FOUR-WAY TEST AND VOCATIONAL SERVICE

Back in 1932 Herbert J. Taylor was assigned by the creditors of the Club Aluminum Company the task of saving the company from being closed out as a bankrupt organization. He found that the company owed its creditors over \$4,00,000 more than its total assets. It was bankrupt but still alive.

At that time he borrowed \$6,100 from a Chicago bank to have a little cash on which to operate.

While he had a good product, his competitors also had a fine cook ware with well advertised brand names. His company also had some fine people working for it, but his competitors also had the same. His competitors were naturally in much stronger financial position than he was.

With these tremendous obstacles and handicaps facing him and his company he felt that he must develop in his organization something which his competitors would not have in equal amount. He decided that it should be in the character, dependability, and service—mindedness of his personnel. He determined to be very careful in the selection of his personnel and to help them become better men and women as they progress with the company.

He believed that "In right there is might." And he determined to do his best to always be right. His industry, as was true of scores of other industries, had a code of ethics but the code was long, almost impossible to memorize and, therefore, impractical. He felt that he needed a simple code of ethics which everyone in the company could quickly memorize. He also believed that theproposed code should not tell his people what they must do but ask them

9 thurs

questions which would make it possible for them to find out whether their proposed plans, policies, statements or action were right or wrong.

Herbert Taylor decided that the logical place to look for guidance and inspiration in formulating his code wasthe Bible. Through the years this book had been the source of many of the world's great moral and spiritual truths.

In a certain passage of the scripture he found the four basic words around which the four-way test was built. These four words are truth, justice, friendliness, and helpfulness. Considerable time was spent in developing these four words into four short questions, which now make up the four-way test. Here are the four questions:

- 1. Is it the truth?
- 2. Is it fair to all concerned?
- 3. Will it build good will and better friendships?
- 4. Will it be beneficial to all concerned?

Just 25 words - But when it was finished Herbert Taylor found that it could be applied effectively to all human relations - in business, in the home, in the school, or in legislative chambers. As you know, it is now generally recognized as the shortest effective code of ethics so far devised.

Herbert Taylor placed this little code under the glass top of his desk and determined to try it out for a few days before talking to anyone in the company about it. He had a very discouraging experience. He almost threw it in the waste basket the first day when he checked everything that passed over his desk with the first question - "Is it the truth?" He little

realized before how far he often was from the truth and how many untruths appeared in his company's literature, letters, and advertising.

After about 60 days of faithful constant effort on his part to live up to the Four-Way Test he was thoroughly sold on its great worth and at the same time greatly humiliated and at times discouraged with his own performance at President of the company. Herbert Taylor had, however, made sufficient progress in living up to the Four-Way test to feel qualified to talk to some of his associates about it. He discussed it with his four department heads. You may be interested in knowling the religious faith of these four heads. One was Roman Catholic, the second was Christian Scientist, the third was Orthodox Jew and the fourth a Presbyterian.

He asked each man whether or not there was anything in the Four-Way Test which was contrary to the doctrines and ideals of his particular faith. They all four agreed that truth, justice, friendliness, and helpfulness, not only coincided with their religious ideals but that if constantly applied in business they should result in greater success and progress. These four men agreed to use the Four-Way Test in checking proposed plans, policies, statements, and advertising of the company. Later all employees were asked to memorize and use the Four-Way Test in their relations with others.

The checking of advertising copy against the Four-Way Test resulted in the elimination of statements the truth of which could not be proven. All superlatives such as the word better, best, greatest bask and finest disappeared from their advertisements. As a result the public gradually placed more confidence in what they

Digitized for FRASER said in their advertisements and bought more of their product. http://fraser.stlouisfed.org/ Federal Reserve Bank of St. Louis The constant use of the Four-Way Test caused this company to change its policies covering relations with competitors. They eliminated all adverse and detrimental comments on their competitors' products from their advertisements and literature. When they found an opportunity to speak well of their competitors they did so. Thus - they gained the confidence and friendship of their competitors.

The application of the Four-Way Test to their relations with their own personnel, with that of their suppliers and customers help them to win their friendship and confidence, also. This experience taught them the truths contained in the quotation, "A good name is rather to be chosen than great riches, and loving favor rather than silver and gold."

A short time ago Herbert Taylor reported, "Through over 19 years of sincere effort on the part of our personnel, we have been making steady progress towards reaching the ideals expressed in the Four-Way Test. We have been rewarded with a steady increase in sales, profits, and the earnings of our personnel. From a bankrupt condition in 1932 our company has paid its debts in full, has paid to its stockholders over one million dollars in dividends, and has a present value of over two million dollars."

All of these rewards have come from a cash investment of only \$6,100, the Four-Way test, and some good hardworking people who have put faith in God and high ideals. As the Book of Books says, "I will put my laws into their minds and write them in their hearts."

