of the book deal with mental tests, their construction and use, but those of us who have used them in industries employing "green" help know that they are of little value in selecting good prospects. Granted a mind above that of a half-wit unable to pass the test, intelligence plays a minor part in determining a green employee's success, as compared with his likes and dislikes, his patience, his motives and incentives.

Employment psychology has made but a beginning; its field of exploration is still unlimited. But science, in its absorption in findings, needs the restraining, cold hand of the Philistine business man to temper its enthusiasms and keep its "time-consuming procedures" in the realm of common sense. The discoveries resulting from a laborious research that a worker who has had a record of accidents is more likely to have more than the person who has had few; that there is no particular height which spells success for salesmen; that other factors besides age must be taken into consideration in selecting typists—such discoveries should impress the practical business man about as forcibly as the recent discovery by a modern savant that the earthworm sings soprano, and remind him instinctively of the old fable of the elephant which after great labor brought forth a mouse.

Dr. Laird's book will recommend itself in a number of respects to the employment man who has been following traditional methods but is alert to study how he may improve his practices. It is quite readable, concise and abundantly illustrated with pictures and charts, many of which tell a story in themselves. It presents a very pleasing typographical appearance, far different from the dry, forbidding aspect of many management volumes.

Unfortunately the book abounds in errors, typographical and otherwise, which will prove irritating to the careful reader and which reflects credit neither on author, editor nor publisher, all of whom appear to be advocates of the strictest accuracy in their respective fields.

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