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ROYAL MEEKER, Commissioner

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EMPLOYMENT AND UNEMPLOYMENT SERIES: NO. 3

PROCEEDINGS OF EMPLOYMENT
MANAGERS' CONFERENCE

HELD UNDER THE AUSPICES OF THE NATIONAL SOCIETY FOR THE
PROMOTION OF INDUSTRIAL EDUCATION AND THE MINNEAPOLIS
CIVIC AND COMMERCE ASSOCIATION, JANUARY 19 AND 20, 1916



MAY, 1916

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EMPLOYMENT MANAGERS' CONFERENCE HELD AT MINNEAPOLIS, JANUARY, 1916.

INTRODUCTION.

Of all industrial hazards, the most costly in money and in the demoralization of the workers are unemployment, underemployment, overemployment, irregular employment, and "mal"-employment. Statistics indicate that the losses from accident and illness are nothing like as great as the losses from the maladjustment of labor.

It is a hopeful sign that employers are taking up seriously and systematically the study of the methods, or lack of methods, of employing and discharging men, the possibility of regularizing industry so as to diminish the difference between dull seasons, when employees are turned off or put on short time, and rush seasons, when the workers are driven at feverish speed for extra hours, and the advisability of taking an intelligent interest in every employee hired with the view of fitting the job to the worker and the worker to the most suitable job.

The attitude of some employers has been to regard the employee as a kind of self-installing machine, which required no oiling or cleaning, no expense for upkeep or repairs, and was seldom worth conserving or safeguarding, because so easily replaceable from the great number of similar human machines waiting at the factory gates. In recent years associations for the purpose of studying the problems of employment have been formed in many cities. Like all meritorious movements, this movement to promote the more intelligent treatment of laborers has spread until it has become nation-wide. A national conference of employment managers was held at Minneapolis on January 19 and 20, 1916, for the purpose of discussing some of the problems that concern both employers and employees. The papers presented at this conference and the discussions are printed in this Bulletin.

ROYAL MEEKER,
Commissioner of Labor Statistics.

PROCEEDINGS AT MEETINGS OF THE CONFERENCE.

Wednesday evening, January 19, 1916.

In connection with the annual convention of the National Society for the Promotion of Industrial Education, and at the special invitation of the Minneapolis Civic and Commerce Association, an informal conference on employment management problems was arranged for on January 19 and 20, 1916, preceding the opening of the National Society convention.

At the opening of the meeting, which was presided over by Mr. Edgar J. Couper, president of the Civic and Commerce Association of Minneapolis, Mr. Meyer Bloomfield, director of the Boston Vocation Bureau, was asked to act as secretary, and read a letter from the Chamber of Commerce of the United States, as follows:

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA,
Washington, D. C., December 2, 1915.

MR. MEYER BLOOMFIELD,
*Chairman of the Program Committee,
6 Beacon Street, Boston, Mass.*

DEAR SIR: The officers of the Chamber of Commerce of the United States have been interested in the movement for organizing the employment executives in business ever since the first association, the Boston Employment Managers' Association, was started by the Vocation Bureau. The idea of treating the handling of help, from the very time of selection, in a professional and technical way, appeals to the business men. To treat the employment problem in industry and commerce in a systematic way would tend to promote both business prosperity and right industrial relations. There can be no question that the business men of the country will give their moral support to any such effort, and on behalf of our directors I wish to assure you of our desire to cooperate with you in every helpful way. If it should prove feasible to effect some form of working relations between those who are active in employment managers' associations and the Chamber of Commerce of the United States of America, we should be very glad to work to that end.

Very truly, yours,

(Signed)

JOHN H. FAHEY, *President.*

THE FUNCTION OF THE EMPLOYMENT DEPARTMENT.

BY R. C. CLOTHIER,

Manager, employment department, Curtis Publishing Co., Philadelphia, Pa.

INTRODUCTION.

If you take any two business concerns engaged in the same industry and allow to both the same mechanical advantages and the same proficiency of method and system, the larger measure of success will come to that concern which has advanced further toward the intelligent development of its working force. It is perhaps natural that industry, in studying out ways and means to expand and increase its powers, should first bring into existence machines which make possible the multiplication and refinement of its product. It is natural, perhaps, that the next step should be the perfecting of methods of production and distribution to the end of eliminating as far as possible all waste and lost motion. In the same way it is natural that industry, having solved these two problems in large degree, should devote its attention to the development of the workers who operate these machines and systems, and on whose efficiency, then, the efficiency of these machines and systems depend. It is with this in mind that we have come together at this conference to exchange ideas.

FIELD OF THE DEPARTMENT.

The phrase "employment department" is a misnomer if it is permitted to convey the idea of a department maintained merely to keep in touch with the labor market and to engage employees. Its function is infinitely broader. Summed up in one sentence, the employment department is the department whose purpose is to develop the efficiency of the workers, directly or indirectly, and to bring about a condition in which the individual employee will render as nearly as possible 100 per cent service to his employer. The word "employ," then, should signify "continuous employment" rather than the act of engaging a worker and placing him on the pay roll.

FOUR DIVISIONS.

How, then, is the employment department to proceed? Into what subordinate functions is its main function of the development of personnel divided? There are four. Allow me to touch briefly upon these subordinate functions.

SELECTION.

Of course, the first is that of selection. When we go to construct a machine, our first care is as to the material we put into it; similarly when we go to build up an efficient working force, we must exercise the greatest care as to the character and quality of the units which are to comprise it. The employment department must naturally keep a classified record of applicants, so that when vacancies occur, to be filled, the executive in charge of engaging employees may be able to get in touch with proper material. It must examine applicants carefully, not only with respect to their fitness for the particular tasks they are to perform, but with respect to their constitutional ability to harmonize with the ideals and underlying principles of the company they are to serve; they must be capable of loyalty as well as efficiency. The incoming employee, too, must be physically capable of performing the duties about to be delegated to him. Not only must he be muscularly strong enough for his tasks, but he must be constitutionally in good health, and he must of course be free from any impairment which might be communicated to his fellow workers. For the medical examination of new employees, a company physician should be in attendance under the direction of the employment department.

INSTRUCTION.

The second subordinate function of the employment department is, in most concerns, that of instruction. Instruction is the process of developing a new employee capable of delivering, perhaps, 10 per cent service into a trained worker capable of delivering 90 per cent service or better. Methods of training differ with different concerns. Different kinds of work, different kinds of organization, demand different ways of conducting instruction work. Some concerns find it best to maintain schools under salaried teachers for this purpose; such schools should, of course, be under the direction of the employment department. Other concerns have their instruction work done departmentally by persons designated to that task, or even by foremen and fellow employees. Where the instruction work is done in this way, the employment department should be a very interested party. It should either exercise direct control or a strong advisory influence.

WELFARE.

The third subordinate function of the employment department is that which has direct reference to the state of mind of the employee. This division of the work is founded on the certainty that an employee who is happy and satisfied and free from anxiety, and who works under favorable physical conditions, will do better work and

more of it than an employee who is dissatisfied and fearful of the future, and who does his work in an unfavorable physical environment. For want of a better name, this division of the work is called "Welfare work," a phrase which has fallen into some disrepute because those in charge of welfare in many establishments have let their hearts lead them astray, and because through lack of tact and judgment, welfare work in certain quarters has been permitted to be interpreted by the employees themselves as touching on altruism and charity.

Welfare work is not altruism; it is not charity. Industry now regards personnel as one of the big factors to be considered in every undertaking, and if this is so, then the work of the welfare department is an economic necessity. But this work must be conducted along economic lines, as every other department is conducted; every dollar spent on it must yield 100 cents in return. It must be thoroughly leavened with good, hard, common sense.

The employment department, through its welfare division, should give constant attention to such things as light, air, sanitary arrangements, and elevator service. It is not reasonable to expect an employee to reach his or her place of work in the establishment in the right frame of mind to tackle the day's work with eagerness, if he has to pass through the gamut of damp, dark, and congested locker rooms, and either climb several flights of stairs or wait his turn to get on the elevator together with a crowd of fellow workers, all as vexed as he. It is not reasonable to expect him to display interest in the company as a whole if his employers fail to regard him in measure as a partner—as he really is—and to provide for his physical comfort and convenience accordingly. To bring the individual employee to the frame of mind where he is able to deliver efficient service, it is axiomatic that the employer, through the employment department, should arrange for those physical surroundings which will breed self-respect as well as a spirit of satisfaction.

Under the welfare division of the employment department, restaurants should be maintained for the use of the employees, where good food can be procured at minimum prices. If this is not feasible, encouragement should at least be given to some reputable caterer to maintain a good, low-price restaurant in the immediate vicinity. The former plan, however, is infinitely the better. Good food makes for good health, especially when served under agreeable conditions—a combination that is infrequently found in low-price restaurants. Then again, at the lunch hour the employees meet as men and talk as men; it is the time when opinions are formed, friendships made, and esprit de corps developed.

After these fundamental and immediate welfare needs are satisfied, the employment department should devote its energies to the

development of an adequate beneficial association for the protection of those employees who are taken sick. A staff of woman visitors should regularly call at the homes of employees who are absent owing to illness, for the sole purpose of assisting them in any reasonable way and expressing the company's interest in them. This work requires tact and judgment, for any careless phrase interpreted by the sick employee as savoring of charity will be resented, and any possible suggestion that the visit is really a pretext for detective work in the home will arouse suspicion of the sincerity of the company's motives and alienate the worker's loyalty and enthusiasm.

And in addition the welfare division should provide for a sound pension system for the benefit of the superannuated employees who have given their lives to the company and have grown old in its service.

And when these matters, which are fundamental but not necessarily immediate, have been adjusted, then the employment department is at liberty, through its welfare division, to promote other but less requisite enterprises for the benefit of the workers, such as employees' clubs, savings funds and social meetings, all of which contribute to a favorable attitude of mind on the part of the employees.

MEDICAL.

The fourth subdivision of the work of the employment department is one I have already touched on in discussing the examination of applicants; that is, the medical work. Every large company should have the services of a physician, either all-time or part-time, which should be supplemented by adequate, if not elaborate, hospital facilities. In addition to examining new employees, the physician should periodically examine all employees on the pay roll, say every six months, as a preventive measure. A timely examination may frequently free an employee from the necessity of later giving up his position, and may save his employer the cost and loss of getting a new employee in his place. Two hospitals should be maintained, even if very small—one for man employees and one for woman employees. At least one orderly and nurse should be in constant attendance, to give attention to employees who are taken sick and to treat emergency cases.

SUMMARY OF FUNCTIONS.

I have skeletonized thus the direct functions of the employment department by classifying them as first, selective (the function of engaging employees), instruction (the function of developing their efficiency for their particular tasks), welfare (the function of creating a favorable mental background for their work), and medical (the function of protecting their physical health).

Industry is coming to recognize the need for such a department to supervise its personnel, yet individual executives, even within the concerns which are most farseeing, fail to appreciate the full need for and opportunity of the employment department. For this reason the employment department should occupy an unique position in the business organization; the manager of the employment department should be in touch with the supreme authority in the organization, in order that the department policies may receive first-hand and final corroboration in case it is needed. But because its value is not as yet convincingly impressed upon the average department executives, whom it is intended to serve, such final support from the powers that be should be invoked only when absolutely necessary. In short, the employment department should win cooperation of the executives with whom it works, not through arbitrary legislation from above, but through actual service rendered to those executives. To render such actual service to these executives the manager of the employment department (and his assistants) should be capable of seeing all sides of every question that arises; he should get the other man's point of view; he should get down to a basis of departmental and personal friendliness with him and work out the solution to his satisfaction. Interdepartmental antagonism must be done away with. Personal dislike must be forgotten. When, by such a policy, the employment department wins the esteem and friendship of the operating departments, its position in the organization will be 10 times as strong as if it attempts to force recognition for itself through edict from the general manager's office.

So much for the organization of the employment department, its place in the company, and its relations with the operating departments. What policies should it pursue?

LABOR TURNOVER.

Immediately there presents itself for consideration the problem of the labor turnover, a source of loss and inefficiency and industrial hardship which business, until comparatively recently, has completely overlooked. Labor turnover is, briefly, the proportion of the number of employees engaged in a year to the total number of employees on the pay roll. If a concern has 500 persons on its pay roll and in a certain year 500 persons must be engaged to maintain that pay roll at 500, the labor turnover is 100 per cent; if it is necessary to engage only 250 to maintain the pay roll, the labor turnover is 50 per cent. The formula is complicated slightly if the size of the pay roll increases or decreases during the year and again if the necessary hirings are differentiated from the unnecessary hirings. But, broadly speaking, turnover is the proportion of employees hired to the total pay roll.

It is the direct duty of the employment department to reduce the labor turnover by every means at its command. In fact, the efficiency and value of the employment department can largely be gauged by the trend in the turnover figures. In addition to the contributing effect a high labor turnover has upon general industrial conditions, which in turn react upon the company, there is a very immediate significance in a high labor turnover which can be measured in dollars and cents. The cost of hiring and firing an ordinary clerk or workman is variously estimated in different concerns at from \$25 to \$200. This represents the cost of hiring, the cost of the breaking-in process, the cost of material wasted and spoiled, the disorganizing effect upon the immediate department, and the cost of reduced output during the early days of the new employee's service. If the average cost is \$100 per employee, it requires no genius to ascertain the cost per year to a concern with 1,000 employees which has a labor turnover of 100 per cent.

METHODS OF REDUCTION.

What are the methods by which the employment department can reduce the labor turnover? First, of course, by intelligent selection. Second, by intelligent instruction work so that the employee will not fail to make good through inadequate preparation for his tasks. Third, by creating in him a satisfied spirit as far as welfare work, properly conducted, can do it. Fourth, by developing the policy throughout the organization of filling vacancies from within and giving the employees the opportunity to advance to positions of greater responsibility and compensation as fast as their ability warrants it. Fifth, by reducing as far as possible the number of arbitrary dismissals. Sixth, by working with the administrative officials of the company to standardize the rate of production, either by manufacturing for stock when possible instead of on order, or in rearranging the schedule of production in such a way that the average output (and consequently, the working force) will remain uniform. Seventh, by acting as a clearing house for labor between the various operating departments, in order to prevent one department from discharging help because of slack work, while another department is adding to its force. In its capacity as clearing house, too, the employment department can place elsewhere in the organization employees who fail to make good where first assigned; there are such things as square pegs and round holes, and many an employee who fails miserably at one task may succeed markedly at another.

PERSONAL RELATIONS.

Now for another function of the employment department. The strictly military form of organization is coming under the micro-

scope and flaws are being discovered. Industry is coming to see that the executive who says, "do this," to his subordinates, and who fails to help them by advice and personal assistance is not as valuable as the executive who regards it as his first duty to aid his workmen. The executive is not to command, but to assist. And the business organization which is permeated with this spirit of cooperation between boss and worker is certain to possess a higher degree of human efficiency than the business which is built along the old-time military lines.

The employment department should aid and foster the development of this spirit, both through the personal efforts of its manager and his assistants and in the adoption of departmental policies which work to that end.

CENTRALIZED DISCHARGE.

This touches closely the question of discharge. The fear of peremptory discharge is often the cause of vitiated efficiency on the part of the employee. Fear and enthusiasm can not reside side by side in the same individual's mind. The theory of the old military system is, too frequently, to fire a number of workers occasionally for the avowed purpose of keeping the fear of God in the hearts of the others; it fails entirely to take into consideration the fact that such a policy, while doubtless compelling sullen obedience on the part of the individual, lowers the efficiency of the force as a whole and increases directly the labor turnover.

Ultimate discharge from the company should take place only through the employment department, which should analyze the reasons for discharge in each case and give the discharged employee a chance to state his side of the case. Too often, under the military system of organization, workers are discharged for some superficial reason or through the whim of their superiors. Too frequently we condemn, unheard. This tendency can be curbed and the problem of the square pegs and round holes solved through the centralizing of the function of discharge in the employment department. It will doubtless prove illuminating in most companies to classify the cases of discharged employees by causes and departments. Such a comparative classification would be certain to have a wholesome effect upon the minds of the executives who habitually discharge without good reason, and tend to demonstrate that a large departmental labor turnover reflects seriously upon their individual abilities.

A SERVICE DEPARTMENT.

In closing, let me point out that by the very nature of its field the employment department must be a service department. It is not an operating department, but it should work hand and glove with the

operating departments, helping them in a genuinely sincere way to increase their own efficiency through increasing the efficiency of their employees. It should not seek credit for what it does, only results—on which in the end it must stand or fall. The means should always be sacrificed to the end; many of its achievements for the improvement of the working force must be accomplished indirectly by counsel and advice, and the credit, oftentimes, must go elsewhere. But that, of course, is of minor significance. If, by its activity, either direct or indirect, there results permanent economic advantage to the company through the improvement of its human relationships, the employment department will take its place in the organization as one of the productive departments.

