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PROCEEDINGS OF THE CONFERENCE OF  
EMPLOYMENT MANAGERS' ASSOCIATION  
OF BOSTON, MASS.: HELD MAY 10, 1916



SEPTEMBER, 1916

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## PROCEEDINGS OF THE CONFERENCE OF EMPLOYMENT MANAGERS' ASSOCIATION OF BOSTON, MASS., HELD MAY 10, 1916.

### INTRODUCTION.

The Conference of the Employment Managers' Association of Boston, held in Boston, Mass., May 10, 1916, developed directly from the Employment Managers' Conference held in Minneapolis, January 19 and 20, 1916, under the auspices of the National Society for the Promotion of Industrial Education and the Minneapolis Civic and Commerce Association, the proceedings of which were published by the Bureau of Labor Statistics in its Bulletin 196. While the name of the Boston association would indicate that its membership was restricted to Boston, its territory, in fact, comprises the whole of New England. Invitations to attend this conference were sent to a large number of people outside of Massachusetts. The result was a surprise to all concerned. There were representatives from nine States, namely, Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, and Maryland.

The officers of the Employment Managers' Association of Boston are as follows:

*President*, Charles M. Lawrence, of Thomas G. Plant Co., Jamaica Plain.

*First vice president*, Dale G. Steely, of W. F. Schrafft & Sons, Boston.

*Second vice president*, Philip J. Reilly, of the Dennison Manufacturing Co., Framingham.

*Third vice president*, Carlton T. Bridgham, of Bird & Son, East Walpole.

*Treasurer*, E. O'Callaghan, of the Bay State Street Railway Co., Boston.

*Secretary*, Ralph G. Wells, 178 Devonshire Street, Boston.

The object of the conference was to bring together those active in the work of employment management for the purpose of interchanging ideas and experiences. There was a realization that in many establishments there are men who are endeavoring to work out alone similar problems and who would appreciate the opportunity of such

a meeting, for there is a lack of adequate literature or other recognized sources of information to which the individual may turn when he desires to secure the benefit of experiences other than his own. In fact, one of the chief advantages of such a conference is to crystallize the best thought of the moment into definite form, that it may be available for others who have not had the opportunity of coming in contact with those of more experience.

The question of organized methods of "hiring and firing" is not new, and for years many of the principal firms have had employment departments, but only within the last four years have business men realized that the subject deserved detailed study and was possessed of such surprising possibilities of improvement and development.

The program of the conference given below illustrates well the progress that has been made in placing the movement on a practical basis, and is proof that the functionalized personnel department is no longer an academic proposal but an accepted fundamental in successful business organization.

#### PROGRAM.

EMPLOYMENT MANAGERS' CONFERENCE, BOSTON, WEDNESDAY, MAY 10.

Luncheon, 1 p. m., President C. M. Lawrence presiding.

Conference, 2 p. m., four 15-minute papers, each followed by an informal discussion; W. S. Fields presiding.

"Sources of supply and means of getting in touch with them," H. B. Coho, United States Cartridge Co.

"Selection and examination of employees," Dale G. Steely, W. F. Schrafft & Sons Corporation.

"Training, promotion, transfer, discharge," J. M. Larkin, Fore River Shipbuilding Corporation.

"Records and filing systems for employment departments," W. C. Swallow, Amoskeag Manufacturing Co.

Banquet, 6.30 p. m., President Charles M. Lawrence presiding; James P. Munroe, toastmaster.

"Selection and development of employees," T. K. Cory, William Filene's Sons Co.

"Improving the efficiency and quality of the personnel," H. G. Smith, general manager Fore River Shipbuilding Corporation.

"Methods of reducing the labor turnover," Henry S. Dennison, treasurer Dennison Manufacturing Co.

"The employment department, its functions and scope," H. L. Gardner, employment manager Cheney Bros.

## PROCEEDINGS OF THE CONFERENCE.

The conference opened with a luncheon at the Boston City Club. At 2 o'clock p. m., at the conclusion of the luncheon, and before adjourning to the conference room for the first regular session, a few brief addresses of welcome and congratulation were delivered. President Charles M. Lawrence, of the Boston Employment Managers' Association, presided.

### INFORMAL ADDRESSES.

MR. MEYER BLOOMFIELD, of the Vocation Bureau.—I am not going to make a speech. In the first place, may I say, as a member of the Employment Managers' Association, that we welcome you here.

Some of you were present at the Minneapolis conference last November. From that gathering has developed a national movement. It started in Boston four and a half years ago, and following came New York, Philadelphia, Chicago, Detroit, Minneapolis, San Francisco, and perhaps a number of others that I have not heard of. We hope to have a national convention and then a permanent organization of those interested in personnel problems. While the field is new, there is an immense amount of material.

I had hoped that a certain book would be ready for to-day, but it will not be out for a few days. I refer to the May number of the Annals of the American Academy of Political and Social Science, published by the University of Pennsylvania. The May number is given over to articles by employers and contains over 300 pages of valuable material.

MR. ETHELBERT STEWART, of the United States Bureau of Labor Statistics.—I certainly did not expect to be called upon to speak at this conference. I can only tell you what the Bureau of Labor Statistics at Washington is attempting to do along the lines in which you are interested.

The bureau began to do the field work for a report on the labor turnover or the hiring and firing of men about six months ago. The field work is now finished, the tabulation is practically complete, and I am beginning to outline the final report.

We have in press the proceedings of the Minneapolis Conference of Employment Managers, which will soon be ready to mail, and I am glad to find that I can get the names and addresses of the gentlemen here, so that these reports can be sent to each of you.

Perhaps I had better explain why we became so interested in this subject of the labor turnover. The Secretary of Labor instructed us to make a study of unemployment. We soon came up against the fact that the problem of unemployment was seriously affected by men hunting for jobs; by the shifting of the labor force. Of course, we at once drifted into the question of the turnover or the "hiring and firing" of men; hence the special study that is being made by the bureau.

We had not gone far before we became aware that the volume of turnover was simply staggering. If men do not lose more than two weeks between jobs on the average, nevertheless the total unemployment having this job hunting as its source is appalling.

I shall not go into the figures we have secured on the volume of turnover, some firms running over 400 per cent. You all know that story.

When we became convinced that the enormous and unnecessary labor turnover could be taken for granted, we next tried to get the reasons for such turnover, and then what is being done to check it.

I confess that this conference, with its large attendance of men from nine States—men who employ thousands of men and women each month, representing hundreds of the largest and most progressive employers in New England—this conference is the best evidence I have seen of the interest there is in checking the unnecessary and wasteful turnover. You prove by your presence here that your firms have moved away from the old and yet too common idea that it is a good thing to have a large surplus of casual workers on the pay roll, men hanging around, so that no one will have work all the time. The old idea was to keep workmen pretty well filled with fear; your presence here shows that you and the firms you represent believe the better policy is to keep them pretty well filled with hope. This will check the turnover, this will stabilize your labor force, this will reduce to a minimum the annoying and expensive hiring and firing of men.

I am sorry to say that in the field investigation just closed, and upon which the forthcoming report of the bureau will have to be based, we were not able to find many places where anything tangible was being done to check the labor turnover, nor were we able to get much real information as to the cost of turnover. Nevertheless this pioneer Government report upon the subject which brings you gentlemen here will, it is safe to say, be a fairly good piece of work, and will, I trust, result in influencing you to keep better records from which more adequate statistics can be compiled in future.

I think I am speaking to men who know the value of statistics, men who know that the first step is to keep accurate, actual records; men who know that the purpose of statistics—and in matters of this

sort the only purpose of statistics—is to enable you to locate the trouble to the end that it may be remedied without a general shake-up and without making trouble where there was none before with no certainty of really accomplishing the end sought.

If you will keep the records, the statisticians will tell you where the trouble is. We can already tell you from the figures we have what classes of labor furnish the greatest amount of turnover. In many plants we can tell you which department is furnishing the greatest volume of turnover. For instance, we can show that the foundry has an excess over the machine shop or the machine shop over the foundry, but this only heads us toward the real trouble. Of course, it may sometimes happen that the trouble is in the whole department, which would indicate that there is something the matter with your foremanship or your department manager. Very frequently, however, what we want to know is which job or jobs are furnishing a high per cent of labor change. I think you will agree with me that in piecework establishments it is practically impossible to make such fine adjustment of piece rates to the time and work involved in the production of the piece that they shall be perfectly uniform; that no matter what job a man or woman gets he or she can earn the same money with the same outlay of energy and time. Wherever the piecework system exists—certainly until more human and humane gray matter has been applied to the subject—there will be “the fat and the lean takes,” to use the printer’s term; there will be jobs for which the piece rate is too high and jobs upon which the piece rate is too low, with the accompanying incentive to restriction of output in the one case and the eagerness to find a new job in the other case. For this and many other reasons the statistician must know, if he is to be of the greatest possible service to you, which job or jobs are furnishing the greatest labor turnover. For instance, in a foundry over 50 men are quitting from one job, while 5 quit from another, with something like 40 per cent of the jobs furnishing no turnover whatever. You will see that if you simply give us the figures for the foundry, we may be able to help you some, but not much, but if you will let us know the nature of the jobs and tell us the turnover on each job, we will tell you just where to look for the trouble. This, of course, necessitates adequate descriptions not only of occupations but of jobs in case of piecework establishments and a carding system which will enable you to keep track not only of your men but of the work they do.

We may not be able to produce many concrete cases of the turnover by specific jobs for discussion in the forthcoming report, but we hope to be able to interest you in the importance of keeping a record of such.

There is another point upon which I would like to place some emphasis. It is, I think, not unreasonable to hope that the general public may get some useful information and derive considerable benefit from this report on the labor turnover. I refer to the causes of the dismissal or firing of workmen. Here, again, you gentlemen owe something to the public. For instance, it is not enough for an employment manager to tell us that 10 per cent or 15 per cent of the men who were dismissed were fired for incompetency; he is not telling us all we want to know. The term is too vague. What we want to know is the particular kind of incompetency, and you owe it to society and yourselves to make this information useful by making it specific. To enable society to improve its educational machinery it must have the details which will show exactly what are the shortcomings of our educational system and how to remedy them. You owe it to yourselves to furnish the specific details, because only by such cooperation with the social system under which we live can it organize to produce the educational results which will enable you to reduce your labor turnover from incompetency. For instance, when one concern shows us that 12 per cent of the people that had been fired from a certain department in a year had been fired because they did not understand fractions, did not know how to convert common fractions into decimals, did not know what the decimal point meant or where it ought to go, then we can with full assurance point a statistical finger at the public school. The public school, no doubt, has a duty to perform in this matter, but you must make your records so specific that we can show the public-school authorities exactly where the trouble is. Mere generalizations upon this subject simply irritate and can do no possible good. Already these useless generalizations bandied about by both sides have borne abundant fruit of the variety that leaves a bad taste in every mouth.

Now, as to men who quit; you owe it to yourselves to find out just why they quit. Precisely as in the case of firing, you owe it to the general public to be specific as to your reasons for firing, so in the case of men quitting, you owe it to yourselves to obtain as far as it is humanly possible the exact and specific reason from each man or woman as to why he or she leaves your employment. I know of no other means that furnish such an opportunity for you to hold the mirror up to yourselves. It makes it possible for you to say: "What is the matter with my factory?" and to get the answer from the statistics of why men quit. If you give us the exact picture of why you discharge men and we find the trouble is with the schools, we will at least do some preaching. If you will get an actual report on why men quit, you will have a chance to get after yourselves and stop the turnover to a very great extent. I am simply pointing out

the line of statistics we want, and we want them because we believe that with them we can be of immense service to you.

