

4. Is the advertising department subordinate to the sales department, or coordinated?

In eleven replying firms advertising is subordinate to the sales department; in six it is coordinate, the inference being that they are coordinated by the General Manager. In one they are practically unrelated, "the sales manager knowing nothing of advertising until he sees copy in publications."

A close analysis of these replies will disclose many discrepancies in details. To make such an analysis and to draw conclusions is not attempted. The tabulated raw material of the questionnaire is presented for what it is worth. In itself it is believed to be worth something; as a guide for the committee and others in preparing future questions, especially as a lesson in the necessity of precise terminology and the clear framing of questions, it is of great value.

Also there would be much of greater value were it possible to disclose the replies of individual firms. Of those firms which recognize and in their organiza-

tions provide for the difference between sales engineering or planning and sales operating, the replies to detail questions are illuminating.

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Winchester Repeating Arms Co., New Haven, Conn.
Charles J. Crockett,
Printz-Biederman Co., Cleveland.
Charles P. Staubach,
Burroughs Adding Machine Co., Newark, N. J.
E. St. Elmo Lewis,
Campbell-Ewald Co., New York.
Henry Wood Shelton,
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ABSTRACT OF A PRELIMINARY REPORT

of the

COMMITTEE ON THE ORGANIZATION AND FUNCTIONS OF THE SALES ENGINEERING DEPARTMENT

PRESENTED AT THE ANNUAL MEETING OF THE TAYLOR SOCIETY
NEW YORK, DECEMBER 3, 1920

FOREWORD

FOR convenience in this report the term Sales Engineering is used as descriptive of the major function discussed. Work of this character, in whole or in part, is now being carried on in organizations under such titles as Sales Technical Division, Sales Promotion, Merchandising, Merchandising Control, Sales Research, Sales Planning, Development Department, etc. It is not important at this time to discuss the name, as the choice of a name will depend upon the organization, personnel and character of the individual enterprise.

This report is designed to stimulate and guide discussion of a comparatively new phase of the work of a distributing or marketing organization. The committee presents a preliminary report only; it cannot hope at this time to present other than a basis for discussion of a subject on which only meagre pioneer work has been attempted.

Every modern sales manager has of necessity been compelled to carry on some or all of the phases of distribution outlined herein. The subject matter is new only in the attempt to segregate into a distinct major function that part of his work which has to do with research, master planning and master scheduling. It is a definite effort to bring recognition of a major function which shall have to some degree the same relation to distribution as that of manufacturing engineering to factory operation.

A point of similarity is the necessity for selecting for the performance of these functions, personnel which possesses the student, planning, creative aptitude and ability. It must be noted, however, that the manufacturing engineering function is concerned almost wholly with tangible things, whereas sales engineering is concerned with both tangible and intangible things. The first is concerned largely with ma-

terials and controllable processes; the second with fallible records and uncontrollable human impulses and activities. The first can frequently test its plans on a laboratory scale with minimum expenditure of money and loss of time, employing pure science; the second must incorporate in its plans psychological and economic laws, which are none too well defined and understood and of which the verity and applicability can only be ascertained after considerable loss of time and expenditure of money.

This frank statement of the differences in the certainty of results and the possibility of scientific checks on operations does not destroy the similarity of the relations of the two engineering functions to the operating functions to which they are respectively related, and it does not limit the field of the possibilities of sales engineering. It should serve to emphasize the necessity for the recognition of the engineering phase of sales work as a distinct function and of the intensive use of all the sciences now available, thereby making possible the application of scientific analysis and synthesis to the problems of distribution.

In our present development of manufacturing and merchandising, the cost of distribution or marketing usually far exceeds the cost of production, and the success of the application of scientific management to production points a plain path for management to pursue in its efforts to cut the costs of distribution.

TENTATIVE CONCLUSIONS

1. The conditions or causes which have led to the establishment of engineering and operating as separate major functions in the production of products exist also with respect to distribution and indicate the necessity for the recognition of engineering and operation as major functions in the production of sales.
2. Master planning and scheduling can properly be considered sales engineering, delegating detailed