METHODS OF REDUCING THE LABOR TURNOVER.BY **BOYD FISHER,***Vice president, Executives' Club, Detroit Board of Commerce.*

From October, 1912, to October, 1913, the Ford Motor Co. hired 54,000 men, to keep an average working force of 13,000. This was over 400 per cent labor turnover. From October, 1913, to October, 1914, this company hired only 7,000, to keep an average of 17,000 men. Eliminating 4,000 from the comparison, because they were taken on extra to increase the average force, the company really hired only 3,000 men to keep 13,000. This was only 23 per cent turnover. Of course, nine months of profit sharing was responsible for the difference, but the fact only goes to show that the turnover of labor can be reduced. The saving to the Ford Motor Co. must have been at least \$2,400,000, or a return of 24 per cent on the profit-sharing bonus, which had been intended as an outright gift. The saving was really much more than this, because the retention of a steady labor force resulted in an increase in working efficiency estimated by the company at 44 per cent.

The Ford Motor Co. is a special instance, and no other company can be urged to give \$10,000,000 to reduce its labor turnover. Others can be urged, however, to seek other means of securing stable working forces. In this paper I shall state all of the means I know of to accomplish this result. No expedient will be urged which is beyond the resources of any going concern, and none will be recommended which has not worked out successfully in conservative companies.

By means of some of the methods here set down, a large button company in New York reduced its labor turnover 40 per cent, and the Cleveland Foundry Co. reduced it from 240 per cent to 125 per cent in a little over two years. I understand that the present turnover is much lower still.

The causes of the mobility of labor may be classified under three headings:

- A. Men are fired.
- B. Men are laid off.
- C. Men quit voluntarily.

I shall strip the subject of emotion and avoid literary embellishment, treating the causes and the remedies for labor turnover in

accordance with a rigid outline. The men for whom this paper is intended need no analysis of the direct cost or indirect results of ruthless hiring and firing. They merely want other men's experience in dealing with the problem.

The first cause of labor mobility is the ignorance on the part of foremen, and even of pseudo-employment managers, of the great cost of it. One so-called employment manager in Detroit boasted last year of having so much work to do in his department that he personally examined in a year over 300,000 applicants for work. He didn't know how many he had hired, but "guessed that it was a whole lot." Obviously the man exaggerated, but the exaggeration shows that he failed to see the scandal of the situation and confirms the impression of great instability in his plant. If anyone desires a close analysis of the actual cost of such a policy, let him read Magnus Alexander's paper, "Hiring and firing," or W. A. Grieves's paper, "Handling men." The first paper may be had from the General Electric Co., at West Lynn, and the second from the Executives' Club of Detroit. Mr. Alexander gives the cost as high, in some cases, as \$200 per man hired. Mr. Grieves places the minimum at \$40. Deere & Co. thinks that it costs \$1,000 to break in a new foreman; but that must mean "barring accidents."

Even where the cost is realized, however, usually no adequate record is kept. Until Mr. Charles H. Winslow, now of the Society for the Promotion of Industrial Education, brought his inspiration to Detroit as an investigator for the United States Bureau of Labor Statistics, I think that not more than two factories were keeping a proper tabulation of employment statistics, and I hope that Mr. Winslow does not challenge me to name the companies. He found, of course, that most employment managers were keeping card records from which tabulations could be made, but that they were so busy hiring new men that they couldn't get around to analyzing past performances. When he persuaded them to dig into the old records they were all shocked by the discoveries.

Ignorance of cost and extent of turnover may be set down as fundamental or precedent causes. Assuming that these have been removed we may then ask, Why are men fired?

In the first place, blame the shop foremen. It is easy to do this and "get away with it," because of the great responsibilities laid upon them already. Consider what most shops require of these men.

They set speeds and feeds and depth of cut, decide on the best angles and shapes of tools, the best cooling agents, and the kind of steel to use. They are expected to set piece rates, to plan to keep all machines busy but not congested, to order work through the department in relative importance, keep down idle-equipment time,

break in new men, adjust differences as to wages, keep up discipline, keep down rejections, and act as stock chasers.¹

If they must do all of these things, and must, furthermore, hire men, is it any wonder that they find it necessary to keep picking goats upon whom to visit their own errors, or that from sheer weariness and irritation they fire a man a minute? Most foremen have too much to do, and, in order to square themselves, they try to get men who need no managing. That is the chief cause of the turnover of labor. And to date, they haven't been sufficiently checked up by intelligent direction. I know of one superintendent who took a foreman to task for not firing more men, because it seemed to show a lack of discipline.

A second reason for hasty, ill-warranted firing is to be found in the fact that religious or national prejudice in a department, or in the mind of the foreman himself, "jobs" many a fairly good workman out of his job.

But passing without elaboration this obvious cause, we must admit that most men are fired with some justice in the excuse that they are unfit. Harrington Emerson once said that of any 10 jobs probably only 1 was filled by the man who ought to be in it, and that of any 10 men probably only 1 was doing the work for which he was fitted. Lack of knowledge while hiring, and lack of insight after hiring, on the part of the representatives of the management, are responsible for the improper assignment of men hired. Those who examine applicants have no specifications for the mer wanted and little skill in getting at the qualifications of those examined. Few plants yet have searching ability tests, supplemented by physical examinations, to assist them in getting the right man in the right place. Still fewer have any means of training the men, once hired, into greater efficiency in their assigned tasks. These causes account for the lack of fitness in men, and where these causes exist foremen can not be blamed for rejecting, after a short try-out, most of the material sent to them.

The foregoing causes account, I think, for all of the causes of outright discharge. There are two reasons, in addition, why good men are laid off, usually permanently.

In the first place, unless the plant is scientifically managed, and most plants are not, the scheduling of work through the shop is faulty. Some departments, or at least some machines, will be congested, while others will be idle. Through lack of proper information foremen overstate their labor requirements, with the result that they get through some operations ahead of schedule and some men must be laid off; for, obviously, a Jones & Lamson screw-machine

¹ See *Installing Efficiency Methods*, by Charles Edward Knoeppel, p. 13.

hand, or a die maker, can't be kept around the plant as an ornament, and what foreman has the time to try to fit men to new specialties?

If foremen have underestimated their labor requirements, the result will soon be the same. Extra men must be called in, only to be discharged later on. Even though a good man will be needed next week he is laid off as soon as he is through, because foremen are expected to keep down direct labor cost. One Detroit employment manager told me that his foremen were astonished when he analyzed their labor requisitions, showing them how frequently they discharged and then wildly besought men on high-priced operations. Of course, lack of a centralized scheduling system was mainly responsible.

Men are laid off chiefly, however, because of the dull seasons that affect every business. Even the Cleveland Foundry Co., which I have cited for its good employment methods, is handicapped by from 20 to 40 per cent seasonal reductions annually, and the stove companies of Detroit frequently close down altogether for periods which let many men get away. Mr. Winslow has some good analyses of seasonal fluctuations in several industries and cities. We shall return to this topic presently.

It now remains only to brief the reasons why men leave their jobs voluntarily. Low wages and long hours account for many cases. Inequalities in the pay system, however, account for more, because men can more easily perceive an injustice in pay in their own departments than as compared with the pay of men in other plants. Straight day wages or poorly set piece and bonus rates are responsible for many rankling injustices.

The worst injustice of all is the failure to reward men for increased efficiency over their previous ability. One employment manager discovered a workman who had been on the same rate of pay for five years. He is now seeing to it that men in his company are periodically advanced or promoted in accordance with their efficiency records, regardless of whether they ask for increases in basic rates or not.

Men quit, too, because foremen or fellow workmen of different races or religious "gang" them, and, unless the management inquires into the reasons for men's leaving, this cause can never be run down. I tremble to think of how many good men have been run out of plants because of differences over the present war in Europe.

Workmen, too, are often ignorant, narrow, highly sensitive to trivial wrongs or fancied oppression by "capital." Many nurse grievances until they goad themselves into committing "job suicide." The lack of any well understood means of redressing wrongs, or even of hearing them, is a very large influence in voluntary quitting.

Of course, the wrongs may be very real, and in themselves they may be cited as a cause. For instance, bad plant conditions, such as poor lighting and ventilation, insanitary toilets and work places, lack of proper lunch-room or street-car facilities, all have their effects upon the turnover of labor. Insanitary toilets alone were given as the reason for a recent strike; and many workmen will quit their jobs in preference to going blind at an ill-lighted machine.

The above completes the list of causes of turnover under the three headings of discharges, lay offs, and resignations. The remedies urged will reach all of these conditions, but it is not feasible to deal with a specific remedy for each separate cause but, rather, to group them under the following main headings:

- A. A central employment department.
- B. Physical examinations.
- C. Industrial education.
- D. Regularized production.
- E. Square-deal management.

To cut down the turnover a centralized employment department, managed by a man with gumption, is the prime necessity. Unless this can be arranged, none of the specific remedies can be attempted. It is almost begging the question to say that the employment manager must have gumption. He should really have the vision of a prime minister and the resource of a member of the general army staff in war time; but as things stand we can afford to compromise on gumption.

Given a central employment department, with some one to stand at the window so that the employment manager can at least occasionally visit the plant for which he is hiring men, we may hopefully confide to it the specific remedies for the turnover of labor.

First of these is a set of written specifications in accordance with which men are to be hired. E. G. Allen, of Cass Technical High School, Detroit, is the first man to have classified and printed the minimum standards of knowledge required to operate the different classes of machines. Beyond that there should be written specifications for each operation, with a short description of each. Mr. Winslow, in carrying out the Richmond survey, wrote up such specifications for the printing, machine, tobacco, and other trades. The Republic Metal Ware Co., in Buffalo, has such a book of specifications. The German-American Button Co., in Rochester, is among other companies which have them. Nearly every member of the Executives' Club Employment Managers' Association of Detroit is making up such specifications. The purpose of such data is pretty obvious. The employment manager can not be expected to know

every operation for which he hires, and, with such material in hand, he can more intelligently question applicants. Increased rejections at the employment gate reduce the number of discharges at the pay window.

With the wisest selection of men in the world some firing will be necessary, and the employment department should next prepare so to record and tabulate turnover that justifiable causes may be sifted out from the unjustifiable. It is idle merely to keep card records of each man's work history. If the data is not periodically taken off the cards and analyzed it is a useless expense to record it. The record of men leaving should be tabulated so that it shows up comparably (a) by weeks and months, (b) by departments responsible, and (c) by causes assigned. A wall chart, designed to show these figures, such as the Saxon Motor Co., of Detroit, has designed, will be of great assistance in localizing the blame for exceptional turnover. The analysis can, with great profit, be further extended by classifying the number of skilled, semiskilled, and unskilled men leaving the plant every week. The analysis by departments will help show this.

Even if foremen have not the authority to fire men, they do have the power to make them quit voluntarily, and a detailed analysis will show what foremen have the most trouble with their men, and why.

It may be given as a separate remedy that foremen should no more have authority to fire than to hire. The manifold responsibilities of foremen already listed in this paper manifestly unfits them to be fair judges of the amount and kind of discipline required, or to inquire how inefficient men may be trained or fitted into new tasks. Foremen should, therefore, have authority only to recommend for discharge, or to demand transfers of unsatisfactory employees. At the Ford Motor Co., the Packard Motor Car Co., and Dodge Bros., the foremen can go no further than this, and it is rapidly becoming true of all Detroit companies.

A great assistance to employment managers who are asked by foremen to discharge employees will be found in a monthly or other periodic certification by foremen of the character of work performed by each employee in their departments. Later, if one asks to have a man laid off, and the employment manager can show the foreman's own signature to a certificate of the man's satisfactory work, it greatly strengthens the employment supervisor's hand when he decides to retain the man.

Where the localization of the discharge power in one department helps particularly is in the case where faulty scheduling would throw out good men for lack of further work. Foremen would not compare notes; they would simply fire. The employment manager,

however, can look over the day's requisitions for labor, and send the superfluous worker to some other department.

A further advantage of a central employment department is found in the ability under proper management of that office to keep a record of the individual efficiency of workmen, of lates and absences, and of other matters which are involved in turnover. Low efficiencies can be tabulated and plant teachers can help to bring unsatisfactory workers up to the mark before the foreman would spot them for discharge. Usually the cause will be found to be some grievance or other condition which, if not detected through an efficiency record, would not be discovered until too late to prevent an employee's leaving.

Finally, no employee should be allowed to quit the plant until he has disclosed his reason for being dissatisfied. Companies in Detroit which have this rule make it effective by requiring the employment manager's signature before the employee may be paid off. If the office knows why men leave it may not be able to persuade them to stay, but it can prevent the next one's going.

So much for the central employment office. We might very well group the other three classes of remedies under this heading, because the employment manager properly has his part in putting them into effect, but they can be undertaken without his assistance.

Physical examinations have two effects in reducing turnover. In the first place, it rejects the weak, the ruptured, and the sufferers from defective sight and hearing who would later need to be discharged as unfit. Again, by indicating the character of work which can be safely performed by the partly defective applicants, it fits them into the jobs in which they can make good. Thus, there will be fewer voluntary quittings by virtue of the work being "too hard." I could cite examples to prove the value of these considerations, but they really prove themselves in the statement. The Cleveland Foundry Co. finds it profitable to pay a high salary to a competent physician for full time and give him three months' leave for hospital practice, to keep him from going stale. The workmen's compensation law is having its influence, in addition to the above two arguments, in bringing most Detroit factories to the idea of physical examinations.

Industrial education, although it is even more important than any of the foregoing methods of reducing turnover, may nevertheless be treated briefly. Every argument that can be cited in favor of industrial training is an argument for the reduction of the turnover of labor, because the object is, of course, to fit men for their jobs so thoroughly that they will gladly stay in them.

Education helps reassign men to the work for which they are best fitted. Education is examination. It discloses to the pupil as well as to the teacher wherein lies his special aptitude. The great evil of

faulty assignment referred to by Harrington Emerson will be largely overcome by systematic instruction in tasks and in operations.

It will, furthermore, make the inefficient men fit. The Timken-Detroit Axle Co. has actually had poor mechanics develop into high-grade foremen or master mechanics through the part-time continuation work of Cass Technical High School. Many times Detroit factories have saved men slated for discharge by encouraging night-school or continuation-school attendance.

Industrial training, particularly through shop schools, such as the excellent ones maintained by the Cadillac Motor Car Co., Packard Motor Car Co., Dodge Bros., and Northway Motor & Manufacturing Co., in Detroit, and Brown & Sharp, in Providence, will train men already in the plant for new openings, thus avoiding the necessity of hiring new, outside men for them. It is valuable to fill up the gaps from men already familiar with the style and product of the given plant. The Employment Managers' Association of Detroit has reached the deliberate conclusion that in times of industrial expansion it is useless to try to hire men away from other companies; that they must rely upon their own shop courses for instruction in particular operations and upon the public technical schools for instruction in the fundamentals of shop mechanics. Any other recourse will simply load up the pay rolls with incompetents who will live through their little hour of discord and destruction in the plant, only to be discharged as unfit.

The fundamental remedies for turnover are quite beyond the authority of the employment manager. This is true of industrial education. It is more acutely true of the regularization of production. Only the general manager and the board of directors can undertake to stabilize the labor force by governing production throughout the year. And even where they see the value of this they must discover a solution which is individual, not only for each industry but even for each plant. On this account it is worth while only to enumerate some of the solutions that others have hit upon.

The Ford Motor Co. standardizes its product to such an extent that if you have to buy a Ford car you might as well do it, as you go to the dentist, whenever you get up the courage. The Fords you have with you always, and they never look any different. The Paige-Detroit and the Studebaker companies bring out models at irregular seasons, instead of bunching their business around the time of the auto shows.

The Joseph & Feiss Co., garment manufacturers of Cleveland, and the H. H. Franklin Co., of Syracuse, underproduce their demands in the busiest season. It takes intelligence plus courage to do that, and yet the economies of plant and labor force are demon-

strable. Furthermore, the Joseph & Feiss Co. leaves off its advertising campaign in the busiest season and the H. H. Franklin Co. pays a higher sales bonus in the dull season.

Some companies fill out production in the dull season by stocking up on staple lines or standard, low-cost parts. A large button manufacturing company, after scientific study of its sales, so managed this stocking-up process on best-selling lines that for 13 years it never discharged an employee for lack of work. For 13 years a button manufacturer, dependent upon the most seasonal of businesses, the clothing trade, never discharged an employee for lack of work. It is worthy of additional mention that this company thinks it economical sometimes to sell slightly below cost, in order to keep its constant labor force.

It is the Franklin Co. again, under the brilliant management of George D. Babcock, which manages to keep its seasonal fluctuation within 30 per cent by manufacturing during dull seasons those parts of its motor car which are standard or cheap enough to provide continual employment without tying up excessive amounts of capital.

With the best of management, of course, some lay offs may come through bad business. Even then, it is possible to mitigate the effect by lending money to permanent employees laid off for prolonged periods. The Detroit stove companies do this regularly, and when, a year ago, 82,000 men were out of work at one time in Detroit the manufacturers organized a huge relief bureau, as part of the board of commerce, which kept a thousand families on charity, got 3,000 men permanent jobs and several thousand more temporary jobs, placed 15,000 more back to work sooner than usual, and persuaded the factories to retain many thousands more on part time. This care, I think, was what enabled Detroit to react most promptly to the sudden turn of business last spring and proved to be the underlying basis of Detroit's present amazing prosperity.

The remedies for labor turnovers, which we may classify under square-deal policies, that prevent men's leaving are too numerous to be taken up in this paper. They have to do with higher wages, shorter hours, discriminating systems of recording and pay, and improved plant conditions. There is no last word in the effort to better the conditions of the workers. A plant must simply keep up with the procession. Any plant can do that much, and it is my own conviction that scientific management enables plants which employ it to keep ahead of the parade. It would be unwise to urge the refinements of welfare management without expounding the methods by which employers can make the profit to undertake them. That, of course, would take us out of the legitimate range of this paper.