The Bureau of Labor Statistics wants to do everything in its power to aid you gentlemen to study the question of the labor turnover; to study the problems of the industries upon the labor side; to enable competent men to hold jobs, and to see just why men or women are thrown out upon the world incapable of holding jobs which will enable them to earn a living. If the trouble is with the schools or wherever it is, if you will furnish us the material, we will bring the irresistible argument of statistics to bear upon the cause of that trouble.

In the meantime, as we see it, you must get your records down to a finer point than most of the manufacturers have succeeded in doing yet. In a year or two we may go back to this subject again, and we hope by that time to be able to furnish a comparatively complete statement of the percentage of labor turnover which can be prevented, why and how it ought to be done, the money you will save by reducing your turnover to the ultimate minimum, and what you are losing in money by neglecting your own interest in this regard. Such a report ought to be of incalculable interest to employers of labor as well as in the interest of the social whole, for this is a subject in which the employer and the employee are equally interested. Unlike most problems affecting capital and labor, so-called, the gain of one is not here the loss of the other, for there is no gain—it is all loss, deadly loss, to both employer and employee, to the firer and the fired.

Mr. A. LINCOLN FILENE, of William Filene's Sons Co.—I am not on your program to speak, and therefore do not want to take up the time of the speakers planned for, but I am glad to be able to say a word to this important gathering. It is astonishing that a movement practically in its infancy has gathered to-day such a representative group in conference.

The question of employment is becoming more and more recognized as of equal importance to that of production or of distribution. We are obtaining more scientific knowledge of the problems involved in employment, and it is the function of such a body as this, I take it, to make such knowledge more available.

If this group means, as I have said, the recognition of the fact that employment is as large a factor in business as production and distribution, how strange it is that it has taken so long to realize the importance of the employment manager and his relation to business success.

This is practically the first real convention to consider the employment manager and his relations to business life and success. It is the logical result of the movement for vocational guidance which

is doing so much for the unguided youth of our country and the conservation of industrial efficiency.

The employment manager is the connecting link between the schools and business and industry, and we are now beginning to recognize the importance of the position which he holds.

Mr. EDWIN MULREADY, commissioner of labor of Massachusetts.— Ordinarily I would rather make a speech than to perform any other duty, but to-day is not my day for making speeches. In the first place, because, seated here at my left, I find a gentleman from New Jersey who has opened my eyes to what Mr. Filene has called the personnel in management.

A year or two ago I had the privilege of speaking before this association, and at that time had an ulterior motive in accepting your invitation to speak. I wanted to become better acquainted with the men who would later be brought in contact with the speaker only through orders which would be issued to them. To-day I was induced to come by the appearance on your program of the name of a man with whose voice I have been in love ever since I first heard it, which, by the way, was over the telephone late at night when I was aroused from my sleep to listen. The man inquired if I was the commissioner of labor and if I had an inspector by the name of ——. I told him I had, and he informed me that he was standing by one of the open windows in the second story and that in a few minutes he was going to drop that lady out of the window. He did not do it; it would not have been wise for him and it would have been bad for the Commonwealth of Massachusetts.

I am glad to be present this afternoon, and thank you for the opportunity which you have given me to attend this meeting. I am not, to any great extent, an employer of labor, but I am interested in your problems, and I want to indorse with all the emphasis I can the first sentence expressed by Mr. Filene.

If you will pardon a personal statement, I want to say that for 16 years of my life I was engaged in a different kind of work for the Commonwealth. I was attempting to make people see that after all there is not a great deal of difference between the man who works and the man who manages the plant; between the man whom we thought to be a criminal and the man whose circumstances and environments did not make a criminal out of him.

All at once, out of a clear sky, there came the opportunity to work on the human side of industry; not in the settling of disputes, not in asking for higher wages, but demanding in the name of justice proper conditions for those who work. I came to this work because it affected the human side of things, and for that reason I welcome the opportunity of coming here this afternoon. You represent the

human side of industry—the employment end. More than that, you are the point of contact, on the right by the man who is to be employed and on the left by the man who is to employ him.

Some time ago I had an opportunity to attend a meeting very similar to this one—men gathered from all over the country. A gentleman from Cleveland who conducts a big department store, spoke of his experience in establishing a restaurant in his store. I do not know whether they are obliged to have a license in Cleveland as they do in Boston. However, the man tried the new venture, but stated he could not make it pay, and that it made him sick unto death to hear the complaints that came to him about the food and the way it was cooked. Following the suggestion that was made, he organized a cooperative scheme, allowing the employees in on the scheme; indeed, allowing them to run the restaurant themselves. Under the management of the employees it became a huge success, which only proves that, after all, there is not very much difference between “all of us” and “any of us.”

Then, I repeat, it is because of the human touch which brings you in contact with those who labor that I esteem it such a great privilege to attend your annual conference. I thank you for this privilege and trust that your deliberations may be most beneficial. I did not intend to speak; I came to listen, but I am glad to avail myself of the opportunity of wishing you men of this association the greatest measure of success.

The conference then adjourned to the floor below where the regular program was taken up.

#### AFTERNOON SESSION.

President LAWRENCE.—We have been very fortunate in securing for our presiding officer this afternoon a man who has done a great deal for this association. He is connected with our Boston city schools, and the Boston city schools through his influence have done a great deal to help out the employer of boys and girls. They have cooperated in every way with the business men. We could not have a better man to preside, one more thoroughly in sympathy with this meeting. I therefore take pleasure in introducing to you, as the presiding officer for this afternoon, Mr. W. S. Field.

Mr. W. S. FIELD, director of evening schools.—At luncheon upstairs, being a school man, I was particularly interested in a remark to the effect that the public schools have a duty to perform. That is admitted. There is in process a tremendous change in the education of young people—a broadening of educational opportunity to meet the needs and requirements of all. It is not admitted, however,

that public education can be specifically for the employer. I assert that public education must be specifically for the interests of future citizens. But so closely will the interests of the great mass of future citizens be allied with the interests of employers that all must get together, employers, employees, and educators, "put their cards on the table, face up," and do what will best meet the needs of all concerned.

Manufacturing industries have long since passed from the home to the factory. The old mill by the brook no longer takes its toll in grain and lumber; the little shop in the back yard is deserted, and the city "shop" has been replaced. The manufacturer and merchant no longer perform all operations in turning out a product or in making a sale, working shoulder to shoulder with their men. These are memories. Their places have been taken by the modern factory and department store, with their wonderful machinery and complicated organization. Operations and duties have become highly specialized, and the worker stands at his machine, bench, or counter doing one thing over and over again. Too often the worker has been expected to supply merely the human element that can not be created by the inventor. Far too often has the importance of the machine clouded the importance of the man behind it. Often there has been no means of unifying and solidifying the personnel thereby preventing discontent and waste. The importance of the human element is becoming recognized. The need of skillful placement of men in industry is conceded. The wastes incident to the old haphazard hire and fire method are being realized. The position of the employment manager is gradually taking its rightful place among the most important offices in firms employing large numbers of people. The day of trade secrets and carefully guarded methods of procedure is passing. Its place is being taken by a spirit of conference and cooperation. No better evidence of this fact need be offered than this meeting of more than 250 employers and employment managers representing the largest concerns in all parts of New England, gathered to confer upon the best methods of handling the problems of employment.

Without taking any more time, I desire to call upon the speakers on the program. The first speaker is the director of efficiency for the United States Cartridge Co., a gentleman who has seen in the last few months the number of his employees grow from 800 to 8,000. His employment problem is so great that his office is kept open from 7 o'clock in the morning until midnight. He will speak upon "Sources of supply and means of getting in touch with them." Mr. H. B. Coho.

## SOURCES OF SUPPLY AND MEANS OF GETTING IN TOUCH WITH THEM.

BY H. B. COHO, DIRECTOR OF EFFICIENCY, UNITED STATES CARTRIDGE CO.

I want to speak on a thought that came to my mind while Mr. Mulready was talking, and that is the responsibility of the management of a plant in a community to that community. We have been employing people, discharging them, and training them, with rather a selfish motive. Now, it so happens that we are to-day perhaps at the beginning of a new epoch in the history of the work. We have been for many years perfecting machinery. We have perfected machinery to such an extent that, if we do not do something to curtail and control it, we will lose or be run over by that machine.

The problem of educating the human element or human machine is one which is now before us, and one which I believe it is strictly up to the manufacturing establishments, all establishments, to consider. In other words, they must do their share. It should not be necessary for the State to say: "You must do so-and-so." It must be purely the function of the State to tell us what is advisable for us to do.

I know a case where a prominent man spent hundreds of thousands of dollars in the development of a machine. And yet with that perfect machine they had to discharge thirty men for incompetent operation. I asked him what the machine cost him, and he said it was impossible to tell, but that it was thousands of dollars, and it cost \$1,800 to discharge thirty men. In their work it costs an average of \$60 a man to train even the humblest employee (in other words, until he has been there six or seven weeks); and this applies to the smallest detail around the plant. That man deliberately threw away \$1,800 in developing and teaching men what they had to do to run that machine. Their first step, therefore, was to run the machine themselves.

In arising to address you on the subject of my paper, covering the sources of labor supply and the means of getting in touch with them, it seems to me that before proceeding with the purely mechanical methods of handling the labor department, a few minutes may very profitably be given to the consideration of the employment manager as an individual, and the type of individual he necessarily has to be.

In the first place, when a man is made an employment manager for a corporation he should have a distinct understanding with his superior officers as to just what his responsibilities are to be and just how

far he is expected to be held responsible for the character of the people whom he employs. It is manifestly impossible for an employment manager to get the best results unless the responsibility for his results is to be up to him and the responsibility left with him. If he must employ friends of the overseers or friends and relatives of higher officials, his work is necessarily circumscribed, and he should not be held responsible for the results obtained. On the other hand, he necessarily can not be given all of the authority for obtaining people until he knows thoroughly all of the departments and the class of help which they require. Under these circumstances he should be a man of broad experience and in a technical industry a man of technical education. He should also be a man who has, to a large extent, had a good deal of practical experience, so that the plans which he develops will be based on good common sense and obtain the results which he is looking for.

Probably the best method for any employment manager in large industrial plants employing people is the conference plan—an association of overseers should be formed, and they should meet at least once a week in industries where the flow of help is large and should frankly criticize the employment manager for the class of help that he has procured for them. This method is employed by a great many large industrial corporations and is working out very satisfactorily. At these meetings the record of the people who have been employed should be taken, and the overseers should report their satisfaction or dissatisfaction with the people obtained, pointing out wherein people thus obtained had failed.

In other words, to my mind, no one individual about a plant should endeavor to run the entire place without consulting freely with all his associates.

A thing which should always be done at these conferences is to keep minutes, which should be written out and handed to the members of the committee, so that they may come prepared to take part in the discussion and to say definitely whether the remarks attributed to them were made or not.

To my mind the most important thing about any labor bureau or employment manager is that he outlines his policy; that he prepares a very definite type of application blank and that he have always in mind the fact that he is a clearing house for all the labor throughout the plant; that he must therefore be untrammelled by rules and regulations or favorites.

