

functions, functional management if you will, so that he will have almost no final decisions to make himself.

Miss Follett is quite right in saying that things are now so complicated that in order to make any constructive report on any activity of a company, more detailed study is necessary than the former one man proprietor of an enterprise could take time for.

It has been my observation that the more progressive managers are practically trying so to organize the various functions of their business that department and staff men, functional men, will be as competent, or more competent, with reference to certain policies and decisions than the heads themselves. As I conceive it today the prime responsibility of the man in final authority in a business is so to organize and man those functions that he will have very little to do except to acquiesce and put the decisions of either groups or individuals into a final form.

I was sorry Miss Follett did not, and she could not, of course, in the time given to her, enlarge a little bit further upon what this tendency of division of responsibility is leading to in the case of the one who is supposed to have final authority. My conception of the president's job, when that title carries with it the assumed, the recognized position of final authority, makes it difficult for me to determine just what that man's sphere really should be. As I conceive it, the one man concern is doomed to the field of small business, but I think that there never was a time when leadership was more important than it is today.

It seems to me that no president of a moderate sized company, or of a large company, would assume that all decisions were final with him unless he was in a position so to organize as to—I do not like to say delegate authority, but that is what it is. It is all right to say that you will organize functions and departments of a business and properly man them. That is nothing more than saying that when you properly man them you are assigning responsibility to those men that you have picked out. Of course confusion of definitions exists here, but in common parlance today this would be understood as delegating authority.

The more successfully a person assigns responsibility and selects the men for responsibility, in both functional, staff and line management, just so much more time he frees for himself to do what I like to call the creative and inspirational side of business, in

other words to engage in leadership as against bossing or driving.

I think that the successful heads of business today are doing less and less on major decisions—approving them but assuming less and less authority and responsibility—but doing more and more in the field of manning their organizations strongly and in the creative or inspirational field. Of course without enthusiasm, without team work—and team work means this cross coordination of departments—without that the business cannot, in the terms of a battle, be fought as a whole.

I think Taylor gave the impetus to the combination of functional and line management, and Miss Follett's paper is very helpful in making clear the definitions and in stimulating thinking on the philosophical reasons for things which have developed in the business field out of the necessity for a more cooperative form of management and organization of industry today.

Robert B. Wolf.⁴ Miss Follett's paper, like all of her other writings, is very thought provoking and I find myself in agreement with much that she has said.

I quite agree with her major thesis, which I interpret to be that a manufacturing group performing a specific functional service has individuality.

In May, 1915, I presented a paper before this Society, entitled "Individuality in Industry," in which I expressed this belief. I said, in part, "Is it not a fact, then, that the success of scientific management, properly applied, is due to its action in building up the individuality of the organizations?"

As Miss Follett has so well pointed out, it is essential that organization progress be measured in order that decisions may be made in accordance with facts. In other words, "We must have . . . an organization memory, which is entirely apart and separate from the memory of the various individuals of the plant. It is only by having such a place of record, where all things affecting the organization as a unit can be recorded, that a proper perspective can be obtained. A gradual development of such a memory . . . will tremendously accelerate the rate at which the organization will progress, just as in the individual the addition of new concepts to the brain tremendously increases its reasoning power."

⁴Manager R. B. Wolf Co., New York.

The paper from which I have quoted was written after some years of actual operating experience and in it I endeavored to emphasize the fact that the individuality of the plant could only be really strengthened when we used this individuality as a means for developing the individuality of the men of which it was composed. In this paper I said, "I sincerely hope that in outlining this philosophy of management, I have indicated to you how an organization can be made so conscious of itself as to realize at once when the human units of which it is composed are not being given proper opportunity for self expression, or to realize as well when these same human units are not receiving the sympathetic help they need for their own individual development."

I am not referring to this paper for the purpose of detracting in any way from the novelty of Miss Follett's contribution, but in order to confirm her observation by relating the conclusions I arrived at, as manager of a large plant.

Miss Follett points out that writers on business management speak of "ultimate authority" and "supreme control" as two functions of administration and it is her belief that these expressions are being used because they are the survival of former days and do not describe business as conducted today. I would like to issue a word of caution at this point in the discussion, for it seems to me that we are, at the present time, in a period which represents the swing of the pendulum to the opposite extreme from the imposition of arbitrary authority, probably due to the fact that the discovery of the value of functional management has led its enthusiasts to over emphasize this point of view, with the result that the individuality of the organization is not giving the human units, of which it is composed, the maximum opportunity for creative self expression.

I have had many a young man in recent years come to my office to find out if I could assist him to get work in a small concern where the legal and accounting type of mind had not set up a system of "red tape," which he felt retarded him.

As I look back upon my own manufacturing experiences, I recognize that the greatest success has been obtained always where responsibility has been thrown upon individuals for results, in such a manner that there was no division of authority for the responsible execution of a function.

I believe that most of our confusion is due to the fact that we are not clear in our definition as to what is meant by function. I would like to ask Miss Follett to enlighten us on this point, for frankly, when she says "every man performs a function or part of a function," I am a little confused as to her meaning. Is there such a thing as part of a function, and is it not true that every man who does an individual part is performing a complete function, for which he is responsible; and is it not likewise true that a measure of how well he is performing his function must be made in order to enable him to perform his function intelligently?

Perhaps scientific management, as frequently practiced, in its efforts to do away with hierarchy of position, has overdone the matter in its attempt to eliminate arbitrary autocratic control where decisions are made upon insufficient data.

I would like to see discussed in this meeting the question as to whether there is a legitimate hierarchy of function. Perhaps many of the drawbacks resulting from the over emphasis of horizontal functions are due to the fact that we have failed to recognize such a hierarchy.

I would like to ask Miss Follett to define what she would consider to be the function of the President, for it seems to me that if he is responsible for the function which is represented by the complete operation of the plant, his responsibility is for everything that transpires within the organization. This does not mean that he should attempt to make decisions about matters so far removed from his own actual knowledge of all factors that his decision cannot be sound. He necessarily must "delegate" (if I dare use the word) to the individual responsible for separate functions the authority to make decisions pertaining to these functions. This delegation of authority is no more autocratic than the "definition of a task."

I quite agree with Miss Follett that in an organization, which functions properly, information is continuously made available at all points where decisions must be made, so that the likelihood of making a decision which will not harmonize with the whole operation will be reduced to a minimum.

I also quite agree with her that a decision is merely a moment in the process and that, in any well organized plant, the individual responsible for the function has no choice but to accept