But as Miss Ida Tarbell said in an address to the board of commerce, "You can not stand permanently in the way of legitimate human aspirations."

It is not only profitable for employers to yield to the legitimate human aspirations, but it is perhaps even a duty for them to lead men to aspire. Mr. Henry Ford has done that, and where is the employer this side of the Styx whose conscience has not been quickened by Mr. Ford's example?

PUBLIC EMPLOYMENT BUREAUS AND THEIR RELATION TO MANAGERS OF EMPLOYMENT IN INDUSTRY.

BY HILDA MUHLHAUSER,

Director of the Girls' and Women's Bureau, Cleveland, Ohio.

For many years, indeed since 1892, public employment bureaus have sprung into existence to provide a clearing house for the employer and the unemployed—a labor market where the employer could make known his demands and the seekers after work could make known their abilities. As time goes on the public employment bureaus have come to serve almost entirely the common labor market, so that the American public to-day looks upon these bureaus as clearing houses, not for all the laboring classes, but for that portion whose work is entirely of a physical nature. Gradually, however, the standard once set by the public employment bureaus is being raised, even as these bureaus are ceasing to be located in basements and are being placed on the ground floor, so are they now compelling the industrial world to realize that they stand on the ground floor in this modern cycle of industrial unrest and overwhelming unemployment. Of the public employment bureaus in America (not including private employment bureaus) only one, to my knowledge, has undertaken the tremendous task of raising the entire standard of public employment bureaus so as to meet the need of the managers of employment in industry. I refer to the Cleveland office, which not only is a center for the laborer and the employer demanding skilled and unskilled labor, but it is also a magnet that draws to it the college graduate, the specialized men and women who never before dreamed of using a public employment office. A vocational guidance department, a recreation, and also an immigration department mark this Cleveland office as unique among the public employment bureaus in the country, and the Cleveland idea is but a beginning in the vast plan that shall eventually make the public employment bureau the great tool at the command of the managers of employment in industry.

The Cleveland plan, briefly stated, is this:

First to centralize the labor market by taking over all the employment departments of separate organizations, such as the Young Women's Christian Association, the settlements, and institutions. Included in this group of independent organizations was the Vocational Guidance Bureau, the forerunner of the present Girls' and

Women's Bureau, which as a private organization was maintained by private funds. The bureau consolidated with the women's department of the State-City Labor Exchange and the private employment bureaus I have mentioned. As a result of this combination the Girls' and Women's Bureau of Cleveland began to carry on its centralized work in a vital and effective way. Financial support was secured from both the State of Ohio and the city of Cleveland. In spite of the fact that both their budgets were reduced to comply with their platform of economy, the State and city granted initial funds this year to carry on our work. The bureau, therefore, is financed by city, State, and private funds.

After an investigation of private employment agencies was made, we found that many of these agencies were not only misrepresenting the positions they offered, but were actually sending girls to houses of ill repute. Although the private agencies fought it through the courts, a city ordinance was adopted on February 15, 1915, regulating private employment agencies. Thirteen of the 35 agencies failed to comply with the regulations of this ordinance and went out of business.

Our next step was to centralize community interest, to secure the cooperation of employers, labor organizations, and interested individuals. In order that our bureau obtain as broad a view of conditions as possible our advisory board, which met monthly, was composed of representatives of labor and capital and local organizations, such as social settlements and the chamber of commerce, the retail merchants' board, and the Federation of Labor. The vital problems involved in the placing of girls and women were discussed, and many ideas of immediate practical value often had their birth at these meetings. For instance, at the time of the garment strike we decided that our position as a public employment bureau was not to side with either the manufacturers or the strikers, but to avoid sending girls to those factories involved without first telling them the exact conditions prevailing. Our fair attitude on this question won for us the approval of both sides.

It was always our policy to investigate employers' calls, and our survey of Cleveland industries, carefully and thoroughly made, enabled us to do intelligent placing. We secured all information concerning hours, wages, sanitary conditions, busy seasons, and opportunities for advancement. We faithfully live up to our slogan: "Never send a girl to an uninvestigated place." Thus, through personal investigation, we are able to save the girl from the possibility of exploitation.

Not only do we investigate employers but also all applicants for work. Our corps of investigators includes a group of 25 trained workers, many of whom volunteer their services. We secured the industrial and home record of all girls. We went even further, and

secured the cooperation of school-teachers, who sent to us those children who intended to leave school. Our vocational guidance department often prevailed upon these young folks to stay in school, and, in many instances, when financial stress prevented them from continuing their education, we provided scholarships through a fund established by the Federation of Women's Clubs.

Our follow-up work, finding out what becomes of those applicants we place, is continuously done for one year after they enter industry.

The result of our complete records was an understanding of each applicant, which, while obtainable by employers, was absolutely invaluable to them. For instance, if an employment manager, for some economic reason or as a matter of preference, wished to secure girls who were living at home, there was no avenue through which he could obtain such girls other than our bureau. Thus, progressive employment managers came to realize that one way of reducing the labor turnover of girls and women was by having a personal interest in them as well as by securing in return the vital, active interest of the employee in her work. To this end the employers found the Girls' and Women's Bureau an essential factor for the efficiency of their own business, and in one month 17,000 calls for girls and women were received. In time, perhaps, all employment managers will come to realize the value of using public employment bureaus. Think of the time wasted by employment managers in interviewing the applicants, many altogether unqualified, who flock in large numbers in response to newspaper advertisements or help-wanted bulletins. Consider, too, from an economic standpoint, the saving it would be to employers to forego the large item of expense involved in advertising by utilizing a bureau such as ours, conducted in a fair and intelligent manner.

Why is it necessary thus to build and create ideal public employment bureau; why is it important in this modern day of advertising, with all the many avenues for reaching and securing labor; why should the public employment bureaus be the central exchange where labor and capital shall meet and bargain? First of all, because the public employment bureau commands the confidence of the working man and woman, which the private bureau and in most cases the employment managers themselves have failed to gain. Just as a mother trustingly sends her child to public school because she has faith in the State; just as men send Representatives to Congress, having faith in the Nation, so does labor send her children of modern industry trustingly to the public employment bureau, knowing they have but to knock and they will be admitted to the house of opportunity.

Secondly, because that great economic waste, which every year in normal times constitutes over 3,000,000 able-bodied men out of work at least three months of the year, can at least partially be stopped

by the joint efforts of all the public employment bureaus. At the first conference on employment, held in San Francisco, August 2, called by Hon. W. B. Wilson, Secretary of Labor, the nucleus of a plan was drawn whereby all city, State, and Federal bureaus, all public employment bureaus, shall be linked together in one unending chain of opportunity for the unemployed. A committee of 12 was appointed, representing the city, State, and Federal groups, which shall work out plans in detail for carrying out this great nation-wide idea, the central thought being to bring the man and the job together, not only in one State but in every State; to bring the supply of labor to that place where there is a demand; to transfer the over-supply of labor to those localities where it can be utilized.

With such concentrated and widespread effort as this city-State-Federal plan involves, the managers must realize that the public employment bureaus are a force and power in the labor market of the country, and, knowing this, can not afford to ignore them in the vast employment departments in industry. Everyone is crying out in protest against the wasteful labor turnover, and you employers and managers here to-day are seeking some solution to this drag on the wheels of modern industry.

I firmly believe, and others who have given the matter a great deal of thought agree with me, that if the managers of employment in industry and the leaders of city, State, and Federal employment bureaus would get together, the cylinder through which this waste flows unstemmed would have a bottom and a top to check the shifting labor conditions. The public employment bureaus being the bottom, would stop the leakage caused by the inability of the employee to find the place for which he is best fitted. The employment managers would be the top, conserving the best ability which he has thus secured, so as to keep it from flowing out only to be turned over and over.

True it is that seasonal occupations are a factor in contributing to the cause of unemployment. But if we would give the question our best thought, even this great obstacle might be partially removed.

If a man picks cotton in the southern cotton fields for a short season only, why not send him, when that work is completed, to the place where he can do other work of a similar nature. And if 5,000 miners are out of work in Pennsylvania, due to lack of mining there, why not send them to Ohio or West Virginia where there is a demand. The United States Secretary of Labor hopes to have a bill put through Congress, making it possible for the railroads to grant reduced rates to such men and also to women who are leaving one place to find work in another, under city, State, or Federal guidance. This will be a great common denominator in the labor equation.

The employment managers in industry should utilize this vital force and cooperate in carrying out this plan. Of course there may be danger places; the question of unions and other organizations will arise, but only by the combined efforts of employment managers, railroad magnates, labor unions, and city, State, and Federal employment bureaus can any scheme for the distribution of labor be successful. Just as a small employment bureau, if it be successful, invites the cooperation of all elements concerned or affected, so must this larger plan of distribution, when launched, be manned by a crew of sturdy thinkers and workers on the wild, tossing sea of industrial competition and labor unrest.

The managers of employment in industry can not possibly solve the question alone; the Government can not solve it alone; the laborer can not solve it alone; capital can not solve it alone, even with commerce and opportunity by its side; but the molding together of all these elements in the great melting pot of cooperation, stirred by the master, resource, shall in the end produce the well-balanced figures of labor and capital hand in hand, with their child, satisfaction, peacefully following after them.

UNIVERSITY SCHOOLS OF BUSINESS AND THE TRAINING OF EMPLOYMENT EXECUTIVES.

BY HARLOW S. PERSON,

Director, Amos Tuck School of Administration and Finance, Dartmouth College.

It should be clearly understood that what I have to submit for your consideration can not, in the nature of the case, be a description of what has been accomplished in university schools of business administration for the training of employment executives. Courses designed specifically as training for the employment executive function are being conducted for the first time during the present academic year. There is no experience behind us. The most we can do at the present moment is to consider what form we believe such training should take, as a result of our knowledge of the functions of the employment executive, and of the qualifications necessary for the performance of such functions.

The expression, "University schools of business and the training of employment executives" involves three elements, each of which should be clearly understood as a condition precedent to fruitful discussion. Of the concept "university schools of business" we have a common understanding and no definition is necessary. The word "training" and the words "employment executives," however, may not mean the same thing to all of us. Some understand training with respect to a given objective to consist merely of imparting in the classroom information concerning that objective. By training I mean the whole complex of educational processes, those in the classroom and those outside the classroom, but more or less under the control of educational authorities, whose purpose is, in addition to the imparting of information, the wise selection of those who shall be trained for the specific purpose; the development of natural temperamental and other personal characteristics; the development of capacity for independent investigation and thinking, for forming sound judgments, and for constructive imagination; and the development of a capacity for prompt adaptation to the environment in which is to be performed the service for which the training is designed. Training for the employment executive function is therefore something larger than the imparting of information concerning the work of the employment manager. Likewise with respect to the term "employment executive." There are employment managers and employment managers. At one end of the line we find the

subordinate clerk who merely hires and fires; at the other end of the line we find the employment manager who is coordinate in rank and authority with the works, the sales, and the financial managers; who is responsible for all administrative and executive work pertaining to the personnel; whose relations are with workpeople as human beings rather than as a commodity; who is representative of the workpeople to the management, and of the management to the workpeople; who is the man of superior insight into the future of industrial human relations, and the leader and teacher who raises both parties to the industrial contract to higher conceptions of their mutual rights and obligations. It is the training of employment executives of this latter type that I propose to discuss.

The functions of an executive position determine the qualifications which may be demanded of him who is to fill it, and these qualifications determine the nature of the training for that position. Therefore our first inquiry is concerning the functions of the highest type of employment executive; our second inquiry is concerning the qualifications demanded by those functions; and our third inquiry is concerning the training necessary to develop those qualifications.

FUNCTIONS OF THE EMPLOYMENT EXECUTIVES.

The functions of the highest type of employment executive have a wide range, from the interviewing of an applicant to administrative decisions involving the largest social problems. For our purpose I classify them as follows:

1. Those functions pertaining directly to the technical productive efficiency of the individual employee. Illustrative of these are: The selection of the right kind of employee for any of the classified "jobs" of the business; the analysis and classification of the "jobs" making up the business; the training of employees within the plant or in cooperation with educational institutions; the establishment of records, involving the determination of what they shall contain; the routing or transfer or interchange of employees; the discipline of employees; the determination and maintenance of proper working conditions; the establishment of wage rates which create "incentive," etc. The performance of these functions is accomplished, in some instances, through personal contact of the employment executive with the individual employee, but on the whole through an organized machinery of minor executives, and there is involved, therefore, the function of organizing and operating such machinery.

2. Those functions pertaining indirectly to the productive efficiency of the individual employee or pertaining to the rights of the employee as an economic, even though not a legal, partner in the business. Illustrative of these are: Consultations—made possible by confidence, and on the initiative of the employee—concerning the per-

sonal problems of the employee; the maintenance of hospitals, nurses, physicians, dentists, etc.; the maintenance of lunch rooms, rest rooms, recreation grounds and equipment, etc.; inspiration and assistance in the organization of an employees' cooperative association for various mutual benefit activities, such as the establishment of a cooperative store, a cooperative bank, etc. The performance of these functions is accomplished, in some instances, through personal contact with the individual, but usually through contact with officers and committees of the employees' organizations.

3. Those functions pertaining to the largest administrative policies and problems of the business. The best type of employment executive is of as high rank as the works, sales, and financial executives, has as complete and independent access to the office of the president, and has as fully his confidence with regard to problems of the relation between the management and the personnel as they have with regard to the problems pertinent to their respective functions. If there is an executive board made up of the various functional managers, he is the peer of any man on that board. On that board he sits in a dual capacity: He represents on the one hand the desires and the rights of the working force, and on the other hand the desires and the rights of the management. He is harmonizer and adjuster. He is the specialist who studies the problems of industrial democracy, organized labor, collective bargaining, employees' consent, and so on, and reports his investigations and conclusions, with recommendations, to that board. The performance of these functions brings him into contact with leaders of the working people, with students of social affairs, and with the highest executives in the management.

QUALIFICATIONS OF THE EMPLOYMENT EXECUTIVE.

The necessary qualifications of this high but perfectly practicable type of employment executive are determined by the functions which I have enumerated. The functions are wide in range, and the abilities necessary for their successful performance are equally so. The big employment manager must be able on the one hand to meet on equal terms of understanding and sympathy the humblest working boy or girl; he must be able, on the other hand, by weight of knowledge, of logic, and of personal force, to convince the hard-headed manager or president of the desirability of fundamental and sometimes radical changes in administrative policy. The evolution of the business conscience lags behind that of the social conscience, especially with respect to the human problem, and now and then nothing short of radical change in the business conscience is able to bring it into alignment with the social conscience. I suggest the fol-

lowing classification of the essential qualifications of the employment executive who is strong in every phase of his work.

1. Personality.—He must be courteous and even tempered, and never “grouchy”; he must be sympathetic with the circumstances and ideas and prejudices of the working people; he must never depart from fairness and justice; he must be intuitive, for he must sense facts which are not told to him; he must be able to read human nature and judge character; he must be quick and sure in his decisions; he must be firm, of the motor type, for he is an executive, and out of motor characteristics arises executive energy.

2. Mental characteristics.—He must be able to search for and ascertain facts pertaining to his problems, give them proper relative valuation, and make sound conclusions. For years he will be pioneer in a field which has been but little investigated and the principles of which have not been formulated. He must be able, with respect to one problem, to pursue the methods of the inductive scientist and, with respect to the next problem, those of the scientist who reasons deductively. He must have a capacity for the analysis and subsequent classification of facts, for in such capacity does organizing ability have its roots. And to perform his highest functions, he must have constructive imagination, be an independent and original source of ideas, see things which are desirable and possible in the light of present tendencies, but in proof of which all the necessary data are not yet available. It is possession of constructive imagination which makes the great administrator.

3. Information and experience, and a knowledge of pertinent facts derived from contact with people and situations and records.—As an employer of working people he must be informed concerning the sources of supply; the various types of public and private educational institutions—general and specialized, vocational guidance agencies, employment agencies, and the degree of efficiency with which each accomplishes its aims. As the organizer of a training school within his plant, he must have judgment based on a knowledge of facts concerning educational policies and methods, and concerning instruction in specific subjects. In his contact with working people, foremen, superintendents, and higher executives, he must have possession of that mass of facts which we sum up in the expression “a knowledge of human nature.” He must be informed in the science of psychology and concerning the possibilities of, and limitations to, the utilization of the psychological laboratory in selecting and classifying employees. To enable him to analyze into their elements the processes of his business and to classify them into well-defined “jobs,” he must have an accurate knowledge of the details of the technical processes of his business. As an organizer of men

and equipment he must be well informed concerning the principles of efficient organization and management. As an administrator, inspiring the highest executive officers toward a wise policy of human relationships, he must be master of the history of the facts and ideas of industrial relationships.