Most of our people have the laws of God in their minds and hearts and they have a real desire to live up to the Four-Way Test in all of their relations with others.

Intangible dividends from the use of the Four-Way Test have been even greater than the financial ones. This was certainly true for the Club Aluminum Company. They have enjoyed a constant increase in the good will, friendship, and confidence of their customers, their conpetitors, and the public, and what is even more valuable - an improvement in the moral character of their own personnel.

We particularly like another comment by Herbert Taylor, "We have found that you cannot constantly apply the Four-Way Test. to all your relations with others eight hours each day in business without getting into the habit of doing it in your home, social, and community life. You thus become a better father, a better friend, and a better citizen."

I have a good friend down in Gray, Georgia who runs a little grocery store. He went to lunch with a friend one day who was trying to sell him some advertising. He said, "Look, I've been in business in this little town 18 years. We don't have too many people. Everyone knows me. They know what I sell. I'm not going to keep on spending money to tell people things they already know."

The advertising man said, "Look out the window."

My friend looked out the window. There was the First Methodist Church across the street. The advertising man stold him the old story. "Now, look here. The church has been here 118 years but they still ring the bell every Sunday morning. My advice to you is - If you want to

be around here a while, keep on ringing the bell."

As Rotarians, in just this same way, you and I may have never possessed all of ourselves. We have only possessed a part of what we are capable of being. The key of Rotary can unlock some doors for us and let us come into possession of our hitherto unpossessed selves.

Too far have we depended upon law to establish and enforce our policies of honesty. Too prone are we to think that the limits of the laws are the limits of our honesty and that our policy should only keep us within the law. There is a wide area of business ethics for honesty beyond the limits of the law, but not beyond the Rotary ideal of service or the application of the Four-Way Test.

Maybe you have heard me tell this story of Jonathan who had a policy. Generally the sun shone for Jonathan, but rain or shine, his store always echoed to his gaily whistled tune.

A customer came in and bought her customary half-dozen egg s. "It's funny, Jonathan," she said, "But I never have to say 'Are they fresh here'". Jonathan made no reply. He put the eggs on the counter. She says, "And I'll take 20 pounds of sugar."

Jonathan hesitated. He knew the customer's husband had been ill a long time. "If I were you, I'd wait. I'm sure sugar is coming down." "Then, I'll wait," decided the customer.

On the Main Street of a large city the Enterprise Store occupies a full block surrounded by glowing plate glass windows. Crowds pour in and the clerks and floorwalkers hurry.

"Look at this," said a woman as she held up before a floorwalker a ruffled hoy's sweater. "I bought it last week, and washed it once."

The irritated customer was taken to the office of the storeowner.

"I'll see that you get your money back," he said pleasantly and
gave her a note to the cashier. "Sorry, we'll try not to let it
happen again."

Then he called the buyer. "It isn't first quality," the buyer admited, "but I bought those sweaters at a price that gives the store a handsome profit."

"We are not in business primarily for handsome profit," the owner firmly pointed out. "This is an institution for service, and the thousands who depend on us must not be betrayed. You were not fortunate enough to have been raised in sparte."

"aparta! Why, I passed through that place just a few weeks ago.

It's so small you can hardly see it."

"It's so big, there is no room for anything that smacks of dishonesty. The policy I made there has made the Enterprise Store what it is, and I learned it from a man named Jonathan who runs the one and only store there."

"I remember him," the buyer said. "I stopped at his store. He wouldn't sell me a soft drink because he said it wasn't fresh. What do you know about that - leaning backwards."

Alone in his office, the owner sat thinking. A little black play with gold lettering caught his eye. He picked up his pen.

A couple of days later, in Sparts, Jonathan closed the door of his store after a busy day. He hurried home full of eagerness. He held in his hand a letter from an old friend, a fellow townsman who had made a brillant success in the city as the owner of the Enterprise Store, and in the inspiration and comfort of his own easy chair, he read:

"Greetings, to the most successful man in the world. A full life of service and honesty to whose example I owe my all."

Jonathan bowed his head and in the faint flicker of the hearth seemed to see the threads of gold like spider webs reaching out to the uttermost realms.

That is the way of honesty in action. Yes, honesty is still the best policy. Another application of the Four-Way  $T_{\rm est}$ .

There are numerous ways in which the club can utilize the Four-Way Test. For instance, a project of the Columbus, Georgia Club calls for each member to display a copy of the Four-Way Test in a conspicuous place in his place of business.

Four-Way Test desk placks have been presented to themembers of their respective state legislatures by the Rotary Clubs of Tallahassee, Florida; Madison, Wisconsin; and by all the Rotary Clubs in North Carolina.

The Rotary Club of Jacksonville Beach started the project with a series of teaser newspaper advertisements which said merely,
"The Four-Way Test." When the public curiosity was fully aroused editorials told what the test is and how it came to be. The Rotary Club then held a large special meeting where the test was discussed before civic leaders, other service clubs, clergymen, and non-Rotarian

businessmen.