An employment manager's department is rather a new thing in some of our industries, although it has been used abroad and has been used here among the larger industries. It would seem to me that eventually the smaller concerns can unite and form a mutual employment bureau, thus dividing up the expense in obtaining those records

of their people which are absolutely essential if they wish to obtain the best results.

Returning now to the subject assigned to me—that is, the source of supply—would say that, of course, naturally you all wish to obtain as much of your labor from your immediate community as you possibly can. This means that if there are three or four of the same lines of industry in a town that there is more or less competition for the help, and that the home market soon becomes exhausted. - It would seem, therefore, that a better plan is rather to set your standard at a scale of wages so as to attract people to you. Probably the best method of attracting people to a plant is to have a consistent management. You will usually find that concerns whose overseers do not change and who have a steady, consistent management, without rules or regulations changing very often, have far less trouble than some of our moden concerns, who endeavor to work out a great many theories on their employees.

Personally I feel that the extremely definite policy as to the wages paid and what would be expected from the employees should be decided upon and published in some factory organ, and that very great care should be taken not to change overseers or change rules and regulations without a definite period for the change to go into effect.

Employees are human, and probably one of the most prized theories is consistency, which, unfortunately, many of us are absolutely void of; but in handling bodies of men and women there seems to be nothing which gets their loyalty and their support so much as absolutely consistent plans. This can readily be understood when you find so many people who prefer to take a set salary, even though it be small, rather than run any risk. Probably the feminine side of the family is somewhat responsible for this, as most of the ladies prefer to know exactly what their income is and to live within it rather than to take a chance of uncertain returns.

Where your plant is the only one of its kind in your community your problem is not so great, but even then the most successful concern will be the one which changes its rules and regulations the least often and builds up a reputation for standard methods, both among its executive staff and among its employees.

Another source of supply which is rather important is that of the friends of your workers. It becomes necessary at times to ask your people to bring in their friends, and naturally they will bring them to those places where the character of the employees is of the best. The best plan for this sort of thing is the plan of a great many different societies and clubs in the organizations, so that your employees talk about their work at home and are proud of it. Baseball clubs,

bowling clubs, fire departments, weekly dances, and all that goes with social activity appeals to me strongly, whether the organizations be in a large or small town, for the reason that advertising naturally pays, and when you find the people in a plant playing together as well as working together you find that they will attract to you a very much better class of people, providing, of course, that the original foundation is right. Right here let me say that I do not believe too much stress can be placed upon the character of your employees. I believe that it is essential that every employment manager be a man of very high ideals, a man of very noble motives, and one utterly devoid of the money-making instinct, because it follows that he must become, if he does his work at all well, the "father confessor" of the entire plant, and therefore he must be a man of entirely unselfish ideas.

Where a plant is in an outlying community and the employees are dependent upon themselves for their amusements, the problem then simply becomes one of proper guidance.

Right here let me touch upon a very great responsibility which comes to employment managers and those attracting people from outlying towns and communities. When you go away from your home town for employees, it is essential that you make only such promises as to work and methods of leaving as can be absolutely fulfilled, and every employment manager should see that he does not attract people to his plant by misrepresentation or by overrepresenting the attractions offered. He will win out in this once, but never the second time. If he only requires a certain amount of help for a given time, let him state it frankly, because, to my mind, nothing will so much interfere with the reputation of a plant as an employment manager who will get people to leave one job to go to him and after a week or two allow them to go. If this is done more than once, his reputation and that of his plant will suffer, and in times of stress his results will be most unsatisfactory.

Another most important matter is that of taking people away from competitors. Here, I think, the employment manager has a tremendous opportunity, and your association particularly can serve the community and the public, at the same time being fair to the employees. It is manifestly unfair to say to a man because he works for a competitor that he can not be employed by you. A fair proposition, to my mind, would be for the employment managers of two competing concerns to arrive at a definite understanding between themselves as to the requisite notice which an employee should give before leaving to go with the competitor. Manifestly, there are many times when a man can learn his work in one concern and then sell his services to a competitor at a higher price, and it seems only fair that he should be allowed to do this, providing it is done openly on a

fair basis. To my mind, the most unwholesome thing that can creep into these organizations is the taking of employees away from each other under purely a wage basis, as usually the man who will leave one concern to go with another for a purely money consideration will be just as dissatisfied in his new place as he was in the old, whereas if he leaves them on a friendly basis, giving his old concern as a reference, and feeling that he can go back there if he is not entirely happy in his new environment, it will make for contentment, which is the secret of successful work.

The schools as a source of supply are always the fundamental sources to be considered. Many of our young people can go through only the public school, and it should be the work of the employment manager to advertise his place as a place where pupils of this character can be given work and an opportunity to progress.

We are starting at our plant a series of classes so that when a young man or a young woman with a grammar-school education comes to us, he or she must, as a part of his or her work, take a half hour's course each day in the fundamental rudiments of education. This is done on the company's time, but the employees must consider it part of their work. This, to my mind, is probably a little drastic for some organizations, but I believe it will be made a requirement by the State before many generations have passed, and is therefore a matter which can be considered by you men at this time, as it must come eventually.

The very complexity of our social organizations makes it essential that eventually all of our people must be taught to think in order to maintain our form of Government. Therefore the responsibility of the manufacturing plant to the community must not be overlooked.

What you do for the grammar-school people must also be done for the high school and the college graduates. They must be given an opportunity to learn and to keep their minds pliable. While some are quite interested in progressing along educational lines, others will become dilatory and drop back unless this work is more or less compulsory.

It is manifestly certain that our type of Government must continue, and if our type of Government is to continue, it is equally certain that our voters must be able to decide for themselves on the plan of government. Therefore it is essential that manufacturing establishments employing thousands of people must constantly bring before their minds their responsibility to the State, to themselves, and to their associates. This can only be done along stated lines by means of factory publications and the employment of high-class men.

A source of supply which is used very largely is the employment agency. This, of course, is only of as much value as the character of the man running it is equal to his responsibility. These agencies

often serve a very good purpose, but great care must be taken in the character of your employment agents.

Charitable institutions which make a business of finding employment for the more or less unfortunate are another source of supply. Usually help obtained from these institutions are people who have made failures in very nearly everything, and naturally their work should be carefully supervised until such a time as they reach a point where they may be credited. This applies also to probationers. Care should be taken to see that these people are given work which will interest them. Very many of our probationers, particularly men and boys, have gone bad simply because their energies were not sufficiently employed and their imaginations became diseased. Many of these people can be interested and become very good, useful citizens if they are kept active and not held down to class rules and regulations. Therefore an employment manager must provide some outlet for these activities. Usually baseball and bowling clubs and things of this nature can be used to good advantage.

The last source of supply which I was asked to talk about is that of previous employees, people that have already been employed by you. This is a big problem which we all have before us. Let people feel that, having been employed by you, and having left in good standing, there is a place for them. I am a great believer in the Sabbathical year. I do not think it is a good thing to say that John has worked for you 30 years, because John may have been asleep for 25 years. Their work must have been so good that we are glad to have them back. For an organization to say that they have a waiting list of old employees is one of the biggest recommendations a concern can have, a waiting list of old employees who are satisfied with the policy of the concern and are anxious to work for that concern again.

On the question of rehiring old employees, I feel that any man who leaves in good standing should have the privilege of returning and going to work if his record is satisfactory; in fact, we are starting a waiting list along these lines. Often men leave, thinking that they will better themselves or attracted by a small increase in pay, and find that there are other things which are not so satisfactory. Now if these men have worked out their notice, which, by the way, should be definitely stated when they are hired, I see no reason why they should not constitute your waiting list. You have trained them, and with the added experience they have had outside they should be of far more value.

Personally, I think that a list should always be kept of eligible employees to whom the job should first be given. Above all, I am convinced that it is a mistake to take in from the outside any men, when you have on the inside people who can fill the positions.

I believe that a hard and fast civil-service school should be maintained. I believe that the better positions should be a matter of competitive examination, and that a man who feels that he is capable of taking a higher position should submit his record and his abilities to the test. I believe that this can be accomplished by having a works board, who will hold these particular examinations.

If it is manifestly impossible to obtain a man for a certain job, it should be advertised around the plant that such a place is open and what the requirements are, and that if no man from the plant can convince the factory board as to his eligibility, then at a given time the position will be filled. This follows out my original remarks as to character and reputation of the plant.

The employment manager should be one of the main men in any organization. He should be selected for his experience and for his character. He should not be too young a man. If you desire to build up a plant for a great many years' time, a young, hustling man may succeed in drawing a great many people around him, but I question whether he will have the balance and the poise to hold them and get the best results.

Once again I say that an employment manager must be extremely careful of his personal habits, as his example will be noted just as is that of a schoolmaster.

He should visit many other plants and he should talk with his fellow employment managers, through his association or otherwise, constantly. He must be in close touch and sympathy with all the employees' activities, and will have a job which will keep him busy all his waking hours, but he will get his return in the gratitude of the community which he serves and be properly recompensed by the company who employs him.

#### DISCUSSION.

The CHAIRMAN.—There are a few minutes in which you are at liberty to ask the last speaker questions if you desire to do so. If not, I will introduce Mr. Sparrow, of the Hood Rubber Co.

MR. SPARROW, of the Hood Rubber Co.—The first point I wish to touch on is the source of supply in our home town.

We naturally desire to employ our townspeople when we can. Fortunately, we have not much competition with the manufacturing concerns near us that require the class of help we use.

We are manufacturers of rubber footwear and of all kinds of automobile tires and tubes. In the manufacture of the footwear we employ a little over 2,000 girls. Our method of securing employees is very similar to that of the last speaker, Mr. Coho, who spoke of employing friends and relatives of employees. This works out very

well if handled in the right way, but great care should be taken that not too many near relatives or friends are placed in the same department, as it is apt to prove that in the case of one of these friends leaving or being dismissed they are very apt to induce the others to follow, and if they are in the same department this handicaps us for a day or two at least before replacements can be made.

Another source of supply is outside of our own town or city and out of Massachusetts, including the entire New England States. We are desirous of getting in touch with the class of people that come from small country towns who are looking for an opportunity to grow up with a large manufacturing concern. We have at present two representatives covering entire New England offering employment to those not pleasantly situated or whose earnings are too small or whose chances of advancement are not in their favor.

Some perhaps have families growing up that require the advantages near a city, both for the education and training offering greater opportunities for more efficient men and women. To such we are offering a chance to become one of our great family. We do not wish nor intend to take any competitor's help, although we are, I suppose, like many of you, accused of this. We find that often our employees tell some friend about the good job he or she may have, and this friend in turn applies to our employment registry, often in person or by letter, and we in good faith employ this party, supposing, of course, that he or she is out of employment, but we find later, in many instances, that when we come to write to the last employer for a reference he is very indignant and thinks that we have employed his help and then have asked for a reference. On several occasions I have been politely told of this fact by several of the manufacturers in one of our near-by cities, so that I thought it best to meet some one or two of these very indignant men, which I did, and at first was very coolly greeted, but after a short talk found that in most cases it was due to the fact that the employee had been with this factory two years or more and was just getting to be of some real value, after a careful training in some particular branch of their work, and that it was at this time that the manufacturer very much disliked to lose them.