These abilities, demanded of the best type of employment executive—abilities of personality, intellect, and knowledge, present a combination which is extraordinary. I may be accused of picturing an ideal employment executive. That I admit, for the educator who aspires to train a young man to be anything less is unworthy of his responsibilities. I may be accused of picturing an impossible paragon. That I deny. I will admit that the employment managers whom I know to be strong in all or nearly all of these qualities can be counted on less than the fingers of one hand, but I know many executives who possess part of these qualifications to the highest degree, and each is possessed to the highest degree somewhere by someone. This analysis of functions and qualifications did not originate at my desk. At my desk I have simply classified the aggregate of functions and qualifications I have seen in many places. Training for the employment executive function should aim to develop each student with respect to each of these qualifications to the highest degree possible, in accordance with his capacity for development. Considering the various degrees of each of these qualifications which men may possess, their permutations and combinations are infinite, and consequently we shall develop in experience an infinite variety of executives. The greatest employment managers will be those who possess all of these abilities, each of the highest degree. Such men can be attracted into executive work of this kind if directors and presidents will value the function highly enough, and will offer the necessary attracting force of rank and remuneration. It is men of this highest type that education should prepare to train. Not all of those they train will achieve the highest rank, for there are human limitations to the selection of men for training, and there are unforeseen varieties of reaction of men for training. But some employment executives of genius and many of great talent can be produced, and a high general average of quality of product can be maintained.

THE TRAINING.

It is perfectly obvious that, considering the type of employment executive we aspire to develop, the machinery of training can not consist merely of one or two courses of three hours each for one semester, entitled "The functions of employment management" or "The problems of employment management." The machinery of training must consist of the entire educational machinery, supple-

mented by such educational assistance as can be afforded by business firms, employment executives' associations, and vocation bureaus. We must conceive of training as afforded, not by one or two specialized courses, but by the aggregate of courses and processes of an integrated educational industry. The one or two specialized courses serve merely to give the final bit of specialized information, to coordinate and relate to the objective the larger amount of information acquired in other courses and in experience, and to effect a final comprehension of the specific problems of the employment management function. The instructor in these specialized courses is like the assembler in the typewriter or cash-register plant who brings together into a whole, suitable for a particular service, numerous parts which have been through many preparatory, selective, and fashioning processes. Behind the assembling of the parts of the cash register is the stamping, the turning, the casting of parts; behind that the selection of the raw stock and the specifications of the metallurgist; behind that the work of the bessemer or open-hearth or crucible plant; behind that the blast furnace and the selection of magnetite or hematite ores, or a scientifically determined mixture of both; and, interwoven throughout the entire series of processes, the analysis of the metallurgist, the rejection of defective and the selection of suitable materials. Likewise with respect to the machinery for training the best type of specialized executive; back of the one or two specialized professional courses is a series of selecting, preparing, and conditioning courses and experiences. The specialized employment-management courses—finishing processes—should have a definite relation to the entire preceding series of educational processes.

Let us turn for a moment to the classification of requirements for successful employment managership.

1. *Personal characteristics.*—These are inborn, not made by educational processes. An educational process may discover for an individual that which he has but does not know he has, or it may take that which he has and give it opportunity for exercise and development. But it can not make a motor temperament of a sensory temperament, and vice versa. Therefore our system of training must involve at an early stage and at later stages mechanism for selecting and rejecting, or at least labeling, candidates for the training. This selecting or guidance mechanism must be located, part at the educational institution, part at a highly developed vocational guidance bureau, and part at a cooperating business plant. An essential part of the system of training is the analysis and selection of material possessing the right temperamental characteristics.

2. *Mental characteristics.*—The development of abilities to observe, to relate and value facts, to analyze and to classify, to think logically and to form sound judgments is the particular objective of the edu-

cational processes. These abilities are, however, the result of a gradual building-up process. It takes time. It is determined by the nature of the human mind, and is as deliberate as the growth of a tree. Therefore, with respect to the development of these abilities in our selected material, we must not think in terms of one year, or one course, or one stratum of our educational system. These abilities in our material are developed throughout the primary school, the secondary school, and the college, by influence in the classroom and without the classroom, cumulative in their effect with respect to mental development. They are developed by discipline in a great variety of subjects. Furthermore, while the educational system is our great instrument for developing these mental abilities, we should not fail to realize that supplementary business experience can offer much in support of the processes of the school and college, and we should enlist business firms in our work.

3. Information.—Those parts of the system of training necessary to give the prospective employment executive the necessary equipment of information are four:

(a) The series of educational processes of the primary school, the secondary school, and the college, cumulative in their effect with respect to the imparting of information. I am not thinking merely of the three R's and similar fundamental information, but of the more complex information acquired in the study of such subjects as history, political science, sociology, theoretical and applied economics, philosophy and psychology. All such information becomes of practical use, in forming judgments, to the employment executive as I have defined his functions.

(b) A group of specialized courses in business administration, of a general nature, concerned with all phases and functions of business, and not specialized with respect to the employment executive function. The employment executive does not perform an unrelated function; he must form judgments concerning the relations of his operations to other functions, of the influence of his recommendations on other department policies. He must have accurate knowledge of business functions other than his own. At meetings of the executive board his recommendations will carry weight in proportion to the confidence he has created in other executives' minds by repeated evidence of his understanding of their duties and problems.

(c) One or two highly specialized courses, relating specifically to the functions and problems of the employment executive, imparting information about the organization and operations of employment departments in business to-day, analyzing and discussing their problems, and gathering all information acquired in more general courses of the entire educational system, and reinterpreting it with

respect to the new and particular point of view. All preliminary courses have served to fashion the arrow and prepare the necessary parts; these particular courses attach the feather and sharpen the point.

(d) In connection with the work of the university and of the university school of business administration, there must be organized relationship for apprenticeship opportunities with the employment department of business firms. I emphasize the word "organized." The course of supplementary instruction in the plant must be as carefully worked out and as complete as is that in the university. The student must be taken through every phase of the department's work, and must have an experience among the working people. This supplementary apprenticeship experience will give information not to be secured in the classroom, will give information about the workability of principles formulated in the classroom, and will give a new meaning to all information acquired in the university.

The individual thus trained for employment executive work will not be a complete and experienced employment manager, ready to assume full responsibility, but he will be high grade material, ready for final training in actual service under an experienced manager.

In conclusion I wish to make my arguments complete by describing as a concrete example the course of training for the employment executive function as worked out by the Tuck School.

Imagine an educational pyramid, built up of a number of strata of educational processes.

1. The first, or base stratum, consists of the primary school; and
2. The second stratum consists of the secondary school.

The function of these schools is character and mind development and the imparting of basic information. Their organization and methods are outside the range of the influence of the Tuck School.

3. The third stratum is the freshman, sophomore, and junior years of the college, considered en bloc. The function of its process is character and mind development of a higher order, and the imparting of information of a more complex nature. The Tuck School, through its entrance requirements, has two distinct influences on the student and his educational development at this stage: It prescribes certain courses of preparation, such as economics, political science and sociology; and it puts into operation a selecting machinery by the requirement for admission of a high quality of work during those years.

4. The fourth stratum is the first year of the Tuck School, equivalent to the senior year of the college. In this year all students take the same block of prescribed courses, which introduce them to the basic facts and principles of every phase of business, and give them,

in the method by which they are required to work, a taste of the discipline of business service. There is at this stage no specialization within the field of business.

5. The fifth stratum is the second year, or graduate year, of the Tuck School. The greater part of the instruction of this year represents more intensive study of all functions of business, and is received by all students irrespective of their respective lines of specialization. In addition, there is given opportunity for moderate specialization, which, in the case of future employment managers, is in the general subject of organization, administration and management.

6. The sixth stratum, or apex of the pyramid, is represented by a special course in employment management, and by a thesis which is the solution of a specific problem of management in a specific plant. This course comprises an intensive study of the problems of management relating to the employment and supervision of personnel, the control of working conditions, and the relation between employer and employee. Among other things are considered the source of supply of employees—public, trade, and commercial schools, vocation bureaus, employment agencies, etc.; classes of employees with reference to their physical, mental, and temperamental qualifications for different kinds of work; classes of work with reference to their demands upon employees; methods of hiring; general supervision; training during employment; promotion and transfer; records; discharge; control of working conditions—safety, health recreation; employees' cooperative associations; wage systems; esprit and good will; qualifications and functions of the employment manager; associations of employment managers.

Because the course of training is new and is being offered this year for the first time, I can not describe any general arrangement with business firms for supplementary apprenticeship work. We cross our bridges as we come to them. Adequate provision has been made for the men now specializing in this course, and the cordial attitude of many business men toward the course, when announced, assures us that apprenticeship arrangements can be made for each individual student whom our selective judgment permits to specialize in this course.

You will have observed that Tuck School training for any particular service does not consist merely of one or two specialized courses, but consists of the entire series of educational processes influenced to meet our ends. The specialized courses are but the capstone of the pyramid of training. You will have observed also that the sequence is from the general to the special, from the liberalizing to the specialized and professional.

DISCUSSION.

Mr. A. LINCOLN FILENE (manager, William Filene's Sons Co., Boston). It must be significant to those who have listened here to-night, to note that a city of the importance of Minneapolis should be the first to take initial steps in a national meeting devoted to the question of employment, which is the logical outcome of the vocational guidance movement some five years ago. The purpose of that movement was to see if there could be established in the public-school system a basis for the intelligent choice of occupations. I do not mean the finding of specific jobs but rather providing for the intelligent choice of jobs; also the prolongation of the educational life of the boy and girl since they were taken by industry at an early age.

Suppose we have the system developed. What next? The boy or girl could leave the school with an intelligent choice of his occupation. What next? We are face to face with the fact that industrial and commercial employments have never been taken seriously enough, and that the average man who hires and discharges has never realized the potentialities of his own particular job. He selected unscientifically and discharged in the same manner. There was never any basis laid down for intelligent judgment of what his job consisted and of what the particular job he offered had consisted, where the job was going to lead, and what relation it had to the industry as a whole. The next step then was the study of the employment manager's job.

The remarkable thing about this is that to-day, although it is in its elementary stage, the employment manager idea is becoming practically a national movement. About six or eight cities have already found it possible to get their employment managers together in the form of an association; to discuss their problems, exchange their views, and endeavor to learn what are the underlying causes of misemployment, nonemployment, and industrial unrest. To Minneapolis comes the satisfaction, perhaps hardly realized as yet, of having started the first national conference on this subject.

It is my prediction that, if you business men get behind this movement, you will look back before very many years to what is perhaps the proudest and most satisfactory thing in your lives—the time when you put yourselves behind this movement; because it is coming, and it is coming so fast that, unless the business men take it up, it will get away from them, just the same as many phases of industrial unrest have gotten away from the business men, because they have not tackled it in time. Therefore I congratulate the city of Minneapolis.

I do not think that a city can finally be very much larger than its industries and its commerce. Everything that is done for the commercial welfare of the city will be reflected largely by the way its employment problems are handled.

Secretary BLOOMFIELD. Following Dr. Person's important paper, announcing what a great school of business is doing in New England, it is only right that you should hear a few words from Prof. Willits from the University of Pennsylvania, who will tell us what the Wharton School, that old school of finance and administration, is proposing with regard to the employment managers' course.

Prof. WILLITS. Mr. Chairman, in a word, our school is not far enough from its inception, so that we can look back, so far as employment managers' work is concerned, on any actual accomplishment. As a matter of fact, we are about one year, as near as I can state it, in the rear of the Tuck School in our efforts to give specific training looking toward employment management. Of course, our school, as perhaps a few of you know, is a general business school, gives general courses in accounting, business, law, finance, a general course in industrial management, etc., advertising, and salesmanship. We have had general courses covering manufacturing industries in a general way; we have had two courses, one of them a general course, covering also, in a cultural way, the entire field of industrial management; and that has been supplemented by a course which consists very largely of trips through and studies in individual factories.

Only this year we are beginning to put in more work in the first of the general industrial movement courses devoted to employment management and the work and problems of the employment manager.

At this time it is taking about three months' work in the regular course, supplemented with about eight lectures by those who are doing more to create employment management success than any other group of individuals. We are having people who are starting employment managers' associations; we are having Dr. Person come down, Mr. Dennison, of the Dennison, Manufacturing Co., and others, to discuss the work in their individual plants; one man to discuss a training system—all in a hasty way, perhaps, but we hope and expect that this work will be the means of establishing a successful, specific employment management course.

Prof. MITCHELL. Mr. Filene has reviewed the subject of vocational guidance, so I do not have to spend any time on that, so I can spend the time in saying a few words about the work that we have started at the University of Minnesota. We have a course there covering the study of the industrial history—history of industry and commerce of the United States, marketing of products, and accounts; we also have one short-unit course in business management, which

happens to be in my charge. In that course, among other things, I try to impart to the student a knowledge and appreciation of the ideals of management represented by the different systems of scientific management. Thus far we have no course in employment management, so called; all that is done in that field is done incidentally in the course of business management that I have mentioned; and this prompts me to tell you about some of the plans which I have and some things which have already been commenced. Dr. Person has spoken about the importance of giving the student information, not merely in the classroom, but out in the establishments themselves, in an organized way. I have had that idea also, although I have not started out in an organized way, but I have been planning to do so. Of course, that requires a considerable amount of preparation by the person in charge of the work; and in preparing myself I spent last summer in the study of the Taylor system of management as exemplified in the plant of the —— Manufacturing Co., in Philadelphia, and I shall pursue that study and investigation during the 15 months, at least, following next June. My object is to qualify myself to direct such work. And I shall simply close by saying to the business men and business managers in the audience here that when I approach you for the purpose of getting the systematic use of your business establishments for the purpose of training the young men in Minneapolis by practicing the management and finance and these other subjects, I trust that you will welcome me.

(Meeting adjourned until Thursday, January 20, 9.30 a. m.)

Thursday morning, January 20, 1916.

Chairman, Mr. Edgar J. Couper.

THE AIM AND WORK OF EMPLOYMENT MANAGERS' ASSOCIATIONS.

BY MEYER BLOOMFIELD,

Director of Vocation Bureau, Boston, Mass.

Mr. Chairman, ladies and gentlemen: A good deal of what we heard last night concerning the employment managers can, in my judgment, be best realized only through a responsible organization, not only of employment executives, because I should take it that an employment managing body made up only of those representing business would be subject to a destroying ingrowing and inbreeding. The very fundamental idea in the employment management profession is expressed in one who knows enough of the world outside to understand the problems within the establishment. For this reason the Employment Managers' Association of Boston was started four years ago, the first of its kind, I think, brought about chiefly for the reason which Mr. Filene suggested last night—that is, if the schools should train these young people for work, and if the conditions of employment should remain the same, unchanged by the same spirit which is behind the schools, a greater part of the community's investment in that education is sure to be destroyed. Therefore, when 50 or more men were brought together four years ago not only to consider their responsibility as employment men, but to consider the question of where they fitted into the scheme of things, there was special care taken that in that group there should be educators of the type represented by Mr. Thompson, our associate superintendent, and others who thought of industrial efficiency in terms of the child.

That mixture of able and farseeing school men with the right-minded employment men proved to be worth while. The organization did not become a narrow, exclusive, partisan, prejudiced affair; a growing public spirit has marked the discussions from the first meeting to the last.

How were those 50 men selected? They were picked at random, because there was nothing definite in the field of employment management. What was the idea of bringing them together? It was this: The employment man is the one who essentially pumps the life-blood into the establishment. He is not a keeper of human stores to

fill requisitions as one does in the tool room. That idea prevailed, and perhaps does prevail, in some establishments, to some extent; but there is no analogy between the room where the tools and supplies are stored and the employment department where human beings are seeking the way to earn their bread.

An absolutely different viewpoint was needed; and the first method of approach had to be from the viewpoint of waste. Therefore, these men who have never before been organized, as I have described, to compare notes, to exchange experiences, to understand what was going on under their very noses, these men were asked to come together and discuss, first, their responsibility for that terrific waste represented by the leakage of employees—a preventable leakage—and the complication of a community's nonemployment problem through that leakage.

In the beginning we found not more than two or three of the employment men had ever given any thought to the coming and going of the workmen. They had no figures to show whether or not they hired and fired in a wickedly wasteful manner. They took it to be a part of the nature of things that men should come and go, just as in the old-fashioned establishments belts would break and an occasional fire would break out; it was all a part of the game. It was a new thought to discover why men are separated from their jobs.

We went further. We tried out whether there was any estimate of the cost of changing an employee. "Is it worth while, is it profitable, to permit these changes to go on, and who pays the price, besides the worker?" And the estimates during the early years ranged from 50 cents to \$200 in changing an employee.

Then, again, when the matter came up of the school, or, rather, of the industry cooperating with the school, some of the employment men had no idea of what they must do, as well as the school, in order that the boy and girl may get properly started in work. They looked upon it as a one-sided proposition. We did not have the Minneapolis survey and that wonderful example of complete community cooperation, to hold up as an example both to the employment of men and the school men in that council, to show what they must do before you can have a principle or scheme of guidance, training, employment, and starting in life.

Then came more detailed questions: Who can fire in an establishment? How do you control discharging? Is it incumbent on me, as the subboss, or have I the right, to interfere with a man's earning capacity and the support of his family?

What system is there to assure a circulation of talent and capacity, let alone encouragement, or at least loyalty, in an establishment?

Again, we found a vacuum, an utter absence of insight, information, to say nothing of imagination. Employers may think that they

create loyalty by putting up pretty mottoes—"Be loyal," and "Do it now," and "Don't watch the clock,"—so using an inferior form of Christian Science on a real industrial evil, using the method of "absent treatment," other than the "laying on of hands."