The Rotary Club of Marion, Ohio provides those members who are manufacturers with export shipments a supply of cards to insert in each package sent abroad. The text on the card indicates the manufacturer of the merchandise is represented in the Marion Rotary Club. It says that its business is conducted under the terms of Rotary's Four-Way Test.

Copies of the Four-Way Test are available in several styles, each of which is widely useful for gift purposes, for club members on special occasions, birthdays, anniversaries, for new members, or guest speakers, for business associates, for customers, for competitors, for schools.

It has been said that, if you make a better mousetrap, people will beat a path to your door. The mere making of a better mousetrap is fine, but the world must know that it will satisfy a need and that these mousetraps may be had at your door. It may even be necessary to post signs directing people to your door.

Rotary does not make mousetraps or pots or pans or food or clothing or anything that can be seen or heard or tasted or smelled. In fact, Rotary does not make anything. It merely encourages and fosters an intangible, indefinable something that Rotarians have developed over the years - an ideal of service embodied in the Four-Way Test. People have beaten a path to the door of Rotary, but until the ideal of service has become the basis of every worthwhile enterprise, the untimate object of Rotary will not have been attained.

Business and professional men, over a third of a million of them, have found something better in Rotary. It is our business to guard this movement, constantly improve and make it better, to encourage, promote, extend, and supervise it throughout the world, so that all men may beat a path to the door of Rotary, embrace its philosophy, and apply its ideals to their personal business and community enterprises. Nothing offers a more attractive manner of presenting this than the use by each Rotarian of the Four-Way Test in his own business or profession.

Paul Harris, the founder of Rotary once said, "Rotary is made up of unselfish men." In my opinion he could have truthfully added that most Rotarians are continuously seeking ways and means of exemplifing that unselfishness. The underlying principle of this ideal of service is very simple. It is nothing more mysterious or complex than the golden rule applied with very liberal proportions of plain old fashioned honesty and a high sense of honor.

A Rotarian has little opportunity to devote every hour of every business day of every working week to club service, community service, or international service. He does, however, enjoy the opportunity and carry the responsibility of practicing vocational service, the application of the Four-Way Test during every hour that he is engaged in the conduct of his business or the practice of his profession. His every contact involves a decision or an act that is either ethically wright or ethically wrong, and it must be ethically right if it is to line up squarely with Rotary standards.

Admittedly, we are all in business for profit, but there

are people who sometimes blink at the mention of the word "profit" and there are some who are inclined to apologize for it. The difficulty lies in our interpretation of what profit is, but I believe the true answer can be obtained from what the Master once said, "What shall it profit a man if he gains the whole world and loses his own soul."

Generally speaking, Rotary is made up of keen-minded business and professional men. We aren't the kind that needs to be preached to, but we must not get the idea that the Four-Way Test is a mere high-sounding phrase, some tangent Rotary is following, some intangible philosophy surrounded by mystery, or a motto to be hung on the wall and forgotten. It is not comparable to the act of hanging up the sign "God Bless America" and then letting God do all the work. It is something we must apply and express every day of our business life and not as an activity that we subscribe to on meeting days only.

Every member of Rotary throughout the world is a custodian of the influence of Rotary as he reflects the ideals and standards implied in the Four-Way Test. To that extent he accounts for his stewardship in Rotary. It is a doctrine of fair and honorable dealings.

Let us regard our business, our job, as something of more significance than a mere means of making a living. May we see ourselves as Master Craftsmen, each with a loyalty to his craft and a determination to see to it that our vocation or profession contributes to the general welfare of our own community.

It is good to have money and the things that money can buy, but it is good, too, to check up once in a while to make sure we haven't lost the things that money can't buy. A man can be truthfuland honorable, but at the same time a most unpleasant and antisocial fellow. Application of the Four-Way Test should also include considerate thoughtfulness. It likely will inject a generous measure of the golden rule.

This little poem by a Rotarian, Eddie Guest, seemed to include in a capsule something of our thinking. All of you have no doubt heard it, but with each repetition it seems to bring a renewed appreciation:

"I have to live with myself and so
I want to be fit for myself to know
I want to be able as the days go by
Always to look myself straight in the eye
I don't want to stand with the setting sun
And hate myself for things I have done.
I don't want to keep on a closet shelf
A lot of secrets about myself
And fool myself as I come and go
Into thinking that nobody else will know
The kind of man I really am.
I don't want to dress up myself in sham."

"I want to go with my head erect
I want to deserve all men's respect
And here in the struggle for fame and wealth
I want to be able to like myself
I don't want to look at myself and know
I am bluster and bluff and empty show
I can never hide myself from me
I see what others may never see
I know what others may never know
I never can fool myself and so
Whatever happens I want to be
Self respecting and conscious free."