

## APPLICATION OF SCIENTIFIC PRINCIPLES TO OFFICE MANAGEMENT<sup>1</sup>

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THE war situation is bringing home to all of us, in each of our branches of endeavor, the two big industrial problems which the United States faces, depleted labor and the necessity for increased production. We know that the idea of speeding up production by lengthening laboring hours is a delusion. The labor upon which we must draw is limited now, will become more so, and is of inferior grade. We are face to face with a labor condition, the like of which the world has never known. The unrest and turnover among employees is unparalleled in the history of industry. It is obvious then that to maintain our normal output, and even more so to increase our production, it will be necessary to devise improved methods in handling our labor, or in industrial procedure, or both.

Being more or less awake to this fact, industry is alert for improved methods. We come here to make an interchange of our ideas, of our failures and our successes. To this end, I have the honor of addressing you on office management.

No matter with what industry we may be concerned, we have many problems in common. Most of us have to maintain along with our manufacturing employees, a good sized clerical force. A large number of factories have long since adopted scientific methods, entailing standardization of effort and output; most offices, however, have as yet failed to make progress along this line.

My subject is "The Application of Scientific Principles to Office Management."

In its entirety, office management includes all the duties of an office manager—involving both the human and mechanical factors. An ideal office manager must be conversant with the labor market, know the rates of wage he must reasonably give at the time

of hiring, decide between experienced and inexperienced workers, know the psychological and reasonable time for increases in wage, be assured of the training of his workers, use judgment in eliminating the unfit, and select and develop his office executives. He must also study his office equipment and arrangement with a view to minimizing loss of time and energy. He must decide all questions of detail and method, make thousands of decisions daily concerning matters which are solely his problems as administrator, and see to it that the work runs smoothly and evenly through his department. Although it is perfectly possible to apply scientific principles to each of these divisions of effort, a comparatively short paper could not cover satisfactorily the employment problems, the problems of training and developing employees, wage problems, administrative problems, and problems of method and production. I will confine myself solely to the problems of method and production and the wage problem in so far as it affects these two.

To operate an office efficiently, it is necessary to make critical analysis of results and purposes, to maintain a certain standard of production or know why it does not exist, and to promote plans working for efficiency. These very things are usually forgotten by the office manager or are deferred to some later time in favor of the other duties more driving and immediate. It is our opinion at The Curtis Publishing Company that these activities are of paramount importance. We believe that they can best be maintained by a corps of specialists trained in the work and retained solely for this purpose.

Several years ago The Curtis Publishing Company began work of this nature. It was soon apparent that it could be most efficiently handled by staff specialists. A group known as the Standardization Division was formed. These people spend their time exclusively in the analysis of work, planning of new methods, determination of standards, working out and promoting of prize offers, establishment of schedules, and in other similar activities. The specialists work in all de-

<sup>1</sup>Paper delivered at the Spring Meeting of the Taylor Society, Chamber of Commerce Hall, Washington, D. C., Friday evening, May 3, 1918.

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partments, both office and factory. In this way we have one department working together for the good of the Company as a whole, working with the knowledge of what changes will mean in other departments, and working for general efficiency, rather than a number of departments working separately and often blindly in so far as interdepartmental relationship is concerned for the improvement of method and quality, or for their own individual curtailment of expense.

This method may lead you to suppose that our Standardization Division has direct authority over our management. This is untrue. The division has no authority whatever. They are given free foot for unlimited investigation, our cost records are open to them, our company problems are theirs—they have the right of appeal. It is the job of the standardization force to "sell" their plans to the management by demonstrating the practicality and economy of them.

In this way, the activities of our managers are in no way hampered, their authority is in no way curtailed, while at the same time the standardization force is kept keyed up to a high standard of endeavor. This method is not the quickest in its action. Evolution never works as rapidly as revolution, but its results are lasting. Many things can be accomplished in this pleasant way without recourse to the doubtful expedient of revolutionary change. Our plan has been in effect eight years. The results which have been obtained, the better work which is being done and the savings which have been made, have won the hearty accord of even those executives who were formerly unsympathetic with the plan.

The most graphic presentation of a point requires that it be presented in money.

During the year 1917 we had four women doing standardization work in the offices. The expense of retaining these workers was less than \$5,000. The cash savings which resulted from their efforts exceeded \$100,000.

The large number of standardizing experiences, both successful and otherwise, through which we have passed, has resulted in our adoption of a more or less fixed method of procedure. I will now describe this method.

### 1. INITIAL SURVEY AND WRITEUP

The first thing an analyst does in investigating a department, is to note the light, heat, ventilation, furniture, machinery and arrangement conditions. With us the first three usually take care of themselves. The arrangement of the desks in relation to the light

is an important factor. It goes without saying that desks, chairs, cabinets, and other office furniture must be modeled after the work which is to be done, so far as is possible commensurate with a proper degree of standardization, and must furnish the maximum of convenience to employees. It is generally conceded, I think, that the most practical desk for the average office work should not have more than two drawers. Too many drawers offer a ready hiding place for important papers. All desks should be of the flat top type. As to machinery, there are many mechanical devices designed to assist the office organization. Most of them are good, *if they are correctly used*. This qualifying clause is important, however, for thousands of mechanical installations are made which prove to be wasteful and expensive. Too often office executives have given their full attention to finding a method by which a machine might be made to succeed in doing the work. This is not the essential thing. The essential thing is to accomplish the result either with or without the machine, whichever is better. If the work cannot be done without the machine, or if the machine is distinctly labor or time saving or makes for accuracy, it is obvious that we should have the machine. The questions then arise—

Does the machine do the work as well and efficiently as some later model?

Considering depreciation and expenditure,

would it be more economical to get other machinery?

The purchasing of any new machinery should be deferred until the analyst is wholly conversant with the work of the department. An installation which looks good where superficially considered may not prove economical when actually in use.

The arrangement of office equipment is important and it is often neglected. Work should flow through the office according to a connected plan. Make a diagram on ordinary cross section paper, sketch out roughly the outlines of the room and the layout of the furniture. A free hand pencil sketch is perfectly satisfactory; slight inaccuracies do not matter. Now indicate the course of the work with a line. It is surprising how often such an analysis will disclose inconsistent conditions. Study the outline and make a diagram showing the proposed changes. The plan should be considered intelligently and thoughtfully and when perfected should be put into use. An analysis of this kind requires but a few minutes and is worth doing from time to time even though no need presents itself.