If the employer wants loyalty, he must deserve it. If he wants efficiency, he, too, must be efficient and set the example through an efficient organization. It so happens that, if this is right sentiment, it is good business, too. And it is very poor business not to recognize that this is good business.

And so we groped, in a halting way, as we began to tackle the problems that go deepest into a man's source of satisfaction or dissatisfaction. They touch the human element all along the line; not from the top, not from a remote, aloof standpoint, handing down something to the man below; but recognizing all that he feels and thinks by the way of economic offering, as well as merely a contribution to the organization. It means dealing on a level with the worker, prescribing nothing for him, giving him no predigested philanthropy, or education; it means "team play," based on a humble desire to understand just what the worker brings with him in the way of ideas, desires, and capacity.

Now, this, ladies and gentlemen, is a technical engineering problem I am discussing, not only vague, sentimental altruism. It means the same scientific study that has so far been given to cost keeping, factory management, and the other devices which have dealt with machines, with management, and, too, incidentally, with men.

Now, that same engineering insight, plus vision, plus capacity to cooperate with the desires of those who produce—that is the new profession of handling men. The employment societies in different parts of the country may or may not approximate this ideal, this goal. To some it may sound academic. But we are convinced by evidence which would require hours even to summarize, evidence based on information from coast to coast, that the important business enterprises recognize that the time is at hand for a new understanding of the management problem; that we must go to school again, not to install new systems of education, but to find out what the workingman in the twentieth century is going to demand as his price for being efficient, for being loyal; to find what the community is going to demand, before it bestows success on an enterprise.

Through no sentimentality can we arrive at a basis or a policy in employment management; but through detailed studies, such as you heard last night; such as are being made in plant after plant, checking the sources of abuse, clipping irresponsible authority, opening channels of promotion, and assuring permanence and regularity of employment; and, most of all, making men, while making profits.

THE NEW APPRENTICESHIP AS A FACTOR IN REDUCING LABOR TURNOVER.

BY CHARLES A. PROSSER,

Director of Dunwoody Industrial Institute, Minneapolis, Minn.

My subject is "The new apprenticeship as a factor in reducing labor turnover." I take the term "labor turnover" to mean employing too many poor men to get a standard organization of good men for a plant.

It is hard to agree as to what is meant by the term "new apprenticeship." I understand the "old apprenticeship" to mean that system of long service in a skilled trade during which the youth was prepared by the employer to follow the trade. Under modern conditions there are many industries that can no longer be called skilled. Large scale production and extreme division of labor, as well as the specialized machine, have gradually circumscribed the scope of the thing you call the "skilled trades" and compelled us to draw a line of distinction between old and new apprenticeship.

There was never a time in the history of industry when there was quite so much of a demand for a small number of all-round, highly skilled workmen; and there was never a time in the history of industry when there was so little opportunity to prepare that kind of men. So I firmly believe there is still a place, and a permanent place, for the old apprenticeship, in which the school must play a large part.

When I speak of the new apprenticeship, I mean that new system of training workers which is surely coming in this country, when the school will play a large part in the training of workers, whether for the nonskilled, medium-skilled, or highly skilled trades and industries, and whether by all-day, part-time, or evening school.

When I speak of the new apprenticeship, I have in mind the question as to how the school is to play its part in the selection and the training of workers of every kind.

I thoroughly believe in the necessity for employment managers and in the idea of the employment managers' association. They are needed as much in Minneapolis as anywhere. We have been making a survey in the city of Minneapolis during the last seven months. When you talk about the proper hiring, training, promotion, and retaining of workers, I am compelled to say that, so far as Minneapolis is concerned—and Minneapolis is no exception to the rule throughout this country—there practically "ain't no such animal."

With the exception of the excellent system of the Ford plant, where the conditions are so exceptional (excellently as the work is done) that it carries but very little message for the general run of industries, and with the exception of some excellent things that a few establishments are doing, there is no scientific way, there is no systematic, organized way of selecting, inducting, training, and promoting workers in the city of Minneapolis. I started to make a study of the subject and gave it up.

Broadly speaking, the situation is this throughout the country: Almost every foreman or head of department hires his own men; he hires them on the spur of the moment; he hires them in times of stress; he hires them without having established any standards; he hires them by chance; he hires them usually without investigation, on the recommendation of some more or less irresponsible person. I do not believe we shall get very far in any large industrial establishment until the plant is so organized that, in the last analysis, at least, one man is responsible for the preliminary selection, in any event, of the people who are to be employed in that establishment.

I believe there is a necessity for an employment managers' association in Minneapolis. Further, this city, like every large city, is to-day trying to establish a bureau of vocational guidance and direction—not a bureau of placement. I do not believe that bureau will ever be made effective until in some way cooperative relations be established between persons in that bureau who have to do with the youth—as they leave the schools to seek positions—and an employment managers' association which has to do with their selection and placement in plants.

So that I am for the employment managers' association. First, because I do not believe that you can properly select employees for the large plant otherwise; and, second, because I believe that without it any bureau of vocational guidance and placement will remain inefficient and be nothing more than "sounding brass and a tinkling cymbal."

I shall talk, in what I have to say further to you, very largely about the experiences we have had in Minneapolis. That is to say, so far as is possible I shall use my illustrations from experiences we have had here during the last seven months while the survey was being made. I shall talk about the problem of selecting, inducting, training, and promoting workers in industrial establishments.

I have always recognized the necessity for the employment manager, the necessity for machinery in the discharge of his task, the necessity of establishing standards to which, roughly speaking, workers must conform when they come into the plant.

I also recognize the necessity for the existence of the prevocational school for children between the ages of 12 and 14, or from 13 to

15, or from 14 to 16—according to the varying conditions of the various States, where children are brought into contact with varied industrial activities—that they may learn what they like and what likes them, before they face the employment manager. Only in this way can they gain an idea of what they wish to do. But I desire to talk more especially about the industrial and trade school as a factor in reducing the labor turnover.

The all-day industrial trade school preparing the youth in part for the demands of a trade or occupation will reach a small number; but the great mass of men who work are to be reached and lifted through the continuation, part-time, or evening school.

I regard the boys and girls who attend the all-day school anywhere as being a highly selected group, who will make their way up to the industry, because by virtue of that selection they are destined for leadership.

As a result of the survey, we have established in Minneapolis trade understandings with about 24 different trades and industries. The employers in each of these have agreed to apply to the Dunwoody Institute, the Girls' Vocational High School, or the technical department of the Central High School as the first source of supply in taking on new workers. We have opened up, as it were, a funnel leading into the industry.

One of the finest things about that arrangement is that the trade-unions of the city have approved of it most heartily for all the organized shops over which they have jurisdiction. So that plan is in operation in both organized and unorganized shops, with both organized and unorganized employers, and has to do with unorganized as well as organized trades.

In these two schools there is a period of three months at the very outset during which these young people who elect one trade or one industry are tried out in that trade or industry in the shop, and if they find they are not fitted for the trade, or do not like the trade, they are shifted to another trade.

All the experience in this country goes to show, however, that in about ninety-seven out of every hundred cases the trade or industry which the pupil elects at the very outset is the one which he seems best fitted to follow.

So that, so far as the daytime student is concerned, we are determining in advance whether or not this youth should go into this or that trade. We are sure to reduce the labor turnover, so far as the day classes of the industrial school are concerned. By a process of two years' selection and training, a process which requires sacrifice on the part of the student, the day school will be able to present its graduates to the trades and say, "Here are young people who want

to follow your line and who have made the sacrifice in order to get the training."

I submit that this is a better selective process than any employing manager can set up at the door of his factory, however excellent it may be.

There has been also established in Minneapolis a technical course at the Central High School. The business men have agreed as their first source of supply to apply to that high school for the young men graduates from a 4-year technical course and to employ them at not less than \$50 a month.

At the beginning of the freshman year these young fellows have said, "I want to go into the industry on the technical side, to begin at the bottom and work up on the business and administrative side." They are to be after a while what I might call, for want of a better name, noncommissioned officers of industry. Having finished the eighth grade and spent 4 years of study in the technical course of the high school, when their fellows were out making pocket money, and perhaps wearing better clothes, they are ready for employment in their chosen work. We should be able to present them to the industries of the city, and say, "Here is a highly selected group; you need not fear but that these fellows will make good in your business."

I submit to you that this process of selecting desirable young men is better than the best employment manager could possibly devise and successfully carry out.

Thus far I have been talking about the part which I think the all-day school is to play in this question of selecting and training workers. The trouble with the enthusiasts in industrial education to-day is that we are divided into hostile camps, to a great extent, because all of us are looking at just one corner of the problem, and in our enthusiasm for our particular little scheme we forget we need the excellence of all the others. I must confess that I get very impatient, sometimes, when I hear the attacks made upon the all-day industrial school for the 2-year period between the ages of 14 and 16, 15 and 17, or 16 and 18, for that highly selected group which is willing to pay the price to get the preparation that it needs in equipment for entrance, growth, and promotion in industry. The continuation school, the part-time school, and the evening school, however, not only have a place, but it is the largest place, as they are reaching by far the largest groups.

Now, the question of preparing the worker for the job. The Northwestern Knitting Mills of Minneapolis have just established, within the last four weeks, partly, I think, as the result of the work of the survey, a school for cutters. The new girls who are to be cutters in the establishment are trained in a three-months course in

the plant before they go on to the regular floor to do productive work. The all-day school, preparing young people before they go into the shop, and by establishing understandings with the industries, being able to assure these young people a start in the trade when they go out as wage earners, is another kind of training scheme for new workers.

The evening school, to my mind, is to be largely a device for inducting the men into a new job in the plant in which they are already employed, or in another plant to which they have been promoted. We have at the Dunwoody Institute this year 1,400 men in evening classes, and they are all trade extension classes with the exception of the automobile courses, where skilled machinists are admitted. Every man is engaged in the daytime in the work in which he seeks supplemental instruction at night.

We found this to be true, so far as trade classes are concerned, that the courses need to be organized into a series of brief courses of from 10 to 15 lessons each, arranged so that the student may take any one or all of them. Where a man who knows how to run one machine finds a demand on him to run another, and can not get the knowledge and practice under the conditions of the industry, he should be able to come to the school and learn how to run the new machine.

When we opened up the machine shops of three schools in Minneapolis last fall, a large number of machinists wanted to learn how to run just the machines that would enable them to turn out shrapnel. While the product made may not be a very pleasant thing to think about, nevertheless such was the demand of the establishment in which they worked. In order to make more money, or hold their positions, they wanted additional training on the lathe. They knew how to run one machine, but came back to school to learn how to run another. They were inducting themselves, through the good offices of the school, into a new job and a better job.

I should certainly be lacking in due appreciation of an excellent piece of work if I did not, at this time, stop for a moment to emphasize the thing that Wisconsin has done. Wisconsin took the position that the child in industry was the ward of the State, that he was in industry without adequate preparation, and therefore handicapped for the future. By compulsion of law Wisconsin brings back these young people (until of the age of 17 years, I believe) to get the kind of equipment they need for their life work, whether it be in the industry in which they are occupied or in another toward which their attention is directed by means of a trying-out process in the continuation school.

Then there is the part-time school. We have done but little with that in Minneapolis. The truth is, Minneapolis is still in the evening-school stage of this discussion. We have two part-time classes. We have also what we call a dull-season class for bricklayers, to which I want to call attention; these are formed under an agreement under which the employers agree to pay half the regular wage of the apprentice during the months of January and February, when building operations cease, generally.

Not having the room, we have but one of those classes now in existence—the bricklaying group. The money to be paid by the employer for the training of these boys is deposited in escrow with the trustees of the Dunwoody Institute, and is to be given to the boys in the form of check at the close of the course. Similar arrangements are to be made with the painters, plasterers, and plumbers—a new form of training in service.

I think that we, as school men, have been trying to leap too many hurdles, in our enthusiasm over industrial education. We have been going so fast that we could not see the milestones, and it has caused us for the time being to forget that, after all, under present conditions, at least in the absence of compulsion upon the employer and upon the young worker, we must rely upon the evening school for reaching 90 per cent of the people already in the industries, who are seeking the way up to larger efficiency.

When we belittle the evening school and magnify our little day school, or our part-time school with its handful of boys and girls, we are turning our backs upon the institution which, dollar for dollar, will render more return in help to the worker than any other educational device for the workingman that I think we will ever establish.

The man who goes to evening school goes with the hope that he will be able to increase his wage-earning capacity. One problem of the employment manager, or any other employer, is the question of how he may encourage the attempt on the part of that employee of his to get more training. The tragic thing about it is that, all over the country, so many employers are deaf and blind to that situation—as a group. The man comes to evening school; he takes on a knowledge of drawing; he learns some mathematics; he acquires the ability to handle a new machine; he learns cost estimating; he takes greater proficiency back to the shop—and the employer doesn't even know he has been studying. When the time comes for a promotion in the plant, which this man ought to have, other things being equal, he is too often passed over for someone else, either because he is too modest, or because the plant lacks standard and system in measuring efficiency, or because the foreman has some favorite whom he wishes to put in the position. The evening classes of this country

will never be where they ought to be, in the confidence of the working people, and in their patronage, until the employers wake up to this state of affairs.

The man who goes to evening school is a marked man; he is the extraordinary man in his trade; he is the man with energy and ambition. The very fact that he goes to evening school marks him out from among his fellows—without saying anything as to his training.

The men who attend the evening schools are usually the best men in the plants; but they will not get the encouragement and recognition they deserve until the plants in this country standardize their work, and until the employer learns to evaluate his own employees and take more interest in them and in what they are doing.

I am thoroughly appreciative of a lot of things that employers have been doing. But until an employer is more keenly alive to the possibilities of the schools as a selective process and a means of giving proper preparation to the boys and girls destined for the industries, all our talks about "the benefit of industrial education to the workingman" are a joke.

I would like to tell you about how we are trying to correct that situation here in Minneapolis. We have held 186 conferences this summer. I have been in every trade-union hall in Minneapolis, so far as I know, and have met members and representatives of every trade here. I have been with every employers' association, so far as I know, in this city, and have met the employers of practically every industry here. To all of these I have said, "I don't care anything about your controversies on other questions; what I am after is to get you together on the common ground that something needs to be done to set up a scheme of proper training for the workers in this city, for their good and for your good." All through those conferences the note was sounded over and over again that the question of industrial education goes—not to the benefit of the employer—he will get his reward (in dividends); but to the benefit of the worker. It is on that basis that we shall have to stand, as men engaged in industrial education in this country, and all the other things will come.

We are arranging to take groups of employees through our evening schools to see the 1,400 men who are studying there, every one eager to improve himself in his trade or industry, in order that they may the better realize the situation.

One of the most important factors in this question of scientific management is the human element, and one of the very large factors in the whole problem is to be the school. So, whether you talk about selecting, or inducting, or training, or promoting the workers, the school must have its place. The corporation schools will doubtless take care of their own needs. Excellent as is their work, they form

but a small part in the great problem of reaching the mass of workers in this country. It is the public schools and the private schools working in harmony together, facing the employer, facing the employment manager, facing the trade-unions, and facing the man who is not a member of the union, and saying to all alike, "The school has its message, and no question of larger production, no question of better production, no questions of selecting, inducting, training and promoting workers, can be solved without it."

TRAINING THE IMMIGRANT IN INDUSTRY.

BY W. C. SMITH,

Specialist in classes for illiterates, State Department of Education, Albany, N. Y.

<p>The five M's of business:</p>	<p>Materials. Machinery. Money. Merchandising. Men.</p>
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Hugh Chalmers, the captain of industry, says of these that we must henceforward pay as much attention to the *man* end of the business as we have formerly paid to the other four, if we are to maintain the present status of American industry.

That this national organization has granted a hearing on the question of the eight million or more immigrants in industry is significant of the timely importance of the problem. Add to this evidence that the Chamber of Commerce of the United States has appointed an immigration committee to consider the status of the foreign-born laborer. This indicates that it is a time in which to assay the condition of the immigrant labor supply, and survey the future of this labor source, which in its present form, without Americanization and training in industrial ideals, may easily become a menace, transforming the whole fabric of the labor world, as it now exists.

ENGLISH FIRST AND AMERICANIZATION.

These activities in behalf of the immigrant, among manufacturers to-day, would indicate that the stress is laid on the Americanization of the foreigner. "English first" is a slogan around which most of us may rally as a starting point. This is forcibly put, in a timely address by John H. Fahey, president of the Chamber of Commerce of the United States, before the national Americanization committee at its Philadelphia meeting:

It is impossible to separate the industrial from the civic and social relations of the immigrant—efficiency in the one is impossible without competence in the other. In plain words, non-English speaking workmen, living in southern European standards, ignorant of American industrial ideals, with no sense of the responsibilities of American residence, to say nothing of American citizenship, are not a stable asset in industry.

Yet upon this unsteady foundation to-day many of our most imposing industrial structures are being raised—our railroads, our steel

plants, our great new munition factories, and a dozen others in the order of their importance.

The immigrant will never be industrially efficient until he is socially competent, until he knows English and the customs and standards of America; and that whatever the legitimate responsibility of industry may be, or may not be, the employer is the American force that is nearest to the immigrant. The employer holds the strategic position, and it will be he more than any other agency who will, through industrial channels, bring the immigrant workman to both industrial and civic efficiency.