In order that a square deal might be given I made the following proposition to some of the manufacturers that felt we were taking their help:

If any one applies to us for a position and after an interview I find that they were employed more than two years on a certain class of work, I immediately call up the last employer notifying them that such and such a party was here applying to us for a position. Would they object to our employing him providing references were satisfactory? If they said that they had to lay this party off or had no

objections, all well and good, but if the employer states that the party had not given notice or they did not want to lose this employee, I simply tell the applicant that if he can obtain a written reference from his last employer we will consider it. In this way an employee and an employer have a chance to talk things over, and if they can offer this employee a chance for better advancement or content him to stay in his old position, they have certainly saved a skilled employee. If on the other hand, this employee feels that he would not get as good a chance as we have offered him, he would not stay anyway. In almost every instance the former employer is glad to give a recommendation, and the party returns to us for employment.

Another source of supply is advertising in the papers, which, while satisfactory, takes a little longer to get in touch directly with the applicant, unless the firm's name is used in the advertisement, which we do not do. From here we may be obliged to obtain the services of some skilled mechanic or perhaps a bookkeeper, and if such a candidate is not already among our files or lists of applicants we turn to some reliable employment agency and ask them to assist us in obtaining the desired applicant. This means, then, that this new employee is obliged to pay out his first week's pay to get a position, which is true, but if this new employee is the right man in the right place he will soon begin to show that a good man does not hesitate to spend a dollar to get a chance to make more rather than spend his time chasing up job after job to find that he is just too late, and then he must try perhaps day after day before he strikes one without the assistance of some reliable employment agency. We feel that if a man comes from an agency and stays with us for one year he is entitled to that first week's pay that it cost him for the position obtained, so we have arranged that an employee hired this way, after having served 12 consecutive months with us, is paid back his first week's wages paid to the agency. This is paid back to him in the same manner that he paid it in most cases, one-sixth of each week's pay until he has received the sum of one full week's wages.

As before stated, our representatives cover New England, going to small towns where there are families looking for better opportunities who perhaps have one or two members to their family that are unable to get employment where they now reside. To such families we can offer employment as we can use both sons and daughters, also father and mother, and have them come to live with us in Watertown and be as one of the big family.

We believe that the first thought in going for this help is to have good inducements to offer, proper conditions to work under, and a home to offer, as good if not a little better than they have been used to. First, last, and always, have the true conditions just as you

represent them, and you will have with you employees that are loyal.

The CHAIRMAN.—There has been a question passed in: “What importance do you place on the securing of references from past employers?”

Mr. COHO.—Personally I am a great believer in references. Some people object. We endeavor to make the references a part of our records; when possible we have them embodied in the employee's records so that we know all about him. That applies more particularly to those concerns where the help is going to be steady.

The CHAIRMAN.—The next speaker on the program is Mr. Dale G. Steely, of W. F. Schrafft & Sons Corporation, who will speak upon the subject “Selection and examination of employees.”

## SELECTION AND EXAMINATION OF EMPLOYEES.

BY DALE G. STEELY, OF W. F. SCHRAFFT & SONS CORPORATION.

I did not prepare a paper on this subject as I do not consider myself an expert on the points covered by it, but I hope to start a discussion and leave to those who are more competent than I am to carry it on.

First in order comes the job analysis; second, the selection from the applicants; and, third, the examination of those selected.

The analysis of the job should be as complete as possible. For every job there is a type of person that never makes good, another that averages fairly well, and yet another that always excels. The purpose of course, then, in selection and examination of applicants is to eliminate the first type and choose everyone of the last that good fortune brings to our doors.

Among the undesirables that are always seeking employment are alcoholics of every degree. Many of these are prepossessing in appearance and often good workers; a few bear no marks by which they can be readily distinguished, and for this reason they are the more dangerous.

If I seem to be getting away from my subject let me say that no employment manager would place a man with a known bad record in charge of a steam plant or of an elevator or any other machinery, for that matter, and it seems to me that perhaps the psychologist can help us here.

Most of us, I think, have to rely upon inquiry upon this point and I fear that some of us are inclined to be too generous toward a former employee, especially if he has been a good worker, in answering the questions on the blank in regard to this point.

The method of selection must differ widely in different industries, running all the way between the two extremes of hiring from those who have made written applications on the one hand and from a standing line on the other.

There are from 6 to 10 points of excellence which most of us consider in hiring help, viz, physical adaptation, mental attitude toward the job, honesty, industry, intelligence, health, neatness, cleanliness, and temperament. The character of the business must determine the sequence in which these qualities are valued as, of course, they are not the same in all places. Good health, cleanliness, and neatness

head the list in the manufacture of food products and its allied industries, while honesty and industry may come first in other lines.

The examination of applicants ranges all the way from the merely visual and oral examination to a well-planned formula, requiring a written as well as oral examination, a physical examination by a physician, and the passing of certain psychological tests. As I said at the beginning, I can not speak with authority on these subjects and I will ask Mr. Field to call upon those qualified to carry out the discussion.

#### DISCUSSION.

The CHAIRMAN.—I am going to ask for three discussions on various phases of this subject, and will ask the speakers to confine themselves as closely as they can to three minutes each. First, Mr. Reilly, of the Dennison Manufacturing Co., on "Job analysis."

#### JOB ANALYSIS.

BY PHILIP J. REILLY, OF THE DENNISON MANUFACTURING CO.

Ours is a manufacturing industry having possibly 125 different jobs for which we engage nonskilled labor. About 55 per cent of that labor consists of males and 45 per cent females.

A year ago we felt that it was to our advantage to make a study of each of our occupations so that we in the employment office could the more clearly know the sort of persons presumably best fitted for each job in our industry. We had the man who specializes on our educational work make this job analysis under the direction of the employment office and with the cooperation of the department heads and foremen. We attempted to coordinate all the experiences of the different foremen of the various departments that would aid us to select and place employees wisely.

Our analysis gave us this information covering each job:

Job number and designation.

Brief description of job.

Time required to learn job.

Previous training or experience necessary.

Starting wage.

Next advance.

Wage limit. (That is not a hard and fast limit but represents the maximum earnings of the majority.)

Age.

Height.

Weight.

Posture (whether the work requires the man or girl to stand, sit, stoop, or walk).

Motion.

Hands (especially in fine paper-box making we require small, neat hands).

Eyesight.

Schooling necessary.

Whether the job entails overtime or layoffs.

With the information in the employment department we have been materially assisted in making wise selections. It enables us to form a concept of the ideal person on each job and enables us also to give a clear story of the job to the applicant, which is quite essential. We can thus tell him what the pay will be at the start, how long it will take to earn an advance, the possibilities of promotion, etc.

These job analyses also induced us to give thought to the opening up of channels of promotion from "blind-alley" jobs, so that an employee would not be indefinitely held on such jobs at a relatively low wage, but would be promoted to a better paying position at an opportune time.

We think, then, that we have received such help from these job analyses as to justify well all the time it required to prepare them, and we recommend their preparation and use by all employment men.

The CHAIRMAN.—I would like to ask Mr. H. L. Gardner, of Cheney Bros., to discuss the matter of "Psychological tests."

#### PSYCHOLOGICAL TESTS.

BY H. L. GARDNER, OF CHENEY BROS.

We had under discussion a few meetings ago the subject of psychological tests, and because I took up the sword on behalf of psychological tests at that time I presume that is why I am called upon now. A great deal has been said and written on this subject, but most of it is theoretical. A great deal has been attempted in the way of experimental work.

We have used at Cheney Bros. for the past year a series of psychological tests, but any such tests to-day are in an embryo stage and should not be considered as the last word in the selection of employees. We have not used these tests in any way for the selection of ordinary labor, confining them strictly to the choice of men or women specially qualified for positions requiring certain mental qualifications. These tests, if given in the whole, would require seven or eight hours for a man to undergo. These tests comprise:

- General intelligence.
- Speed.
- Accuracy.
- Quickness of perception.
- Imagination.
- General "well-readness."
- Mathematical ability.
- Mechanical ability.
- Inventive genius.

Also certain other specific qualifications which might make a man especially adapted to certain tasks.

We have found that these tests have been excellent aids to our judgment in the selection of men to fill high-grade positions. In the filling of sales, efficiency, executive, and higher clerical openings we have found them to be of great value. There have been a few instances where we have felt that common sense or the man's experience would make him a valuable man in spite of his tests making us skeptical of his ability. We tried out several of these cases, and it has been surprising how general the failure has been. A man required for a mechanical job who on mechanical tests shows no mechanical ability will show no mechanical ability on the job. This is true of the other tests. If a man seems to be lacking in the subject of general intelligence, and his position will necessitate a certain amount of judgment, tact, and broadness of mind, we have found this man fall down in the majority of cases where we have gone contrary to the judgment of these tests. We do not take these tests as the final word. We try to have at least five or six competent men interview these applicants, and we correlate the judgment of these men with the results of the tests.

The CHAIRMAN.—There are two questions on this subject:

- (1) Do you ask the person applying for a position if he is honest?
- (2) What other means do you have of ascertaining?

Mr. STEELY.—I do not see how an employer can say in regard to an applicant who has been doing some sort of manual work for six months, or perhaps six years, that he or she is honest. The presumption that I go upon is that they are honest if they have not been found otherwise. That is about the best I can say on that.

The CHAIRMAN.—We will now listen to Mr. J. M. Larkin, of the Fore River Shipbuilding Corporation, on "Training, promotion, transfer, and discharge."

#### TRAINING, PROMOTION, TRANSFER, AND DISCHARGE.

BY J. M. LARKIN, OF THE FORE RIVER SHIPBUILDING CORPORATION.

I want to explain to you why we have gone into these problems recently and adopted the most up-to-date methods in our centralized employment bureau.

We decided that it was necessary to conduct in our company personal investigations. It was recommended that a committee be sent out from the works to investigate labor conditions in the most up-to-date concerns of the country. Early in February this committee was made up. The personnel of the committee included foremen, mechanics, and office men. This committee first prepared a questionnaire touching upon the most vital parts of the problem. After going out on the road they found the questionnaire had to be revised many times, which was to be supposed. Visits were made to about

15 of the most up-to-date plants in the Middle West. The question of turnover was the principal subject under investigation. Of course they embraced many subjects, such as welfare, safety, and other allied subjects which tend to make satisfaction among employees.

My subject to-day, which I will try not to get away from, is "Training, promotion, transfer, and discharge." First, I wish to say just a word about training. The training of employees, if worked out in a comprehensive manner, can be made very effective. We organized classes for apprentices, classes for the teaching of trades. We have apprentices for 19 trades in the plant. These classes are presided over by practical men from the shops. Such subjects as plumbing, electricity, sheet-metal working, machine-shop practice, blue-print reading, etc., are taught.

Another phase of the work into which we have gone is the training of foreigners. By cooperating with the North American Civic League we have been supplied with instructors, and classes have been organized. These, I am convinced, have been very effective. There is a great need to-day of educating the foreigner, as a great many of the things which he feels are misrepresented to him can be eliminated if he has sufficient English to understand those who are trying to teach him.

We have also gone into the phase of taking into our works college men. They have started in at \$1, \$1.25, or \$1.50 per day and have been put through the various branches of the work, from the bottom up. They have been given a shovel or a wheelbarrow, etc. While this is practically a new scheme, we feel that it is going to work out all right and to good advantage.

