

idea of the meaning of control than we have ever had before, and it is among business men that we find those who are doing perhaps more than anyone else to give that thought reality.

Discussion

G. G. Barber.² I have read Miss Follett's article entitled "The Illusion of Final Authority" several times. I have found an increasing interest and widening meaning with each rereading.

Miss Follett's writings on business administration (policy determination) and business management (policy execution) are in my judgment a significant contribution to a new business philosophy, a philosophy which puts human personality above material things and regards organic growth as the true test of all wholesome organization.

Two words seem to me to give the essence of Miss Follett's paper. These words are: *function* and *coordination*. If I understand Miss Follett's use of the word "function" it means two very fundamental things which, when taken together and put into effective operation, are of far reaching significance to business executives. These two ideas are based upon the *facts* in any given situation and the *personalities* responsible for collecting, evaluating, interpreting and applying the facts. Miss Follett, in other words, is pleading for a scientific, humanized business management. Put in her own words, she would have authority and responsibility in the work relations derived from function. This means that managers, supervisors, operators, personnel directors, employee representatives are not so much concerned about their particular authority, their rights to hire, discipline, discharge, etc., as they are in getting their minds on discovering what the *facts*—the laws—in any given situation are and where the function in question should in reality be placed.

Put in still another way, as I understand Miss Follett, *authority* should accompany personality, knowledge, experience. This is a law that holds no matter where it happens to hit, whether at the top, the middle or far down the line.

The underlying principle is that there is a mutual relationship in industry and that in order to be truly constructive this relationship between realities and personalities must be one of harmony and accord.

²Chairman of the Board, Continental Baking Corporation, New York.

In order to effect a true covenant, this relationship must be conceived and carried out on the threefold basis of faith and mutual understanding, facts cooperatively established, and the whole process cemented by fair play.

Miss Follett can cite able authority in support of her philosophy of business management. DeTocqueville, in his masterpiece, "Democracy in America," tells us that, "Whatever exertion may be made, no true power can be founded among men which does not depend upon the free union of their inclinations." Are these words of DeTocqueville not clearly in harmony with what Miss Follett has told us? If we are to have true efficiency and harmony in the work relations must not managers and workers, or their representatives, exercise, not superior force, but obedience to fact and to industrial law? Must authority not rest upon proven worth and wisdom, and is wisdom not the result of contact, conference, discussion and mutual understanding?

Most executives, I feel sure, in reading Miss Follett's papers—I say "papers" because I have read several contributions the past year from Miss Follett's pen—would say that she is highly theoretical, that her ideas are not practical. I had a similar feeling the first time I read her contributions to the science and art of business management, but I am glad here at this time in the presence of the members and guests of the Taylor Society to state that Miss Follett's ideas if properly understood and sanely applied are not only practical but I believe they will be found increasingly essential in any scientifically organized and humanely administered industry. I feel sure that I am rendering Miss Follett a personal service and voicing the feeling of business executives who have read her writings when I say that her business philosophy would be wonderfully enhanced in acceptance by business executives and hence widened in service if it could be presented in more direct, simple language. The average business executive is not willing to take the time to stretch his mind on many of Miss Follett's most penetrating sentences. One of our most wholesome tendencies, it seems to me, is the growing, honest effort on the part of scientists and busy business executives, to get together. Mutual understanding and effective cooperation must rest upon a common language.

As I stated earlier, the essence of Miss Follett's philosophy is *coordination* as an executive problem. Coordination is a difficult problem in a large scale,

far flung organization, with scores of units scattered all over thousands of miles of territory. In such an organization many obstacles to perfect coordination must be overcome—internal, conflicting purposes arising between staff, regional and plant divisions; between sales and production; between production and personnel etc. In the understanding and overcoming of these obstacles in the company I am associated with we have found Miss Follett's ideas of practical, cumulative value. She has helped us get our minds away from personalities and keep our thinking on the job. She has helped us define function more sharply. She has helped us appreciate the importance of conference, committees, good will and mutual understanding. I am sure that this process has helped us all to become more scientifically minded and increasingly to respect each other.

External obstacles to perfect coordination are also serious in a large company. Such handicaps arise from customs, laws, political prejudice, special interests and groups, employers' or trade associations.

Coordination is often hampered because of faulty organization policies. The structure and functions of business are indefinite, unbalanced, or not clearly understood; the personnel is not competent for the functions assigned. The attitudes, potentialities of personnel toward policies is given inadequate or unfair consideration. Stubborn prejudices often abound.

Now, Miss Follett would have us recognize the obstacles, prejudices, etc., to perfect cooperation and she would have us substitute positive measures for the disintegrating of prejudice and continued promotion of coordination. I have not the time to go into the detail of the technique and mechanisms we have found helpful in breaking down prejudice and building coordination in our company such as quarterly conferences for executives; regular systematic operating and personnel committee meetings; established research procedures, and a training program for all the higher executives of the company, including heads of major divisions, regional managers and plant managers. All these groups are now active in a formal training procedure and all are getting a *real kick out of it*.

As I understand Miss Follett's argument, she urges us to build policy on a basis of mutual ascertained fact, employ conferences and discussions to interpret facts; discover, train and develop those competent to perform essential functions, and through conference, contact, mutual understanding, build good will. She

would have a clear cut exposition of policies revealed to all affected by policies and, while not emphasized in the article under discussion, I assume that she would recognize as a part of her business philosophy adequate records of performance and clear recognition and reward for accomplishment.

There are certain strong appeals in Miss Follett's philosophy when its implications are thoroughly understood. Life is a process of change, of growth, of individual and social inheritance. Life is a cooperative give and take process. Life is the *nature* way. Nature works according to certain laws. Nature is constantly changing. There is nothing final or ultimate about it. Nature control is cumulative. This idea of growth, elasticity, change, permeates Miss Follett's entire paper. There is nothing static, fixed, ossified about it. There is real inspiration in the fact that Miss Follett's thinking forces us to keep an *open mind*; nor does she ask us in this thinking, growing process to *sacrifice* or *surrender* any vital thing. The beauty of it all is that the more we apply this new philosophy to business the more we *get* in return. I mean this literally. Return in the sense of service rendered, return in personal satisfaction, return in profit.

I know no stronger appeal to the business executive than the fact that this new business philosophy gives the executive opportunities, influence, constructive power immeasurably greater than the old autocratic, individualistic methods of management.

Henry P. Kendall.³ I think you will agree with me that a paper which makes a philosophical discussion and explanation of what some of us as business men think of in terms of the purely tangible and obvious is a bit difficult. I feel that my contribution to such a discussion may put me in the same position as the young man who with his fiancée went to the minister's house to be married. After the ceremony he said shamefacedly, "Parson I am sorry I cannot pay you anything because I haven't got any money but if you will come down in the cellar I will show you how to stop your gas meter from registering."

In regard to the matter of control, I think today with greater centralization of business and under the corporate form of management—which means larger combinations of business, more employees and more complications in the field of management—that every manager is trying to organize both line and staff

³Kendall Mills, Boston, Mass.