The present great impetus in American industry is one which the immigrant has aided greatly, but has only shared in its burdens. The manufacturer has the counter obligation to industry, that it must train him in industry, prevent his exploitation by outside agencies, make it possible by recognizing his right in wages to live up to the American standards demanded by legislation. The present is a time for readjustment, while immigration is at a low ebb. The industry in which the immigrant works offers the best chance to him for a "way out."

The wastage in the immigrant labor world offers a challenge. Fifty per cent could be saved in accidents if the laborer could understand English.

What would you do if you saw

ОПАСНОСТЬ.

⚡⚡⚡⚡⚡

As a matter of fact, it simply means "danger" in Russian or Yiddish.

EDUCATION OF IMMIGRANTS IN THE INDUSTRIES.¹

Employers are coming to see the necessity of teaching their foreign-born employees the English language and something of the rules of safety. Experience shows that a large proportion of industrial accidents are due to foreigners not understanding the orders of the boss or foreman. Furthermore, a canvass of many employers of foreign-born workmen indicates that a knowledge of English is urgently needed for the employment. This is particularly true of railroads, steel plants, and foundries. The latter group of industries has made a special effort for adult immigrant education in the English language, and in some instances the movement has developed into a broadly organized system of education. Two typical cases are selected—the Casino Technical Night School, East Pittsburgh, Pa., and the school maintained by D. E. Sicher & Co., of New York City.

¹ Report of United States Commissioner of Education for year ending June 30, 1914, pp. 448, 449.

1. Casino Technical Night School.

A number of industrial corporations in the vicinity of Pittsburgh organized an industrial training school for their foreign-born employees. A staff of paid expert instructors was put in charge. The school is carried on through the cooperation of the Turtle Creek school board, which has rented a public-school building to the management on the basis of \$3 per month for each room. Only 25 per cent of the pupils are residents of the Turtle Creek district, the others coming from the districts in the vicinity. The training is open not only to employees of the companies supporting the undertaking, but also to those of other plants. In 1904 the enrollment was only 100; last year it was almost 700. There are over 40 teachers in the faculty, and the expense budget exceeds \$15,000. A tuition of \$25 is charged, making it about one-half self-supporting. The local industries contribute an annual amount of about \$6,000 to \$7,000.

The school year is nine months, i. e., from about September 1 to June 1. A two-year preparatory course and a four-year course in the fundamental principles of engineering are given. Regular classes meet Monday, Wednesday, and Friday evenings of each week. Each evening is divided into three periods, the first beginning at 6.15 p. m. and the last ending at 9.15 p. m. The term is divided into two semesters of 19 weeks each. New students may enter at the beginning of each term. The teachers are selected with a view to their ability, not only as specialists, but as to active participation in practical work, broad training, and wide experience. Students are classified by personal interview and by examination at the opening of each term. All new students are put on probation for the first four weeks.

Upon the opening of the school it was found that many of the foreign applicants wishing to take industrial or technical training had an inadequate command of English. Many also needed preparatory work in the common branches. To provide this preliminary instruction, courses in English, spelling, reading, writing, grammar, and arithmetic were developed, with emphasis on shop terms in use in the various trades.

The school gives training in electricity, engineering, mechanical drawing, shop practice, wood turning, foundry work, etc. Little attention is paid to citizenship, except as an incident to English training. A course in household arts for women reaches a number of foreign girls.

2. D. E. Sicher & Co., New York City.

The firm of D. E. Sicher & Co., a muslin-goods plant of New York City, employs a large number of foreign-speaking employees, many of whom are illiterate. A cooperative scheme was worked out whereby the company furnished a classroom and partly financed the plan, while the New York City Board of Education furnished teacher, supplies, and general educational supervision. Officially the experiment was put on record as a part of public school No. 4, thus eliminating the need of red tape in its establishment and maintenance. The purpose of the school was not so much to teach English as to give a very simple form of industrial training, to which learning English was an incident. The class was made up of factory employees. Forty girls graduated at the end of the term, representing a variety

of immigrant nationalities. Training was given in dressmaking, arithmetic, reading, writing, spelling, English letter writing, etc. There was a drawing class, stereopticon lectures, music, and a traveling library. Effort was made to teach the girls how to care for their health and person, how to use the telephone book, and other matters tending to promote their welfare and efficiency. At the end of the course a "certificate of literacy" was given each graduate by the board of education.

**ADDRESS BY HON. WILLIAM C. REDFIELD, SECRETARY OF
COMMERCE.**

Mr. Chairman, ladies, and gentlemen: This subject of employment management is and has been for 21 years a problem, not so much of my own as one going on under my eye. In the business and in the experiences of which I shall speak to you I was a spectator, because my own end of the particular business was the placing of the product to keep the employment end busy. There was always a kindly competition between the employment end and the selling end, and I was constantly told that it was up to me to provide employment; but perhaps some of the actual results of a kind of scientific employment may be of interest to you.

I think it is a fact that in an experience covering 12 years in that business, with a force of between 300 and 400 men, there were but 14 changes. Of these, six or eight, possibly, were caused by death; all the others were caused by the men going into business for themselves. I think it is a fact that there was not a case of a man discharged in that entire 12 years. I remember very well the case of one man who, from age, was becoming less productive; but even he was helped along, through kindness, until death ended that problem. I think that was the only case of the sort.

Now, you at once begin to see, those who are familiar with factory life, the strain that was put upon the selling department. It was the avowed policy of the factory that no man should be discharged; and it was up to the selling department to keep that policy moving. There were occasions, as in the panic of 1897, when it was impossible to keep the whole force going all the time; but even at that time every man in the shop was provided with sufficient work to keep his family and himself from want, as in a great many factories where the same viewpoint prevailed.

It is needless to say that under such a policy the employment was considered to be the most serious business in the establishment. The head of the firm, later the president of the company, did all the employing himself. His viewpoint was that inasmuch as we expect not to let the man go we must be very careful who comes; and he never permitted the superintendent or foreman to do other than to bring to him the applicant for employment. It was a machine shop and finishing shop, employing largely skilled labor, and also a proportion of yard and handling labor; and every one of those

men was employed with personal knowledge, and was under constant supervision and care. The business proved to be the largest of its kind.

The result was a force of rather unusual quality; and one of the incidental results was constant applications from men for work in that establishment. I think we had, most of the time, applications from the leading men in our competitors' shops, unsolicited applications, of course.

The idea was that no one should be taken in who had not some definite, prospective growth. The head of the company said to me once that he should feel very much humiliated if a man in the factory had to ask the foreman for increased pay; because he should feel that he had been at fault in his organization if a man were earning an increase in pay which was not given to him before he had occasion to ask for it, that it was faulty management which permitted such ignorance of a good man's productiveness that it would leave him to ask for increase in pay. I need hardly say that such a thing as a reduction in wages was never considered and never took place. The result, as I say, was a force of very unusual quality—very unusual quality, indeed—and of very unusual productiveness. That, in combination with the unusual methods of payment—which were the basis of the factory's policy—led to an output, both in quantity and quality, that made the concern grow very, very rapidly, and made it an extremely difficult concern to compete with. It was a concern which paid the highest wages in the business; it would deliberately pay more than its competitors; its output was much larger, and was apt to be better than most, if not all; and it got the cream of the business in the country as it had the cream of the men; and for these reasons it was an extremely strong competitor.

I have always felt that the last concern in the world I should want to compete with, as a business man, would be the concern which paid high wages, and which averaged such a fine quality of product, and under a leadership which led the men upward all the time. I have never found any difficulty as a salesman in competing with a cheap shop. The product of a cheap shop is apt to have a larger percentage of seconds, and is not apt to be as large.

I wish I could give you a fair idea of one institution I have in mind, a woman's institution—a factory in which there are a thousand working girls. They earn as a minimum more than half again as much and as a maximum more than double the wages paid by the competitors of that factory. The conditions of the employment are such that the ladies here might wear their white dresses throughout the factory without danger of soiling. I know, because I took my wife through and tried the experiment. And, as a result of that condition there, and a very careful selection in employment,

with much attention paid to human values in the shop, that factory sells its goods, mostly in competition with Germany, England, and France, in 50 countries, all over the world.

My feeling about the policy of employment is that we stop short in our thinking. We buy a machine, you and I, and we are very careful about it, very careful about that machine. In the first place, we do not buy a machine unless we understand it. There is not one of us here who would think of putting an apparatus into our office or shop that we did not understand; that means that we are giving attention to the laws of that machine; we know what it can do. We should consider ourselves very, very absurd if we should put into our factory an apparatus, any apparatus whatever, about which we could say that we had not studied its laws and did not know how it operated, what its capacity of output might be, to what extent it would bear overstrain. As, for example, you would not run a paper machine in a dusty place; a man would be considered foolish, to say the least, to do that; and there are other delicate machines which you are especially careful to keep dry and in other respects to keep guarded and care for. How many of us pay that much attention to the man, the human being we take into our employ? How few of us know the kind of man we take into our shop, an infinitely more complex machine than any mechanical device; infinitely more complex, with all sorts of qualities which most of us pay no attention to. In fact, there is a word much used in that connection which, by its very use, shows the limitation. We say we employ so many "hands." The very use of the word shows that we do not appreciate the situation. We are not employing "hands"; we are employing brains and hearts and dispositions, and all sorts of elements that make up a personality; we are employing them all.

Now, if there is one neglected thing in the employment problem, it is the human capacity for responsiveness; while we are always perfectly familiar with the human capacity for unresponsiveness. We feel that ourselves. We do not like it when we are called upon to do something which was not in the bond, and we resent it the more if we are told to do it under conditions of hardship, with no account being taken of the physical capacity for the particular thing we are asked to do, with no thought being taken for the infinite complexity of the human element employed. It is the darkest kind of blundering and blindness that we use. Here is a man with all sorts of initiative along certain lines; he can handle a lathe, perhaps, to perfection; but because he was employed as a grinder, for which he has no aptitude at all, we keep him as a grinder. The idea of selection in many of our shops and offices is wholly unknown; but a man who is no good at one thing is assumed, therefore, to be no good at anything. About the saddest thing in industry is the fearful procession of in-

competents wandering in and out of our great mills and factories. But almost as sad a sight must be the brain of the alleged superintendent who lets that sort of thing go on indefinitely.

I have in mind two factories, 12 miles apart, in the same line of business. In one of them a perfect equipment, modern buildings, light, everything physically fine; but the owner of that mill stated to me that he could not get respectable help at any price; and he had signs in seven languages in the mills, because he had that particular type of help. Twelve miles away was another mill, whose buildings were all that such buildings should not be, no two of them on the same level, whose plant would be an interesting study for the archæologist. The superintendent said to me, "I wish you would go down into the factory yard; I want you to see our working girls." I went down in the yard, and he had good reason to be proud of the girls, American born, largely Jewish, fine looking young women. Only 12 miles apart, in the same State. In the factory that I spoke of a moment ago, it happened more than once that mothers of wayward daughters would bring them to the superintendent and ask if he would take them into the mill, that they might have the benefit of the influences of the fine girls working in that mill. On this office desk stands a silver vase, presented by the entire working force, to which every girl contributed. And only 40 miles away from there are some of our great cotton mills, where what takes place with regard to the sweetness and purity and dignity of womanhood is a horror.

I took Mr. Roosevelt through one of those factories one day, and he spoke to a man named Henry, talked with him. Finally Henry turned around and called another Henry whom he introduced as his son. He said, "I expect in about 3 years we will have the third Henry here, my grandson, who is just growing up and is coming into the shop." A very interesting object lesson of what was to take place—three generations at work in the same factory and at the same time.

May I tell you the story of a man who began work, a little Irish boy, and the conditions of his employment? His name was Mac. Mac got \$3 a week when he started in, just a boy; but he found himself in an atmosphere which was not, at least, intended to hold him down. And Mac grew, and every little thing he did that was worth while brought a word of commendation from the foreman; and everything he did that was not worth while, at any rate did not bring a curse from the foreman, as it was a rule of the shop that foremen should not swear at the men. We lost a good foreman that way once, but it did not matter; it raised the honor of the employment and the dignity of the work.

And so Mac did not get cursed at. That was not the way in that shop. But he grew and improved, and went up to \$7 and \$8 a week. And by and by he was put on a small machine. One day his employer was walking around in the shop, and Mac said to him, "Will you come behind the machine a minute?" He went, and Mac said, "I would be thinking if you would make this tool twice as long, in here, I could make twice as many of these articles as I am making now in the same time." The idea was adopted. I hope you do not think that type of blind management was in vogue there, which did not give Mac his share in the profits of this idea. Of course, he made twice as many as before, and of course he got higher pay for making them. That is only common sense, just horse sense, to do that.

A few years went by, and Mac said, one day, "Do you think you could be giving me a larger machine?" "Why?" "I have been thinking that if you could make this part here double width, I could make four pieces with the big machine, where I am making only two now." And so again Mac's output doubled and his pay went up, and when the last thing was done he made twice as many with the same exertion, no more. And by and by there came a time when the foreman of the big shop drank over much, and after a series of warnings, he was obliged to abdicate, and the question arose, "Who will take the place?" There was no idea of importing a foreman. I trust that conception of employment is passing away. These imported officers are not apt to be successful; they do not know the "family traditions," which are a valuable thing in a shop, if they are good, and a bad thing if they are bad; the foreman, they felt, had to be brought up out of the family, and so Mac was selected. I shall never forget the day on which, after he had been made foreman, he came for the first time into the large office to speak to his employer. He entered the door—a small man; and he entered hesitatingly and modestly, for he had never been called there before; and as he stood there, his employer had the good sense to rise from his own desk and say "Good morning, Mr. Mac." I was there, and I saw that man's shoulders go back and his head go up, with a sense of personal dignity, as he saw his employer recognize his rise in life.

Some few years later he met Mr. Roosevelt, when I took him through the shop. Mr. Roosevelt said to him, "Mac, how long have you been here?" Mac said, "It is the only place I have ever worked; ever since I was a boy." "How much did you earn when you began?" "Three dollars a week." "How much do you earn now?" "Fifty dollars a week." "Did you say fifteen?" "No, sir; I said fifty." I never forgot that scene—all that it meant, and all that was behind it.

Now, I am speaking of a strictly competitive business, where there was no special or unusual conditions in protection by patents or trade-marks, or anything of that sort, a business which had for many years very keen competition; and we knew—whose all was in that factory—we knew that the only saving power of the shop was the men in the shop, and the only thing to bring that power into usefulness was leadership, and that there was no room for “drivership”; and there was not any idea of the men being told to go, but that there was every idea that men should be told to come.

I wish I had time to tell you more of the benefit of the welfare work, so called, in the factories; of how it must not be imposed as if from above to a man below, but always must grow out of their own aspiration and ideals. Meet your men fully half way; in God’s name do not try to impose upon them your ideas; they are not needed; the men will resent them, and they ought to.

I knew a man who gave a splendid clubhouse to his working girls, and they used it with a great deal of interest for a few months; then it was not used so much, and the employer thought the girls were ungrateful. But he was told the truth, “No, they are not ungrateful; but it is not theirs; it is yours; and they do not want your conception of what they need, imposed on them; they would be thankful for your meeting their needs, the first of which is sufficient pay to keep them self-respecting in the world; after which, so far as you can get together with them, meeting their viewpoint, good. But never impose on them your own conception of their needs.”

Mr. WINSLOW. Last night we opened the conference with an address by Mr. Clothier, who is a practical man doing a practical piece of work; and we continued by listening to Prof. Person in a very scholarly address, and one very much worth while. And we have listened this morning to the secretary, who has had the advantage of overseeing employees, and doing very wonderful things for those employees; and I take it that you would now be better satisfied to hear from some one who has something practical to offer, rather than from me. We have with us this morning a man who could not reach here last night. He has come, as he says, to learn all that he can about employment managers’ problems, and to give all he can give in return concerning his job, which happens to be that of employment manager with the most widely advertised firm in the world. As I said before, his is a very practical job. I have worked with him for weeks, and with his associates for weeks, and I know something of his problems, and therefore I know that you are going to be interested in the things that they do there, and I want to introduce to you Mr. George Bundy, of the Ford Motor Co., Detroit.

**WORK OF THE EMPLOYMENT DEPARTMENT OF THE FORD
MOTOR CO.**

BY GEORGE BUNDY.

Employment Manager.

Mr. Chairman, ladies and gentlemen: I am here from Detroit—landed this morning. I am not a speaker, but an employment manager of the Ford Motor Co. I have with me the different forms that I use in employing men at the Ford factories. As so many are trying to get a position at the Ford Motor Co. nowadays, we find it necessary to employ our men by application only. When every man used to report for an interview personally, the crowd got so large that we had to turn the hose on them to keep the crowd from breaking in one side of the building. Now, in employing men through written applications, it does away with all the trouble and the anxiety of seeking a position at the Ford factory. From every one wishing a position at the factory we require a written application, which is filed according to the occupation and in alphabetical order. We are receiving now between two and three thousand applications daily from men wishing employment. Every application is kept on file. I have a card here, a postal card, which acknowledges every application that we receive. I will read the card. It says:

In response to your recent inquiry, we regret to advise that we can offer you no encouragement, as there are no vacancies in our factory at the present time, but will file your application and notify you later on should we have a position to offer you.