One moment on promotion. I think one of the true factors in reducing the turnover is to adhere to the policy of promotion from within your works. If you are constantly bringing in men from the outside to fill the best positions, you are spoiling or disparaging the present employees.

The questions of transfer and discharge are very important ones in the reduction of turnover. In order that you may know where this great flow of labor is coming from it is absolutely necessary that the man who does the hiring should interview a man before he leaves the works. In our company we have established the policy of having the employment man interview the employee before he gets out of the works. This is very effective in transferring men who are dissatisfied with any particular department, and will prove very effective in ultimately reducing the turnover to a great extent.

Finally, I would like to say that my feeling on the whole proposition of turn-over is that there are five factors which enter into this great question. First, wages; second, fair treatment; third, promotion from within; fourth, good working conditions; fifth, all kinds of welfare work.

The CHAIRMAN.—Are there any questions you would like to ask Mr. Larkin?

Mr. BLOOMFIELD.—I am very glad Mr. Larkin took part in the discussion. The method he outlined in regard to investigation is the road of safety for the employer and the employee. Any substitute, or anything else, will perhaps persuade some employers to use sleight of hand in the labor problem, resulting in the wrecking of the organization.

The result of this convention will be in the future to have department meetings, committees to report on schemes floated around the country, which will enable us to tell the employer where false knowledge leaves off and real science begins.

You can have labor-saving devices, but not thought-saving devices.

Mr. SHAW, of the W. H. McElwain Co.—To enable the employment department to make a complete success we believe the management must realize the fundamental importance of making some radical changes in the general plan of departmental organization. We feel that one of the big sources of difficulty in the training, promotion, transfer, and proper discharge of employees lies in the improperly or incompletely trained foreman or assistant foreman. No matter how well the employment department is organized or managed, it must be remembered that between the general policy of the company and the employee lies the departmental foreman and his organization, who must in the final analysis be depended upon to elaborate the company policy into the details of daily work. With this idea in view we have tried to develop some new ideas in our general plan of organization, and as it would be impossible to go into the scheme in great detail without taking considerable time, I will try to enumerate briefly the fundamental theories underlying the plan which are:

- (1) Reducing the number of departments in a factory from about ten, each department having a separate foreman responsible to the superintendent, to approximately four departments.

- (2) Putting in charge of the fewer and larger departments much bigger, broader, higher priced, and more experienced foremen.

- (3) Facing squarely the fact that our employees must be handled by "big leaders" rather than "little bosses."

- (4) Giving this "big leader" type of departmental manager an executive foreman who shall devote his entire time to the administrative detail of the department under the advice and direction of the foreman.

- (5) Organizing in each department under the general supervision of the foreman and under the detailed control of the executive foreman a carefully trained and selected force of assistants, which we

call "the rated elastic staff"; members of the elastic staff to spend part of their time on nonproductive labor and part of their time as substitute operators, instructors, inspectors, assistants, supervisors, machinists, etc.; instead of having a few assistants putting their entire time on nonproductive work, having a large number putting only a portion of their time on nonproductive work.

(6) Picking out from among employees those having the greatest personal ability and first training them for this staff according to a predetermined plan to become all-around operators on a number of different machines.

(7) Taking this entire staff into our councils, having them attend foremen's dinners, and discussions, and gradually educating them until they become not only good all-around workmen but also intelligent and efficient in cooperating with the foreman and executive foreman in the technique of handling productive employees in the department.

(8) Having thus developed an adequate plan of departmental organization based on a sharper division between management and detailed administration and having given the foreman an efficient "administrative switchboard" so to speak, educating the foreman to spend the greater part of his time and thought on the problems of representation, observation, development of individual employees, and technical planning; leaving for the executive foreman the carrying out of the administration detail of the department, according to a carefully preplanned technique. In other words, insisting that every productive department shall be organized in such a way that the foreman will not become a detail man but be free properly to handle the employees in his department. If we can accomplish that, we have not only worked out the idea but we have removed many obstacles to the success of a functional employment department by giving them bigger, broader, and better organized departments to serve.

(9) Doing everything we can to enlarge the viewpoint of all our foremen and to make them see the whole problem of human efficiency in a bigger way.

A series of dinners have been held, at all of which the speaking has been concentrated on the subject of handling employees.

(10) Above all, preaching to our foremen constantly the importance of getting away from the old idea of personal domination and of appreciating the necessity for complete understanding of the art of impersonal management and accomplishment.

The CHAIRMAN.—The next subject is, "Records and filing systems for employment departments." This will be presented by Mr. W. C. Swallow, of the Amoskeag Manufacturing Co.

## RECORDS AND FILING SYSTEMS FOR EMPLOYMENT DEPARTMENTS.

BY W. C. SWALLOW, OF THE AMOSKEAG MANUFACTURING CO.

I am afraid that the discussion of such a dry topic as "Records and filing systems for employment departments" at just this stage is rather a hazardous undertaking, especially as the chairman has stored up a quantity of bombs which he is preparing to throw at us.

A filing system is a necessity in any business, and it is a necessity in an employment office. It is not so important that the success or failure of an employment department depends entirely on a filing system. But it must have adequate records, and it seems to me that a system which will work without causing a whole lot of friction, or involve any excessive red tape, which the ordinary foreman is apt to rebel against, is essential.

In the establishment that I am connected with we employ a great many people, and no doubt the system in force there would not apply to industries of a different character or with a smaller number of employees.

We must have records of our people as they come and go, something that will enable us to look them up when they come to us again, as they do a great many times, and guide us in regard to their reemployment and give us a comprehensive idea of what we may expect from them. And I think you will agree with me that if a man has been in our employ several times—four or five, we will say—and records are given us by his foreman as to the character of his service, his steadiness on the job, his desirability as an employee, we have a better estimate as to his character and ability and we are ready to draw a better inference as to what we may expect from him than we could deduce from any other method.

To collect these data, then, so that we may readily refer to them, is the function of the filing system. The one appealing to us as especially workable is to have an individual file for each employee.

If a man comes to us for employment it is necessary, if there is no vacancy open, for him to file an application. The application blank may be very much in detail or condensed, but so long as you get the fundamental facts on it and file it so that you may refer to it when the need arises for a man on this job, the application blank has served its purpose.

When actually employed his employment pass is issued to him, by the person who interviews him, to the foreman under whose

direction he will be, and he takes it personally to that department. Of course we have previously received, either by telephone or writing a request for that labor. If he does not know where to go someone is delegated to take him to the department, and the foreman must record on the employment pass the date the man started to work, his pay-roll number, the rate per hour if he works on an hourly rate. This is promptly returned to the employment department, so that the record of the transaction may be complete and the job checked off as filled.

In its course this pass goes through a substation of the employment department, where the pay rolls are printed by the addressograph methods, and as the slips pass through the names are set up on the addressograph, together with the pay roll number and the rate. No other names are put on the pay roll except the names on these employment passes. Thus we are assured that no names appear on the pay rolls without the sanction and direction of the employment department.

Once established, this rate on the pay roll is not changed, or subject to change, except by an "increase in rate" blank, which is signed by the foreman and countersigned by some higher executive, usually the superintendent in charge of the department.

Transfers on the pay roll are furnished by a simple form, and changes from one job to another are recorded on the same form. The name remains in the addressograph file and is printed on the pay roll until the employment department receives notice that the hand has finished work in that department. This notice comes to the employment department in a majority of cases by the hand of the employee himself when he leaves the works. It is in the form of a coupon, which is attached to his time bill or pay slip, and when the notice of leaving has been detached his end of the time bill is approved to show that the notice has been received. The paymaster will not pay the money called for unless the bill bears this approval stamp. This enables the employment department to interview the workman before he leaves and get into personal touch with him, and perhaps to rehire him on the spot. A great many operatives are saved to the concern in this way.

The employment pass is made in duplicate form and numbered serially. The duplicate is filed numerically under the date of issue, so that the file presents a daily record of what the employment department does in the engaging of help. These duplicate slips are carried in a temporary file until the original comes back to the employment department. The corresponding duplicate is then taken out of the temporary file, so that what is left are only the duplicate employment passes that are not reported on. Some of these are accounted for by the fact that the party looked at the job and did

not like it. Sometimes the foreman forgets to send it in. If he does not return it in a few days' time a tracer blank is sent to the foreman, and if it is returned with the statement that the applicant did not start work, or some similar statement, this tracer takes the place of the original, which the applicant perhaps retained and did not go to the job at all. The accumulation of several of these tracer slips in a man's personal record would indicate the chances you have of setting him to work. Sometimes the chances are four to one against setting him to work.

This matter is all collected into individual folders. The records of the current employees are collected in one file and those of employees who have left our plant are collected in another similar file. So that if a pass is issued and the man employed and the pass duly returned, the first thing to find out is whether we have a previous record of him. If he has no record with us, a new one is started; on the other hand, if a previous record is found it is transferred to the live file.

The notice which the employment department receives from the foreman, as I say, indicates the character of the man's service and desirability as an employee in the foreman's opinion. It also indicates the cause of his leaving. Sometimes we have to correct that because the employee fails to give his foreman the real cause of his leaving, feeling perhaps that it is easier to give a reasonable excuse and let it go at that rather than indulge in any argument with the boss. For instance, a man brings in a slip which states that "he is going to the old country," presuming that means somewhere across the sea. But when he is questioned in regard to his work we find that he wants to work in some particular room. So it is evident that he was dissatisfied with conditions where he was, the character of the work he was doing, or something of that kind, and as he has changed his mind about going to the old country he is perhaps set to work where he may be satisfied and prove a desirable employee.

These things, of course, figure into the turnover in a way; but looking at the plant as a unit, there has been no change of the man, simply a transfer from one job to another, although we do not consider these things strictly as transfers.

In the case of transfer it is necessary to have a form which the foreman fills out recommending a man for transfer. Or, if he is obliged to lay off a certain number of hands, he sends the slips in to the employment department as early as possible before finally laying off hands, so that they may be transferred to positions that may be open in other departments.

From the daily record, which is made up of employees leaving and employees hired, we make up weekly reports of changes in the different departments, and also tabulate the changes in the different jobs,

figuring the percentage of turnover; and such a report has been a useful thing in the case of readjustment of wages and also in putting our finger on sore spots, so to speak. That record, made up monthly, forms a comprehensive view of the work in the different departments. There is, of course, something wrong when the percentage of change on one job is much in excess of the changes on the average.

We have men oftentimes applying who seem to be desirable in every way for something or other, but we have no particular job open at that time. We have therefore adopted the rule of sending such men to department heads where we think there is a likelihood of their being used to advantage. The interview blank is inclosed in an envelope to the foreman in question, and in a very large percentage of such cases the men are taken on.

The confidential inquiry blanks that are sent out for references are filed in the employees' personal records. Also the accident department furnishes us with a record of each injury, so that may also be filed. And sometimes it has been found to our advantage. We also receive a notice when the claim, if there has been a claim, is settled. The accumulation of a great many of these slips in a personal record would indicate the hazard of the future employment of this man in any place where any possible chance of injury exists, and should put the employment department on its guard.

School certificates (which certificates are issued by the city school authorities) have to be very carefully looked after, and that requires a system of indexing, so that there may not be confusion in regard to the employment of persons at the age of or around the age of 16 or under. As a matter of fact, the child-labor problem, so called, is not a problem with us at all. We have, I think, 25 or 30 persons under the age of 16 in our employ at present. This out of a total of over 15,000. Nevertheless we have to make them show us they are 16, and keep careful records of their certificates. The employing of unskilled and illiterate foreign labor on jobs that present some special hazard in regard to accident is perhaps what is responsible for a considerable number of injuries which are bound to occur in the best-regulated plants. And for the elimination of the chances of injury we have recently adopted a form which I deem of enough importance to dwell on for a moment.

This is the "overseer's certificate as to inexperienced employees." This certificate is made out or at least started at the employment department when the employment pass is issued, and gives the name and pass number, address, and age, and is sent along with the employment pass to the overseer. He receives this certificate and is required to fill it in, answering questions as to the work assigned, and if he personally saw that the employee was given a suitable and safe place

in which to work, and if he personally inspected the machinery or apparatus to be used by the employee.

In the employment of labor the question of master and servant is one that comes to the front when accident matters are discussed, and in a large corporation the master ceases to be the individual, but is represented by the foreman on the job, who is, in fact, the master. Under the law it is his first duty to see that the employee is given a suitable and safe place in which to work and that the machinery and apparatus are personally inspected by him and are safe to be used for work. He is also to explain fully to the employee the regulations of the company for the conduct of its employees while engaged in said work. Other questions on this blank are, "Was the employee given express orders never to clean the gears, belts, or moving parts of any machine while same are in motion?" "Whom did you select to teach or instruct him?" "His address?" "Did you expressly instruct said fellow servant to point out and warn him against the dangers incident to said work?" "Did you acquaint said fellow servant with the lack of experience of said beginner, if any?" "Are you sure that the fellow servant told to teach or instruct said beginner speaks the same native tongue?"

This record, properly filled out and signed by the overseer—and I do not suppose the overseer would sign it unless he had personally explained the details relating to the matter—is filed away, and it is up to the overseer to exercise extraordinary care. We will admit that it is the overseer's first duty to do these things, but does he do them in the ordinary cases? Aren't we laying ourselves open to the charge that we fail to personally inspect, properly warn, and instruct the new employee? This record, properly filled out, might be very valuable, as you can imagine, in case a claim is set up that proper instruction or caution was not given to the new employee.

This blank becomes part of the inexperienced hand's record and is of particular value to keep foremen fully alive to the care and responsibility of the people working under them :

OVERSEER'S CERTIFICATE AS TO INEXPERIENCED EMPLOYEE.

Name..... Pass No.....  
 Address..... Age.....  
 To what extent does he speak and understand English?.....  
 Did you have to use an interpreter in talking to him?.....  
 What work did you assign him?.....  
 Did you personally see that he was given a suitable and safe place in which to work?.....  
 Did you personally inspect the machinery and apparatus to be used by him?.....  
 Did you find them safe?.....  
 Were they suitable for the purpose for which he was to use them?.....  
 Did you fully explain to him the rules and regulations of the company for the conduct of its employees while engaged in said work?.....

Did you give him express orders never to clean the gears, belts, or moving parts of any machine while same were in motion?-----  
 Whom did you select to teach or instruct him?-----  
 The latter's address-----  
 Did you expressly instruct said fellow servant to point out and warn him against the dangers incident to said work?-----  
 Did you acquaint said fellow servant with the lack of experience of said beginner, if any?-----  
 Are you sure that the fellow servant you told to teach or instruct said beginner speaks the same native tongue?-----

Signed -----,

*Overseer.*

Date-----

NOTE.—If the beginner is a female, it is understood that the feminine pronoun applies where the masculine pronoun is used.

Read the reverse side of this sheet. Important instructions are printed there.

This certificate to be returned to employment department as soon as made out.

*To the overseers of the Amoskeag Manufacturing Co.:*

We wish to impress upon you the importance of the obligation which this company has always assumed toward those who come to work in the mills and who are inexperienced and unfamiliar with the work and the dangers incident thereto.

The company has to rely largely upon you to perform that obligation. In the first place it is necessary that each hand be given a suitable and safe place in which to work and safe and suitable machinery, apparatus, and appliances with which to work. The company imposes upon you the duty to personally inspect the place in which they are set to work and the machinery, apparatus, and appliances to be used by them, and to see that they are safe and suitable for the purposes for which they are to be used. It is your business also to fully acquaint them with the rules and regulations of the company; and when there are rules and regulations posted in the room you are to point them out to the beginner.

INSTRUCTIONS.

We desire particularly to impose upon you the duty of properly instructing and warning all new employees. The dangers that are incident to the work must be clearly pointed out. They must not only be pointed out and explained, but it is your duty also to see that the hazards of the employment are appreciated by the employee. The person you select to teach the beginner must be a careful, prudent person who will thoroughly show the beginner how to do the work in a safe and proper manner without injury to himself.

This fellow servant, so chosen by you, to teach the inexperienced hand should himself be given express orders not only to thoroughly instruct said hand as to how to do the work but to warn him against all dangers incident to the work, so that the most inexperienced person will know and appreciate the dangers to be guarded against.

The company does not intend by this statement to define its legal duty in the premises, nor to limit, by the above enumeration of duties which the company imposes upon you, the scope of your activities in the prevention of accidents. Much must be left to your judgment, care, and forethought, and the company looks to you to take such precautions as will minimize the danger of personal injuries to employees.

H. F. STRAW, *Agent.*

## DISCUSSION.

The CHAIRMAN.—Perhaps, owing to the lateness of the hour, you will be willing to omit a discussion of this paper, and pass on to the questions.

Have you tested your common-sense plan on known cases, such as your manager, superintendent, or foreman?

Mr. GARDNER, of Cheney Bros.—The system of tests we are now using was first given to a group of some 30 of our employees of varying mental capacity. At the same time six or eight executives, in a position to know the capabilities of the man tested, independently listed these men in the order in which, according to their judgment, they should rank. The correlation of the results of this test with the tabulated ranking by the executives was in the neighborhood of 90 per cent. That is, before we gave these tests to a single applicant for employment we experimented with 30 of our own employees who had been with us long enough to enable us to get a fairly accurate knowledge of their capabilities, and found that this experiment agreed 90 per cent with the best composite human judgment we could get.

Mr. ———.—I would like to ask Mr. Gardner a question. How long a time do you allow to elapse after examination before you pass final judgment upon a case; how long a time do you watch your man?

Mr. GARDNER.—The results of our tests are listed in detail as to each characteristic of the applicant, and are followed up all the time in comparison with the actual work of the man after being employed.

Mr. SHUMWAY, of the American Optical Co.—About three years ago I had occasion to visit a city in the Middle West, a place of about 5,000 people. Kenosha is quite a manufacturing city. It has the largest bed company in the world, a brass company, and the Charles F. Jeffery automobile concern. They have a central employment bureau that is hired by all the manufacturers, and they all pay jointly. If a man in the Jeffery plant wants to go to the Kenosha Brass Co., he goes to the central bureau. That bureau has a record of every workman in town, and has direct data on every workman in town, and has direct data on everyone that comes to town, thus weeding out all floaters. I had occasion to use their services. I wanted a tinner for tinning copper, so I went down to see the manager of this bureau, and he said, "Yes; there is such a man in town. He had a little trouble with his firm, but is a good workman. He wanted something to do, so I put him to work digging a ditch." The manager showed me how to find the man. I hired him, and he turned out to be a very good man.

The CHAIRMAN.—Those who ask these questions are certainly asking difficult ones.

Will the completion of the war produce a shortage or surplus of labor?

How many believe that a shortage of labor will come with the close of the war? Please raise your hands. [Only a small show of hands.]

How many believe there will be a surplus of labor after the close of the war? [Majority.]

What effect will the ending of the war have on employment conditions and wages?

How many think the wages will be higher after the close of the war? [No hands raised.] How many think wages will be lower? [A few hands raised.] How many think there will be no change? [A few hands raised.]

The CHAIRMAN (still reading questions):

If it is thought that the completion of the war will produce a shortage of labor, what plans are being made by employment managers to meet this condition?

How best to obtain female operatives under present conditions?

Has the keeping a record of the cost of errors by employees been worked out and found to be of sufficient merit to warrant the expense?

Mr. RALPH G. WELLS, secretary Employment Managers' Association.—One firm has worked out a system of keeping track of the expense of errors. A record is made of the error and the expense resulting from it. It is then taken to the employee to sign for the expense, which is not deducted from his wages, however, but the record is filed in his folder. Eventually the employee who is careless gets a collection of slips showing the amount of expense involved in his work. This firm considers the system well worth while.

The CHAIRMAN (reading):

How can it be made possible to hold the help after it has been secured?

Here is a question regarding the following up of people who leave without notice. Perhaps that can be answered by a show of hands. How many concerns attempt to follow up employees who leave without notice? [Small show of hands.]

In what way can a concern instruct the younger element so as to keep them until such a time as they are fully developed?

I believe that it can be answered, but it would take an hour.

(The meeting adjourned at 5.20 p. m.)

## EVENING SESSION.

President LAWRENCE.—Gentlemen, when I looked around this room this noon time, I felt that the first annual conference of the Employment Managers' Association was a success. When I look around to-night and see the 300 men here, I am sure of it.

You all know that the Employment Managers' Association is made up of men interested in employment problems, who get together for their mutual benefit.

The statement has been made by several men this afternoon that they would like to join this association if they were asked. Anybody who has been invited to come to this conference would be welcomed as a member, and the secretary will be glad to receive your application. We do not say this as though we were urging you to become members, but simply because that statement was made by several this afternoon.

I am going to ask a man who has always been interested in this association, who is chairman of another association that is very closely allied with this one, to say a few words, and I take pleasure in introducing Prof. Paul H. Hanus, of Harvard.

Prof. PAUL H. HANUS.—I know of no more important problem than how to discover ways and means of what can be done for the young lives committed to us, whether we are teachers or employers, for their physical welfare and their intellectual, moral, and vocational development. There is no more important thing we can try to do for them than to help guide them into the best education they can attain and the best career accessible to them.

During the past few years we have developed in the public-school system a number of educational life-saving stations. What they are I have not time to go into, but certain it is, as time goes on, there is opportunity for you to profit by them because they are concerned with developing more and more usable employees through the public-school agencies than have been developed. We teachers realize it is our duty to adjust educational opportunity to real educational needs, and I judge that you employment managers regard it as your duty to seek to adapt the individual to the employment for which he is best fitted by nature and training and to do that not only at the outset of his career as a worker but progressively thereafter.

So that, as I understand it, one of the fundamental problems of this organization is how to help every employee in his own interests and in the interest of his employer to make the most of himself and of the institution with which he happens to be connected. You are no longer content to hire and fire. You are determined to make the most of the human material which you for the time being control.

I congratulate you, therefore, most heartily on the great work you have undertaken. You are engaged in nothing less than industrial and commercial life-saving activities. I can not do better than to say to you, "Go on! Go on! Go on!"

President LAWRENCE.—We were very fortunate in having as a chairman this afternoon a man who filled the bill to perfection. We are fortunate in having a man to-night that can fill the job to-night to perfection. I introduce to you Mr. James P. Munroe.

Mr. JAMES P. MUNROE, of the Munroe Felt & Paper Co.—Mr. Lawrence has certainly proved that he has one of the chief qualifications of an employment manager, and that is, of shoving his job onto the shoulders of somebody else. I take pleasure in introducing Mr. T. K. Cory, of William Filene's Sons Co.