The reason we answer every application that way is to keep down the anticipation of getting into our factories, and save disappointing so many.

Then we may find that we need, for instance, possibly four molders in our foundries. Maybe you would like to know how the employment department knows that we have need of four molders. We have a sort of requisition form which is used, so that the superintendent may know what help is coming in and what help is needed. This form is filled out by the needy department and sent to him; he O. K's it and it goes to the employment department. When the employment department finds a molder, or more than one, is needed,

we slip our molder applications out of the file; and we have here a card that we send out to those applicants, asking them to report. We never want to take a man from another employer, so we word that card like this, giving him the idea that it is simply a matter of form, as we are revising our files:

Referring to your recent application. We are revising our files.

If you are out of work this card will act as a pass for an interview in our employment department on Manchester Avenue, Highland Park, at your convenience.

Do not think because you get this card we are going to give you employment, as this is in no way a promise of a job nor an assurance that you will later get one. If working now, do not leave your position in order to come out and see us.

If not employed we will expect you to call between the hours of ---- and ----.

So that we never have more than three or four at one time. If a man qualifies as a molder, it is up to my judgment as to whether or not we are willing to give him a chance as a molder. He is then passed, given an identification card he carries with him to our medical department. He passes from the same stenographer where his job is given to him into the medical department, where the medical examination is performed. We never reject a man through the medical department unless he has some contagious disease, and then he is given a chance to clear that up. We have a stub or identification ticket which bears the examination of the medical department. That is detached and filed with his record in the office. So if there has been anything wrong when he went to work, something that could be passed, he can not ever come back at the company stating he had gotten it at the Ford Motor Co.—something which he had when he came in.

IDENTIFICATION TICKET OF	
No.....	Name
Commences	M.....
Department.....	as
Foreman	
Hired by.....	Emp. clerk.....

A record of the employment is then made and he goes back to the superintendent. The superintendent then O. K's the employment record, thus showing that the vacancy he reported has been filled.

FORD MOTOR COMPANY EMPLOYMENT RECORD.

No. _____

Name _____
 Present address _____
 Home address _____
 Age _____ Married _____
 Children _____ English _____
 Dependent on you _____
 To what extent _____
 Have you ever worked for Ford Motor Co.? _____
 Last employed _____
 Sight _____ Hearing _____
 Have you any disease or permanent disability, or have you ever undergone any surgical operation, broken bones, etc.?

I declare and warrant that the answers made herein are correct and true, and that they shall form the basis and become part of my contract of employment, and that any untrue answers will render the contract null and void, and I hereby elect to become subject to the provisions of act No. 10 of Public Acts, extra session of 1912, of Michigan.

Signature _____
 Department _____ Occupation _____
 Rate { Skill _____ Foreman _____
 { Hourly _____ Hired by _____
 Date started _____ Time started _____
 Memo _____

After the workman is in the factory, we have a card here called the "Employee's occupation record." When the requisition for a molder came in, we sent out a few more cards than we needed, figuring that out of the number of cards sent out, some one could be obtained to fill the place. Suppose we needed a core maker in our foundry and a machinist reported. This machinist takes the job; he is willing to do it, or do anything that he can, if he can't get a job in his own line. We have a card here which we give to him which he fills out and returns to the office. It is filed, and later on when we want a machinist we go to this fellow and he is advanced from the place which he is in and later gets onto the machine. This card reads as follows:

FORD MOTOR COMPANY EMPLOYEES.

We realize that quite a number of our men are qualified to do different work, other than that at which they are at present engaged; in other words are working out of their trades, or regular lines of employment, as followed previous to coming to work for this company.

Kindly fill out occupation record on the opposite side of this card, stating just what you are best qualified to do, then bring record to the employment department, as we may be able to use you to better advantage elsewhere.

FORD MOTOR COMPANY,
 Employment Department.

EMPLOYEE'S OCCUPATION RECORD.

To be filled out and returned to employment department.

Employee No.----- Name-----
 Address----- Date-----
 Nationality----- Age-----
 Employed in department----- Present occupation-----
 Trade, or kind of work best adapted for-----
 Extent of experience-----

[5 blank lines.]

This gives a man a chance, as was suggested here to-day; if he is going to school and advancing himself in some of the local schools teaching different trades, if he learns another trade, he can get one of these cards, and by that we know that he is better qualified to hold a better position than the one in which he is working.

I want to say one thing, that we do not employ men who are employed in other shops. You say, "How do we know he is out of employment?" If we are hiring a man, we look up his record and the last place he worked, and if he is not out of employment but it is agreeable to his employers that we take him on and give him employment at our factory, we do so at their request; otherwise he is turned back to their shop to work.

We have an investigation system. If a man is off without leave, one of the surgeons or physicians or some one is sent from the employment department, and a list is turned into the employment department every morning and this list is turned over to our medical department for investigation. They hunt up every man who is off. If he is sick, the doctor tells him what to do to get better. If he is off without any good excuse, he must report to the employment department and answer why he is off. This makes our absentee list less than it would be if they were not looked up.

No.....	Date.....191..
EXCUSE	
Name.....	
Address.....	
Absent from.....to.....	
Excuse	
[3 blank lines]	
Signed.....	

There used to be an old saying about trying to fit a square peg into a round hole. It does not work very well. We try to overcome that sort of thing at the Ford motor factories. Suppose a man comes in there; he has a large family and he needs a job; will do almost anything to get into the factory. He comes out there and wants to run a machine. He may have put it over the employment man, which I guess they all do—it is natural.

First, I will say that no foreman is permitted, throughout the shop, to fire a man. He can fire him so far as his own department is concerned, and we have a slip here to the employment department that the foreman makes out, giving his complete reasons on the back of the slip and sending the man down there if he is not satisfactory in that department. Then it is up to the employment department, or a committee consisting of the head of the employment department, and the office manager, and an investigator, when necessary, and this man is usually given an opportunity in another department.

TO EMPLOYMENT DEPARTMENT

No.....

Name.....

Occupation

Date hired

Hired as

(Over for foreman's complete memo.)

EMPLOYMENT DEPARTMENT MEMO.

[6 blank lines]

Quit..... Discharged..... Give notice.....

Good..... Medium..... Poor.....

Signed by foreman.....

Dept..... Date.....191..

Time A. M.

 P. M.

FOREMAN'S COMPLETE MEMO.

State full and accurate reasons why you can not use man.
Send latest identification ticket with memo.

PLEASE GET TOOL CLEARANCE

[17 blank lines]

REPORT OF PERSONS TRANSFERRED	
To the manager:	Date.....191..
I HAVE TRANSFERRED	
Name.....	No.....
From the.....plant as a.....	
To the.....plant as a.....	
To take effect....M.,	191.. New No.....
Reason	
<hr/>	
Signed	O. K.
.....
Foreman	Supt.

He is also given a new identification ticket, and a good many will start out in the factory, filing this slip in the employment department. It is put up to him to make good, as we have this record against him. When a man gets several of these slips we feel that there must be something wrong with him, and then it is taken up with the manager and the man is disposed of, or allowed to do some work that he can perform, and he is kept on.

Usually in the shop when a man gets his pay at the office he gets in his pay envelope some little advertisement—something printed on the envelope or slip inside—telling him where he can buy the best flour or shoes or get a good hat, or something like that. At the Ford Motor Co. we have gotten up a little booklet containing the following:

SAFETY—HEALTH—BETTER LIVING.

Devoted to the Interest of Ford Employees.

MAKE THEM UNDERSTAND.

Many foreign workmen who can not speak English say "Yes" to almost every question. They say "Yes" if they understand or not.

They don't want anyone to know that they can't understand. They may be afraid of losing their jobs if they say they don't understand. No man will lose his job just because he can't understand English.

Be sure all foreign workmen understand. Make them understand before leaving them, so there will be no excuse for an accident on that account. Have them repeat your orders, by word or actions.

When a foreigner says "Yes," don't take it for granted that he knows what you mean. Make him show you, so you know he knows. If he can not speak or understand English, send his number to the English school. You will be doing him a big favor.

Keep up the fight on upturned nails. When you find a board with nails sticking up, take it out of the way. You may step over it, but the other fellow may not see it. "Help the other fellow."

SMALL CAUSES OF ACCIDENTS.

Nine out of every ten accidents could have been prevented by careful work. Too many workmen are thoughtless of themselves and others working with them.

A man in the wood pattern shop took a saw guard off—now he is shy some fingers. Another workman started a machine without looking to see if anyone was in the way. An oiler got two fingers smashed as a result.

A workman was not looking where he was going. He bumped into a truck and got a very bad cut on his arm. Somebody left some nails sticking up in a board; a man stepped on them and got a bad hole in his foot.

Don't wear shoes with thin soles. Be careful, and see that your neighbor is careful, too. Help cut down the number of accidents.

Some day we will be so well trained that the man who is known to be careless can not get a job.

When passing a loaded monorail car, give it plenty of room.

SLEEVES AND GLOVES.

D4266 wore gloves around a machine; lost two fingers, because one of the gloves caught and pulled his hand into the machine.

One man got a sleeve caught in a machine. His shirt was torn off his back before he got away. He might have been killed.

Be very careful about such things. You may be next.

B62 lost two fingers in a milling machine because he didn't shut it off when taking out the job. Carelessness will always cause trouble.

Don't work around machinery with loose sleeves. Roll them up, or cut them off at the elbows. Never wear gloves around revolving machinery. You are sure to get caught some day and may lose a finger or even your whole hand.

It pays to be careful about sleeves and gloves.

The man on the job should be a thousand times more interested in "Safety first" than the owner of the factory. The owner may lose his business—the man on the job may lose his life. Money can be made again; when life is gone, you're out.

COME TO THE ENGLISH SCHOOL.

Now is the time to come to Ford English school.

Many Ford workmen have already learned to speak English in the school. They are better workmen. They get a fine diploma when they finish school.

Men who can speak English are not so apt to be hurt. They don't lose time from accidents.

Ask your foreman about it.

ABOUT LIFE INSURANCE.

Some insurance agents have been telling our men that the Ford Company requires you to take out insurance policies.

That is not true. The company does not compel its workmen to have any kind of insurance. Insurance is a good thing, but you don't have to take it.

It is good for a man to invest part of his share of profits in life insurance. A man who is not receiving a share of profits can't afford to take a policy. Wait until you get more pay.

Don't let any agent tell you that you have to take insurance to hold your job. Don't sign any papers. If you think you want some insurance, come up and see the legal department about it.

You don't have to take insurance, but it is a good way to use some of your share of profits.

Lending money without security is a sure way to give something for nothing.

Brain in a factory is worth more than horsepower.

SAFETY FIRST WITH MONEY.

Many workmen are careless about money matters. Money lost is thrown away. Use care with your money while you are getting good pay, so you will have money for bad times. Money saved now makes a happy old age for you and yours.

A foreigner in this factory had \$325 taken from his pocket. It was the savings of years. He was going to send it to the old country, so his family could come here. Now they can not come to this country for a long time.

Put your money in a State or national bank. It will be safe. When you want to pay money, use a check. Then no one can steal it, because it is hard for the wrong man to use your check.

Ask the man at the bank; he will tell you how to use a check. Don't take any chances by carrying money in your pocket. Someone may rob you next.

Anyone is liable to make mistakes. The wise man profits by his, but the fool will make the same mistake again.

HEALING OF WOUNDS.

Wounds heal very fast if they are clean. Clean means without dirt and also clean of germs.

Germs are often on the skin and on the tool or whatever causes the wound. When they are not cleaned out of the wound at once, blood poisoning may result.

The best way to prevent blood poisoning is to clean the wound at once. Then keep it clean by covering with a clean piece of linen which has been boiled, or a piece of sterile gauze, and hold firmly in place with a bandage.

To clean a wound, wash with gasoline, taking plenty of time and using a piece of clean linen to wash with. Clean the skin all around the wound and wash into the wound. Then paint the wound and the surrounding skin with tincture of iodine. Iodine kills the germs at once.

If there is no gasoline or iodine handy, wash the wound thoroughly with alcohol and put on a piece of clean linen wringing wet with alcohol.

No cut is so small that you can afford to neglect it.

It is on safety, health, and better living. Every two weeks we put these in the envelope for the men. I would say, though, that we have a pay day every day, because we pay our men in relays and it makes a pay day for somebody every day. But each man gets paid every

two weeks. There are so many employees that we have to have a pay day every day. Usually, when a man gets his pay envelope he has a few minutes to himself, he will sit down and read this little booklet through and we think it is a good thing.

We have also a "Ford English School," where a diploma is given when a man graduates. A number of employees devote their time to teaching the foreigners English, an hour and a half twice a week; they work only eight hours, and the hour and a half extra makes nine and a half. Men in the shop in Detroit work 10 hours and they are getting off a half hour earlier, even putting in this hour and a half at their studies. We don't have any difficulty at all about having those fellows come to school, because they are going to find what is in it, and the teachers voluntarily give their time in teaching them English, and when they are through they are given a diploma from the Ford English School.

We are making citizens out of them by teaching them English, and we figure that if you can make a citizen out of a foreigner, and teach him to be a good citizen of this country, and make a good American out of him, it is doing a good work. We try to teach them the best way of living, and all that sort of thing. I have a few pictures here, which will give you an idea of some things our investigators have found when they started out to investigate a man. You wouldn't believe them if you didn't see the pictures, or see the thing itself. We have books here showing the different pictures of places, the wrong way of living and the right way of living.

If you wish to ask any question on the labor turnover, Mr. Winslow is well qualified to answer them. He has spent some time with me in Detroit and we would rather have him give you the exact figures as he has them.

Now, I heard something here of the courses of the shop here in teaching boys different trades. Usually, as we all know, it takes a man four to six years to learn the trade of a machinist. We have a school where we teach the boys drawing an hour and half twice a week. They have their work for eight hours and by letting them work in the tool room and giving them this schooling—three days a week—we find that we can make a competent toolmaker of a man or teach him a trade inside of two years. We have one man that went to school 18 months. We have one man that is just as good as any of them in the tool room, and he has been 18 months in this school. I thank you.

DISCUSSION.

Mr. BLOOMFIELD. Mr. Winslow will open the discussion by giving us the turnover figures of the Ford Motor Co.

Mr. WINSLOW. I understand I am just to answer questions. In 1913, a normal year, and a normal season, the Ford Motor Co. had 13,000 employees at work. Its turnover was 56,000 people, meaning those that were fired, those that left voluntarily, and those that were laid off—up to the number of 56,000. The following year, to keep a normal number of 15,000, their turnover was less than half. In the last six months, just prior to October 1, they had discharged only seven men. It is true that men leave the Ford Motor Co., but the reasons for leaving are something like this: With the knowledge that one can get \$5 a day and an eight-hour day, men leave their jobs in the city of Detroit and outlying districts, believing they can earn that \$5 a day. Do not understand that they are going to get \$5 when they enter, because they are not; they are put on probation, as it were. However, when they do reach the time where they can earn \$5 per day, many of them—often many who have been measuring ribbon, perhaps, and doing other such things in life—find that they can not, in the language of the shop, “stand the gaff” and they immediately resign their \$5 job. In other words they would rather go back to the ribbon counter for \$12 or \$15 a week than to stand what is necessary to become efficient in the Ford Motor Co. So that the turnover is decreasing so far as the men being discharged is concerned—you must not misunderstand that men do not leave; they do, but not in great numbers.

Mr. Filene said to be short, and I am lots shorter than I wanted to be.

Mr. FILENE. I understood that we were going to hear from the labor contingent this morning.

Mr. BLOOMFIELD. The chair would most heartily welcome a statement from Mr. Hall, if he is here at this time, or at any time, so far as this conference is concerned, or from anybody designated by Mr. Hall.

Mr. HALL. The different papers as submitted last night, together with the splendid offerings this morning, lend considerable encouragement to those interested in the movement, or in the recognition at least as to some of the conditions which men get together for the

purpose of remedying. As illustrated last night, I think in the second paper, where it was found by the management that one thing that tended to greater efficiency was sunshine and light and better conditions generally—that is something we have always contended for, and we were often very much criticized for calling attention to conditions of that kind in the various working places. It all tends to bear out, at least, this statement that is often made by representatives of labor, that there are inhuman conditions, such as long hours, insanitary working places, and workers who are underpaid or who are paid low wages. It is gratifying to find that these employment managers are realizing that there is a human side in industry, that the worker needs just as much attention in order to carry out his task as does the machine on which he works. I believe, if it has not been done yet, that they will still, in furthering their investigations, find that there is another part of the work which will still prove beneficial and that the factory with insanitary conditions and poor work places, as well as low wages, will be eliminated. It will mean that the better conditions must obtain in the home, and I believe when industry realizes that good, safe, sanitary working places must be provided, as well as at least a living wage, that the thought as expressed here last night by one of our university professors, speaking of what he called the Taylor system—we won't need any of them—but that men and women as well will naturally become efficient, whereby industry will profit as well as labor.

Mr. BLOOMFIELD. I would like to ask Mr. Hall if any of his colleagues wish to say a word before we go on with the general discussion?

Mr. HALL. We have nothing more to say this morning.