## SELECTION AND DEVELOPMENT OF EMPLOYEES.

BY T. K. CORY, OF WILLIAM FILENE'S SONS CO.

I have been asked to speak to-night on the "Selection and development of employees." My great-great-grandfather, if he were living, would say that the great problem in industry is getting the people. If I ever become a great-great-grandfather, I suppose my great-great-grandchildren will say the same thing unless some of them realize that business must be organized and run by the best material that God Almighty has given us—the human being. I know of nothing better than that.

That statement needs to be qualified somewhat. Industry should safeguard itself by drawing a middle line between the extremely high-class persons and the extremely low-class persons and then it can safely assume that anything above the middle line is fairly good material to start with.

As a basis for right selection we should define the position rather than the person. We have not so many employees in our establishment, but so many positions, so many jobs that require a human being; and if the position is carefully defined and outlined it is so much easier to select a fit human being to fill that position.

I believe after we get that material they are entitled to a living wage. We employ no girl who is less than 17 years of age and no boy less than 16. A grammar-school education is required.

These standards materially aid those selecting employees to draw the middle line, below which they should not go.

In the selection of employees we should know, first of all, how near our standard that employee's standard may be. It is simply absurd to hire people without knowing anything about their personal standard, and believe they are going to measure up to the standards you are setting for them. Their standards are difficult to determine, but if great pains are taken when selection is made and if care is taken when they are put to work that they receive every assistance possible to help them to find themselves in your organization during the first few weeks of employment there will be more certainty in your judgment when you do decide that the new employee is going to fit into your particular organization.

In our establishment to insure the maintenance of our standard we have a man to select the men and a woman to select women because she knows women better than a man would. She is not going to be misled by a flashy woman or a pretty woman as a man might.

I believe also that a very important thing we are liable to overlook in selecting people or in dealing with people is the importance of the relationship of employer and employee. Going further than that, I believe it is very important to know the relationship of employer and employee. Just so far as we have dissatisfaction we have a division which includes the friends of those dissatisfied and this condition is bound to create discord and to make more difficult the firm handling of the people.

I believe that the employee has other rights. First of all, he has the right to demand that we be good employers. It should not be possible that because of the temper of a foreman or an underexecutive an employee is liable to discharge. An employee is an investment rather than an expense, and every effort should be made to make the best out of that investment. The employer is responsible that the health of his employees does not suffer from conditions under which they work—that they have the best environment that they can get anywhere and that they earn a living wage. These three should stand for happiness. I think to assure happiness in work is one of the biggest functions of the employment manager. Certainly work from happy people is the best kind of work.

I want to say that I lay a great deal more emphasis upon the education of employees than I do upon the original selection. All of us lose a lot of intelligent people because we have made a mistake in selection, and unless we have an educational department to back up the extremely high-class employment of people there is no way of remedying mistakes in selection. If we are skilled enough, however, to employ only those above the middle line between the high and extremely low class, then we may be fairly sure that we have people who are susceptible to education and education will be the solution of our problems.

A big mistake which will be remedied by a well-run educational department will be the determining of the fitness of a person for a position. The educational department should be able to tell you not alone that a man or woman in the auditing office is not good at figures but it should be of material help in saying for what the person is best fitted, so as to avoid the losses which are bound to occur if a person is discharged just because of his inability to do one stated job.

A good many times we find a young person holding a minor position who has splendid executive ability if you give her a job big enough. We had a girl in our establishment who was a college-bred girl and had been transferred from one department to another. (An executive in our store can only remove an employee from his section, and the person is turned back to the employment office, which places him in some other division and gives him another trial.) She had licked every executive over her, and she only wished she would be sent up to me.

It was not very long before 5 foot 4 inches of blind fury drifted into the office, banged the door, and threw the morning ad on the table. "I would like to know how you expect me to sell goods with an ad like that," said she. I said to her "Our advertising department is a very important department, and if you can do this thing better, we should like to have it done." "I do not mean to rewrite that ad," she said. "You know how sofa pillows ought to be put on a sofa. If they are put on the sofa in a set way, perfectly straight they do not invite you very much; but you can set these pillows in such a way that they are inviting. Do that to your ad." I said, "Do it." And she went over to change it. I wish I had time to tell you how I got her into the advertising department. At any rate that girl went into that department, and to-day she is one of the executives, and one of the most efficient girls in the establishment. All the time we are losing executive ability because we are not organized so that we may know the difference between executive ability and impertinence. Every establishment should have some man whose hide is so thick and dignity so small that he can stand a great deal of stepping on without losing the employee.

When a person is employed you should have your educational department educate him not only for his job but for the job above. One of the rules in our establishment is that a man, slated for promotion, must know his job fairly well; must also know fairly well the job he is going to, and, most important of all, must have an understudy to take the job he is going to vacate.

Shall I enlarge on that? In the theatrical business you realize the importance of an understudy, and you also realize that the ability of a principal largely depends upon the troupe that surrounds him and upon his understudy. It is simply good organization to place the emphasis on such training as we require.

Another big problem we are learning to solve is what to do with the college boy who knows more than we do when he comes to us. When he comes out of college he is the best material we can get anywhere for executive work. If we do not know how to handle him it is not the boy's fault, it is our own. We must know how to make the transition for him between the artificial college atmosphere he has been living in for four years or more, and the practical business world. When we can do that we shall furnish to business a larger number of the college-bred men who are beginning to appear at the head of big institutions to-day.

The CHAIRMAN.—The next speaker is Mr. H. G. Smith, vice president and general manager of the Fore River Shipbuilding Corporation. His subject is "Improving the efficiency and quality of personnel."

## IMPROVING THE EFFICIENCY AND QUALITY OF PERSONNEL.

BY H. G. SMITH, VICE PRESIDENT AND GENERAL MANAGER OF THE FORE RIVER SHIPBUILDING CORPORATION.

I am taking the place of Mr. Powell to-night, who was supposed to be here and talk to you on the subject of "Improving the efficiency and quality of personnel." I know Mr. Powell regrets very much his inability to be with you at this time, and I regret it also. But I will attempt to tell you in a very practical way some of the things we have done and have been trying to do in the past few months to improve the efficiency and quality of our employees. I am very glad the subject selected for me is this very one, because it is a very broad one, and permits me to talk upon any part of this subject quite properly.

We have been giving very careful consideration for a long time to what we could do to better this employment problem and raise the standard of help, take better care of them, and promote better relations between employer and employee. A great many problems were in our minds, such as the construction of an employment office, the construction of a suitable relief hospital, and the carrying out of a great many problems relating to the hiring, following up, and discharge of employees. The question finally resolved itself into a careful analysis of what we should do in calling outside help to give us their ideas, and then to lay out a program as to how we should proceed.

We decided to send a committee of men from our plant to a number of large plants in the Middle West and in Philadelphia, to visit these places and secure some direct information as to what other people are doing, and to come back to us with recommendations as to what we should do along the same lines.

The selection of this committee was a matter that took a good deal of time, as we desired to secure men that we thought would obtain the information we wanted and would also be benefited by it. We selected for this committee the head of our welfare department, one from the office staff, and four men from the ranks in the yard, one foreman, two in leading positions, and the fourth a mechanic, believing that each was the type of man who, when he came back, would tell what he had seen and spread the information through the plant.

They visited not less than 15 plants in Cleveland, Detroit, Columbus, Dayton, Pittsburgh, and other places. They were furnished with a questionnaire as to exactly what they were to obtain, which was modified, as they proceeded on their trip, to suit the necessities of the different plants visited. They carried with them a stenographer,

who at the close of each day wrote up a summary of what they had learned and forwarded it to the plant, so that by the time they had returned the company's officers had an opportunity to analyze with considerable care the work being done.

When the committee returned to the plant we called them before the board of directors and spent several hours going over the details of the trip. We found them all very enthusiastic as to what they had seen and filled with ideas that could be put into operation in our plant to advantage. They were then directed to draw up a report, first, for each individual plant visited, then a summary report with a tabular statement under the various headings in the questionnaire, and finally recommendations for improving the unemployment problem.

The summary report was printed and sent to every man in a leading capacity in the plant, about 200 in number. They were asked to read the report carefully, comment upon it, and make any direct recommendations as to the ideas under consideration that should be carried into effect. Of the 200 copies sent out we received comments from 167, of whom 140 submitted comments of considerable length on from one to all of the topics. We found that through the talking done by the men who had been on this committee these men expressed their sentiments fully and criticized as well as complimented what had been reported upon.

As a result of this analysis and comment by the men from the yard a final summary was drawn up as representing the various topics for consideration, with the consensus of opinion of those who had commented upon it. I am going to refer to a few of my notes of the report if you do not object.

One of the first questions was the desirability of the establishment of a new employment bureau, and the opinion was almost unanimous that this should be done on a much higher plane than it had been conducted in the past. In this question of employment was considered the type of building, the accommodations for the men, the weeding out, and the final selection from the eligible list. The question of the employment office had been under consideration for a long time, but since the committee's return the design has been completed, and we are now prepared to construct a building that contains many of the features suggested.

It was decided that when men seek employment in large numbers, if you can not hire them all, a quick selection should be made so that those outside would not have to wait a long time. The building contains sufficient room where the men can be properly seated—those men that may be employed—and these men from which selections are to be made are called behind an inclosure where they can talk freely to the clerk and where they can not be overheard by those outside. These are small details, but considered of great importance and are adopted in the design of the building.

The next question was the physical examination which is conducted for all new employees, and many comments were submitted as to having this done quickly and as to treating the men very courteously. Those who do not pass should also be given advice and suggestions as to what should be done to put themselves in proper shape for employment at a later date.

The question of the establishment of rules for the courteous treatment of applicants was considered absolutely unnecessary, with the proper man in charge of the hiring. The establishment should put a man in the position of hiring men who is courteous himself, and he would need no rules for his guidance. This question having arisen, and thinking that the committee had some further ideas, we called on that committee to give us some specifications for a suitable clerk. Upon these we largely based our selection, and we have put a man on trial, and we expect him to be the incumbent of this office in the new building.

The question of an eligible list was considered to be of great importance, it being felt that we should carry an eligible list at all times.

It was also considered important that at the time a man is hired he should be told the rate he is to receive, so that there may be no misapprehension.

Another item of great importance was the analysis of quits and discharges. We have put into effect a much more elaborate analysis of quits, discharges, and transfers than had been previously done. Connected with this subject of discharge is the question of a court of appeals, to which any employee could present his grievances, so that the discharged man, if he was not in the wrong, could be reinstated; this was given much consideration, and has resulted in some seven or eight or more well-qualified men securing employment by transfer to other parts of the yard, or securing their old position from which they had been discharged through a misunderstanding.

The most important element in the employment problem is the following up of the employee. It is not enough for them to get into the yard, but they should be followed up, visited occasionally by the employment manager or some one higher in authority than the rank of foreman, to find out their living conditions outside, or if there is any particular complaint which they have in mind they can air it and have action taken on it. Also, this following up is extremely valuable in finding out the qualifications of a good man. This information should be recorded for future reference.

Connected with this was promotion from within the ranks, which matter secured a great deal of comment, as well as pensions for employees. Anything in the pension line is very desirable, but should be done with extreme care. The questions of good working conditions, welfare work, library and visiting nurse, were all commented

upon. We received a great deal of comment on the question of a visiting nurse. The plant has not had one, but we expect to have one immediately.