Dr. BENJAMIN C. GRUENBERG (of New York City). I want to ask Dr. Prosser if he would not also suggest in his proposition relative to the employment managers' association, that when they form such an association, they shall also embody in their rules that this association shall recognize the right not only of employers to work together as an advantage, but recognize the right of the employees to demand of that association collective bargaining, and let the workers not individually, but as a whole, obtain their worth. I would like to ask whether he would agree to include that or whether he thinks that would be right or just.

Mr. BLOOMFIELD. Dr. Prosser is out. You have brought up a very important and fundamental question of policy for the employment managers' association, and it is very hard to answer from any experience that we have acquired with the associations that we have had anything to do with. There are two things which have been driven home into the fundamental policy of the employment managers'

association. These associations are not supposed to take the place of manufacturers' associations or trades or any other industrial bodies that choose to organize. They are not intended to perform a function in industry. The study of the human problem by those closest to the sources of construction and ways, or those who have had the closest touch with the employment managers—it is impossible for them to study or get that light except as they are in relationship with the workers, which will give them the knowledge they need. We have taken the position in the three or four associations that I personally had a hand in launching that as regards individuals—that is, individual employees—the association under no circumstances would be permitted to discuss individual employees. The moment an association of employment managers takes advantage of its organization and collective strength to single out an individual employee in any plant, it is on the way to become so dangerous an instrument of oppression that it had better be “busted” up right away; and it is bound to “bust.” There is no need of worrying about that; the association has too many other valuable interests at stake to risk any such foolish procedure. That is policy number one. The association is there to make fundamental studies, to learn the fundamental principles there are, to be impersonal, objective, scientific, if you will.

I do not believe that you will find an employment managers' association, unless it masquerades under what we regard as an essentially social movement, in the field of employment. I do not think you will find them monkeying with what is likely to lead to the abuses of blacklisting and oppression.

Second. What should be the policy of such an association with regard to organized labor?

We have taken and laid down the fundamental policy, and it has proved agreeable to labor representatives in the communities, that, so far as a shop is concerned, it has no policy with regard to organized labor. It is the business of the workers in a given industry and their friends, and those in every given industry, to settle the question of collective bargaining. You can not take a group of miscellaneous industries or manufacturers and get them, without mixing things up, to take a stand. They can not take a stand; they have no right to take a stand; if they took any stand whatever, my advice would be that they take a frank interest and get a just view of the situation by seeing that collective bargaining is absolutely essential to successful management.

The employment managers' associations come from groups of all kinds of industries and businesses, some of which have not even the germs of a trade organization, and you can see why it is absolutely

essential that, so far as labor policies go, the employment associations can take no stand; that is not because it is a labor policy; the employment managers could not take a stand on anything. It is a conference body, not an executive body. It is a body instructing those in the job of handling employees. If it does not learn what organized labor is, it will be half baked in its judgment on a labor situation. There is no secrecy and no possibility of mistake as to what is fundamental in that organization—they can not take a stand. Should they go up and fight legislation, or approve legislation? It would be disastrous for an employment managers' association to go up and favor or oppose a bill, because the employment managers' associations are there to compare experiences and find out what is right, what the mistakes are, how they can regulate employment, how to devise a fair wage basis, how to open avenues of promotion, how to cooperate with the schools—that is what I am getting at—in regard to the labor policy; the employment managers are supposed to be studying, learning from one another and from outside. They would defeat the purpose of such an association if they began to take a position in an organized way which would commit all of them and all kinds of industries to a final judgment.

The employment managers' association must be a forum of information and experience, paralleled by research and development, looking openly into the questions. Therefore there can be no such thing as the indorsement by the employment managers' association of any given proposition, particularly a controversial proposition.

You have heard my viewpoint. I think collective bargaining is essential. That is what the employment managers' group is for—to thrash these things out by those whose business it is to know.

Question. In the many things that you have said that the employment managers' association must do, and remembering what our honorable speaker, Mr. Redfield, said, that these suggestions must come from the workers, if this employment association is going to defend the many policies you have outlined here, or attempt to defend the many things mentioned, how can they do it if they do not have that representation from the employees in their conferences? The managers' association will be an organization that will view it entirely from the viewpoint of employers, without any means of consideration on the part of employees. It must be met and taken into consideration, if there is a successful management; if the employment managers' association is going to stand aloof from the representation, I do not think the result will be accomplished that they hope for. In other words, my point is this: Regardless of what stand is taken by the industries, they must take into consideration, they must permit them to say what is true, "We

give to industry all we have. Industry invests its dollars, but the laborer invests all he has—his labor.” And we say we must have an opportunity if we are going to have successful management.

In other words, regardless of what you may adopt as a policy on what are the rules and regulations of a shop governing employees, they will be put in force to the extent that the employees are entirely agreeable to them, because the employees can beat any plan or any system in any shop unless there is a mutual arrangement, and we want to know why we are not going to participate in these things if we are essential to these big problems. I am merely speaking from a working boy's standpoint; I am a machinist by trade.

Mr. FILENE. I think the best answer you could get to that is what is happening in this room now. That is what the employers' associations are intended to do. We are beginning to realize that these are questions that may be considered and studied, and that is what is happening here; that is what the employment managers' association is for; we need these expressions of opinion from everybody, so that finally in the next 5 or 10 or 15 years we will get some enlightenment as to what the relations shall be between the employee and employer, between industry and society. Society has as much right to ask that question as you have or as I have, as an employer. Society finally pays the price for everything that goes wrong, and is interested in working conditions and in working these questions out to a proper solution. Society is interested in the child-labor movement, just as much as labor or the employer is interested. It is just for that reason that this employment managers' association has been started. And this question that is brought out here; this is just the kind of thing that should come before us. That is what we came to Minneapolis for; we hoped that that was going to happen; that these very questions would come up, so that Minneapolis could see what there is to encourage the development of the employment managers' association; and we are getting just what we want, and we hope it will keep up until everybody gets a clear conception of this important movement.

Question. It does not seem to me that a discussion of this kind is enough. It seems to me that a representative of the employees should enter into the very heart of the employment managers' association plan. It is not enough to have an occasional conference. It seems to me the point this gentleman has made is an excellent one and that the representative of the laborer, of the workingman, should enter all the time, not merely occasionally. It is not enough to pay him compliments. He must have an active part all the time in working out the problem. I am very much interested in it from the school standpoint, and it does not seem to be human nature that a number of employment managers can get together and can, even with all

those rules, avoid all those ticklish and delicate questions of employment, no matter how much their rules may lead them in that direction. It is perfectly natural in a group such as that to discuss particular problems which concern their work, and undoubtedly they will make recommendation, so far as industrial education is concerned in the school. If they are going to make recommendations, so far as industrial education in the schools is concerned, I do not see how these questions can be entirely fair. They should bear in mind the large part which labor must play in the development of industrial education and have these meetings right along, not occasionally, and as an integral part, representations of employees.

Dr. GRUENBERG. The question of the labor turnover is something that concerns employees as much as employers. It is particularly a matter of adjustment and training, and there is a spiritual factor, recognized by many speakers as fundamental. We speak of it as loyalty. The worker who is not loyal is a burden to the community, but the worker who is not loyal is something more than useless to an employer; he is also unhappy in his daily life and work and finally he is a poor citizen; he is not living up to his ideas of mutual responsibility in his contracts with other people. Now, I assume that the community is all right to demand that work be done more economically than it is done in solving the burden of the disloyal worker. I assume that the workers themselves have a right to demand that the management of the work be organized so that it is possible for the worker to be enthusiastic and loyal. Then the worker and the community have the right to demand that there be no temptation in his way to soldier, or to sham. It is not entirely a subjective thing to "soldier on the job"; it is a matter of conditions, from without. The worker has a right to demand that the work he is doing shall contribute to the fullness of his life, just as your work and my work does. And these things it is quite possible, through the employment managers' association, through better training and selection, and especially through the selection of the employment managers, to secure. We can have more tactful management and more consideration and better personality, and thus secure a good imitation of loyalty, but in the end your workers will have to have a definite share in the management of their daily lives and their workings, and their work is their daily life. They are not content to rely upon the sincerity or the considerateness or the tactfulness of managers; it will not encourage them to be contented. Now, the "handling" of men may simply mean another way of saying "bad handling." The management is not going to be effective in the long run unless it is cooperative, and cooperation does not mean consulting the workers occasionally; it does not mean welfare work; it means working together; the workingman can do that only through his organization.

It is out of the question for the workers to be consulted individually, because if they do not "hang together" they will "hang separately." They have got to be consulted collectively, and throughout this discussion the idea has been that the employment managers are the managers in the thoroughly modified sense—no opportunity to be heard should be looked upon as a concession; and so far as collective dealing itself is concerned, however generous or fair-minded the employers, unless it is an automatic part of the machinery, you do not have cooperation.

One more question in relation to something Mr. Filene said last night. It seemed to me that Mr. Filene attacked a very fundamental question. The indication was that the next thing was to have managers who know how to organize and conduct an industry. Attention was called to the fact that in normal times there is a fixed ratio of unemployment. A part of this is due to maladjustment—not fitted for the work, physical incapacity, psychological conditions of one kind or another; but after all your workers are trained you have not the machinery for keeping people employed all the time. We are discussing unemployed, nonemployed, unemployment, nonemployment, etc., and we are overlooking the fundamental fact that the person unemployed, speaking generally, is not unemployed because of unfitness. Unfitness or lack of training does not determine the quantity, does not determine the employment. It determines only the existence of nonemployment. If the lack of employment was a matter of training, you have not solved it by your training; you have simply determined that the unemployed shall be capable people. We are evading the whole question of the distribution of work and income according to people's wants. It is up to the workers, and they are not doing enough of a day's work to give us what we need. It is up to the managers to organize the work so as to get the maximum result from the least effort. I do not know whose fault it is just now, but at normal times there is a certain fixed proportion or at least a minimum of unemployed.

Mr. WINSLOW. I won't attempt to answer the question which was not asked of me, but there are two things that they have done in some of the cities where the employment managers' associations are organized, and my trade-unionist friend has never been hampered by the particular kind of things that others have, and he does not realize because he has been a mechanic and knew how to go and apply for a job and get one, the disadvantage of the other fellow. I, however, have in mind the fellow who wants a job and who goes to an employment office and tells the man he wants a job; and he is directed to another employer, or, rather, to another employment manager's office and finally gets a job. There was a time in certain cities when the rake-off for getting that job was very large. I know cities now

where that does not happen, but there were times when there were as many employment offices as there were corners, and there was a good opportunity for rake-offs in handing men out to employers. Consciously or unconsciously the employment managers' associations have eradicated that particular evil. The other thing is, the employment managers have seen to it that in the busy season particularly they can not rob another employer of his people, and they have had to go to work and train their own employees, and they have done it. That is two things that they have done.

Mr. COGAN. The idea of the employment club in Chicago was conceived simultaneously, and it was brought about by the people who were interested in educational work through the board of education, the association of commerce, and it was the first one to suggest the idea of placement, rather than any definite policy. We had our first meeting last July. At that meeting we had eight representatives, and since that time we have had a very consistent growth, and our membership now is 25 or 30, among them the representatives of the largest utility and industrial corporations in the city. As Mr. Filene suggested, or as Mr. Bloomfield remarked, the movement is still so young that none of the associations throughout the country have adopted any policy at all, because it has been simply a sympathetic group.

And this is just the plan we evolved in Chicago; we got together, and discussed our problem, and after having conferred once or twice, we saw what the possibilities were and we believe we are following a fairly good line, that we can have a good, live, strong association, and get the cooperation of everybody, both employer and employee, and we are the pioneers, as has been stated. We, in Chicago, have not adopted any policy; we do not know what it will be; we are just getting together and discussing the thing. Undoubtedly, sooner or later, we will come to these questions and I suggest that we go through this period of development and at the end of that time I am sure that it will be satisfactory to all. That is the way I feel about it.

Mr. BENJAMIN F. FORD. This discussion reminds me of a statement made by a "captain of finance" sometime ago, that it was a very hard matter to unscramble an egg. The answer is, "Eat the egg." Now, it appears to me that the way to unscramble this egg this morning is to feel that the employers' associations and the men have got to get together on some common basis so that they can have confidence in each other and in each institution, each factory, each community. Every problem has a local issue and is a local problem. If you come here and discuss it as an academic proposition, and try to lay down rules that will hold good in Minneapolis or hold good in Detroit or hold good in the Ford factories, or in some factory in New

York, you are going outside of the point. But now, for instance, in my own institution in Detroit, Cass Technical High School, I am the overhead manager. There are several departments, and the way I manage these things is to get the students together and say, "Here boys and girls"—and by the way human nature is the same thing to-day as it was 2,000 years ago, and it always will be—I say, "Boys and girls, your interest is mine; I want your confidence and you need mine; now then, go to work and appoint representative members of your body and form a students' council. If you have any complaints, or any grievances, or any suggestions, for the benefit of yourselves or for the benefit of this institution, I want to hear from you." And in that way we have established mutual relations of confidence.

Mr. MEYERS. Of course, the problem to-day has been the relation of employers to industrial education, and it has been delightfully interesting. I am very happy in the fact that labor has asked, "What is our part?" It is a triangle. I like to think of it as a man going down the street in a sulky, resting upon two wheels; one wheel is the employer, the other wheel is the wage earner, and they are tied together by the same axle, which is industrial education. The whole proposition must rest, in industrial education, upon a quality of thinking, quality of operation and cooperation on the part of the laborer and the employer. The National Association of Employers is absolutely unwilling to proceed in any project of industrial education except upon the requirement that labor participate in each problem; and every problem is of equal opportunity and of equal interest to all. We can not go down the road, whether it is on a sulky or on foot, except arm and arm with this proposition.

Prof. WILLIAMS. The employment managers' association of Philadelphia was organized by the city with a view to getting employers to accept a larger degree of responsibility for unemployment. There had been already established a public bureau, and a number of other things have been done, but they recognize that the responsibility for steady employment must rest with individual concerns. I can not go so very far into the work, but I do want to say a few things which to me indicate something with reference to the question asked, that the spirit of that association is that it shall fairly include the workingman. Of course, the thing that led to this institution was unemployment, so this was one of the first indications that they intended to bring about results to the advantage of the laborer as well as the employer. One of the employers put it up to us—if he joined the association what assurance would there be that it was not simply one more employers' association? What assurance would there be, also, to the unions, that it might not be a blacklisting organization?

And as a result of that and our instant recognition that that was a proper stand to take, we agreed that every firm had a right to bring members of unions from their plants to attend the meetings. That does not indicate any established policy, but it does indicate a willingness to cooperate.

Secondly, our programs so far have been very largely chosen to show that we have not worked out a policy of having labor representation, and the suggestion has been made and favorably received that they let it go by for the present. The suggestion has been made that we shall have, particularly with regard to the labor turnover, one meeting in which we should have a union man, a representative, present, to point out what they think is responsible and give the thing from their side, rather than have it all talked somewhat academically, or from the view point of the manufacturers.

The third thing that we have done: We have a workmen's compensation law in Pennsylvania, and a great many of the employers were up in the air about it and they wanted some things changed about it, so we had a meeting devoted to that. We found that there was one group of employers who were unable to carry compensation themselves, and it was thought that the object of that employers' association was to bring the cost down to the lowest possible figure, and not unnecessarily burden them, and it was found that there was a sentiment concerning the increase in rates and perhaps having the workmen's compensation law wiped entirely off the map. We feel that our meetings are going to have some good results, but of course there is not time for me to tell you about them here.

Mr. BLOOMFIELD. Has anybody any suggestion to put before the conference, which is now about to adjourn?

Prof. WILLIAMS. I think there should be some measure taken which will look toward a representation of this conference, if not anything further, and certainly a committee appointed to confer with the Chamber of Commerce of the United States and report as to the best thing to be done. We had a letter read to us yesterday from the president of that association. I might say personally that I came here as a representative of our association, to go back to report to them. At first I was doubtful whether I would have enough specific things to make an interesting discussion for an evening. But I am beginning to wonder now how I will be able properly to cover all the interesting matters that have been laid before us, in an evening. I would like to make a motion that the Chair appoint a committee of five to take up the letter of President Fahey, with a view of seeing what further cooperation can be established and endeavor to consider what plans for future conferences might be agreed upon.

(Motion seconded.)

Prof. WILLITS. I take it that the committee will write to all whose names have been turned in here as those interested in such conferences, giving the results of that interview.

Mr. BLOOMFIELD. Do I understand that the committee is to have power to settle whatever may seem to be best for the interest of the cause we are met for?

Prof. WILLITS. I think it might be better to give them power to reach their own conclusions as to what is best, and to report to another conference, which they may call whenever they may deem it wise.

(Motion seconded.)

Mr. BLOOMFIELD. You have all heard the motion and the interpretation of the spirit in which it is made. Those in favor of that action say "aye"; opposed, "no."

(Motion unanimously carried.)

Mr. BLOOMFIELD. The motion is unanimously carried that the Chair shall name a committee which shall consider the best plans for carrying out the purpose of this conference.

I want to thank all of you who have made the conference possible, and in so thanking you I think I speak for the association, which now stands adjourned.

The Chair will be glad to take advice from all who wish to make suggestions as to the five to be appointed, and those whose names are called will hear from this committee in due time.

(Meeting adjourned sine die.)