We received comments on a cooperative store, a printing shop for the printing of the works' paper, and a lunch room. We were just rebuilding our lunch room, and were practically ready to put it into operation. We were immediately flooded with comments. We were all wrong. The result was that we adopted the suggestions of the committee, which were found to be very practical.

The question of housing received a good deal of attention. Also the question of entertainment and clubs. The company had under consideration the construction of a club house, which is now actually begun. As a result of information we received from these other companies, a club has been organized along similar lines to those of the best ones, and its officers have been elected principally from employees.

I think I have covered the principal things we have actually done as a result of the report of this committee. Whether we are right or wrong time alone can determine.

The CHAIRMAN.—The next subject, "The employment department; its functions and scope," will be presented by Mr. H. L. Gardner, employment manager of Cheney Bros.

## THE EMPLOYMENT DEPARTMENT; ITS FUNCTIONS AND SCOPE.

BY H. L. GARDNER, EMPLOYMENT MANAGER OF CHENEY BROS.

As you probably note on the program, Mr. Horace B. Cheney was to have spoken to you, but, unfortunately, he was called to Washington unexpectedly, and therefore found it impossible to attend. I am very sorry, as he is a man very greatly interested in this problem. I want to keep myself on the proper track, so ask your indulgence while I read my paper rather than try to make a speech.

In every mechanical operation of manufacture there are three basic factors—the machine, the method, and the operative. American ingenuity and invention has developed new machinery to meet the needs of the wide field of industry in the United States to the point where we now have probably the best machinery in the world at our disposal. Methods of handling material and of conducting work have undergone in recent years so radical a change, through the introduction of the generally called “scientific-management” systems, that seemingly incredible results in increase in production and reduction of manufacturing cost have become an everyday matter. So much has been written and said of the work along these lines by such men as Taylor, Emerson, Gantt, and others that I need take only sufficient time on this subject to emphasize the wonderful benefit an intensive study of such conditions has brought to both the manufacturer and his employees.

So great have been the strides in the development of two of our three important factors that too often, I fear, it has been felt that the ingenious machine and the modern method have entirely solved the problem. As the strength of a chain depends on that of each individual link, even more does the success of a machine or a method depend upon the efficiency of the workmen involved. This brings us to the third of our important factors, the operative, and to-day the thinking men of large interests are coming to the realization that this factor, the human element, should be considered first in importance in the successful conduct of a business.

Results have been obtained in the development of machines and methods only by exact work on the part of men and departments specializing on these lines. Before we can approach the solution of the efficiency problem we must accord to its most important factor, the scientific selection and training of the employee, the same consideration given the machine and the method. The first step in this direction is the establishment of a functionalized employment department; getting away from the old “hit or miss” methods, and making a study and a specialty of employment matters.

The ideal employment department can not be developed in a week or a month. The present success of the machines and methods is the result of long study, experiment, and hard labor, and the perfection of employment work will require the same efforts. The superintendent, foreman, or other executive, who does the hiring and firing under the old system, can not have the time to attend to his regular duties and still give to the procuring and the selection of employees the time and attention deserved.

The immense economic loss in actual dollars and cents due to promiscuous methods has been competently demonstrated and needs no further argument. I have yet to hear of a single manufacturing establishment which has installed a central employment department that has not found it a great improvement over any other system of employment. Such a department offers the best practical means of reducing to a minimum the hiring of the physically unfit, losing the trained employee, and many other very expensive evils of the old system.

The functions of the employment bureau vary greatly, of course, with the size, policy, and specific needs of the concern for which it acts. I believe the following general divisions will perhaps cover some of the most important services such a department, and such a department alone, can render its employers:

First. To secure, by advertising and other standard methods, the necessary applicants from which to select employees when required.

Second. To weed out undesirables in a personal interview by a competent man; by a searching physical examination by the medical staff; and by reference to former employers.

Third. To select (with the cooperation of superintendents and foremen, if you wish) employees who are physically and mentally equipped for the position in mind. That is, to put the right man on the right job.

Fourth. To have complete, up-to-date record of service of every employee; opinions of all foremen who have had employee in their charge, as to ability, character, reasons for leaving, etc.

Fifth. Also to have complete, up-to-date wage-earning record of every employee; dates of changes in rate or operation, and any other items of interest in this connection.

Sixth. To act as a clearing house for the transfer, promotion, etc., of worthy employees, a "go-between" for employer and employee.

Seventh. To make regular reports on turnover, wage averages, and routine work; statistics on employment matters. Such reports will serve the administration as a finger on the pulse to a degree otherwise impossible and will frequently supply facts of vital interest.

Eighth. To make any especial studies, reports, or recommendations which may be required by, or of interest to the concern, and which the employment department is best fitted to supply.

This is, of course, a rough outline only; the detail is a matter of development by the individual to meet the requirements of his particular case. We have heard at this convention how well these details can be carried out and how successfully complete employment records can be made, so I need dwell no longer on this phase of the subject.

One of the most important services a central bureau can render is in connection with the transfer of employees. Being at all times informed of the needs of the individual rooms or departments, the employment bureau can arrange for the transfer of employees who are properly fitted for the work in question and who have had, perhaps, previous experience in the work to which they are transferred. In this way the department which is obliged to cut down its working force may be relieved without lay-off and at the same time the department which is in need of help can be given an employee whose ability and characteristics are known and whom it is very desirable to keep on the pay roll. Here again, the foremen convened would rarely be in a position to know of the possibility of such transfers; the existence of an employment department, in a position to watch such matters, saves an employee for the company, increases the efficiency of the departments affected by such transfers, and lowers the labor turnover of the plant.

In the case of promotion, as well, the bureau can make itself especially competent, through personal knowledge of the individual employee, his record on file in the department, etc., to assist the administration by furnishing information or recommendations. The incentive can be supplied the employee by keeping an application file for transfers and promotion, and this method will bring forth men of unexpected ability and ambition.

Investigation of previous employment is an important matter; this is particularly true this year, perhaps, owing to the unrest and labor disturbances which we are witnessing in this country. Our experience would seem to show that a form for this purpose which requires a check mark under certain headings such as "Excellent," "Good," "Fair," or "Unsatisfactory," as applied to an applicant's character, sobriety, ability, etc., generally gives a fairly comprehensive estimate of the applicant's standing with his former employer. With practice much can be learned from this simple form and a much larger proportion of inquiries are acknowledged than if a long questionnaire is used for this purpose. Once more, this is peculiarly a job for an employment department.

In the scientific selection of employees, only the edges of the problem have as yet been touched, but without question a great deal will be accomplished in this line in the next few years. Volumes of theory have been written, but the greatest progress on this problem will be made, I believe, by the practical work and cooperation of employment men and employment departments.

One of the greatest fields in this line is the physical examination to determine an applicant's fitness for certain tasks. A number of concerns are now sending applicants to an outside physician for employment examination, and in this way the exclusion of the victim of infectious or contaminating disease or incapacitating physical affliction is made possible. While such methods are a long step in the right direction, they are by no means complete. The applicant whom such examination finds to be physically subnormal is too frequently arbitrarily excluded from employment in the plant, while a more complete knowledge of the subject would show this applicant to be not only capable of, but desirable for certain specific tasks. Moreover, the two to five minute examinations now in vogue in a number of plants are necessarily far from comprehensive; any amount of detail which it is possible to secure is of great value. A medical staff in connection with the employment department offers the only means of properly covering the important work of physical examination of applicants for employment. The bureau analyzes the physical requirements of the various forms of work done in the plant, and with the expert advice of the doctor is enabled to place the applicant on a task for which he is physically fit. In this manner the applicant, who is otherwise desirable, is lost to the concern only when found to be unfit for any and all of the operations open to a new employee.

Of fully as great importance as the initial examination is the corrective medical work possible in such an established department. Many of the common physical ailments among active employees can be greatly benefited or even completely cured by careful "follow up" on the part of the medical staff. Probably the largest field for such corrective work lies in the examination of eyesight. In addition to preventing the employment of a color-blind applicant without glasses on work of very close application, it is possible to procure proper correction at a very reasonable cost for the needy cases. In our own plant we have done considerable along this line, having procured as many as 40 or even 50 sets of proper correction for employees in the course of one month. By contracting with reputable optical concerns excellent glasses can be furnished on prescription at a cost of from \$2 to \$4 per pair; this cost covers 12 carat frames and compound grinding of lenses when required, and is certainly an appreciated saving to the employee. By supplying proper correction we have traced directly to defective eyesight the cause of a large number of cases of headache, chronic indigestion, etc. Eye strain was found to be a great factor in cases of extreme nervousness and even fainting among our female employees.

Our doctor has found one-third of the people whom he has examined to be suffering from a more or less advanced degree of Rigg's disease. It now appears that the next probable development with us

will be a dental clinic in which the care of the teeth can be given the study and attention it deserves. Mr. Feiss, of the Clothcraft Shops, considers the dental work in his shops a very important item.

To close the subject of physical examinations, possibly a few figures from our own practical experience may be of interest. Our physician has no private practice, but is employed solely on company work conducted at the plant. During the month of March, 1916, he examined 327 applicants for employment. Of these only 11 were rejected for the following medical reasons:

- 3 for tuberculosis.
- 1 for active syphilis.
- 1 for hereditary syphilis.
- 1 for hereditary syphilis and imbecility.
- 1 for tertiary syphilis and double hernia.
- 1 for gonorrhoea.
- 1 for organic heart trouble, alcoholism, and varicocele.
- 1 for advanced pregnancy.
- 1 for refusal to undergo examination.

In connection with his work for our benefit association during the same month, the doctor also reported the following cases among our active employees:

- 3 suspicious tubercular cases.
- 3 neurasthenics.
- 4 organic heart disease.
- 2 chronic rheumatism.
- 2 cases of senility.
- 1 of Graves's disease.
- 1 active kidney disease.
- 1 case of alcoholism.
- 1 old fracture of the skull.

This, with first-aid work, accident cases, daily treatment, and dressings, which are routine matters, would seem to constitute a fair month's work. It can hardly require comment to show conclusively that an employment department in which such records are available for practical use and study is certain to offer something of value in the selection and the subsequent treatment of employees. An interesting development has recently come to our attention. We had in our employ two men whose physical examination gave evident stigmata of degeneration, and such notation was made on their record cards. They have both since fallen into the hands of the police, one for confessed arson, the other for an act of the lowest morality. We are now making a study of the correlation of such signs as the doctor finds, with the subsequent behavior of the man so recorded, and are considering the advisability of making the finding of such stigmata in examining an applicant a reason for refusal to employ.

Another field of work for which an employment department is peculiarly fitted lies in the selection of applicants who are mentally

qualified for specific tasks, which brings us to the consideration of special tests for this purpose. Tests of a psychological nature are without question in an embryo stage, nevertheless considerable progress has been made. It is not my mission this evening to go into the details of such tests; much has been written and said both pro and con on this subject, and it is improbable that these tests ever could be or should be considered final estimates of mentality or of character. We are using a series of tests at our plant and have found them to be very valuable aids to judgment in determining the ability of applicants for high-grade positions. They have been especially successful, perhaps, in the selection for clerical, sales, efficiency, and executive positions; but practice with us has shown that even the imperfect tests at our disposal to-day are extremely helpful.

I have endeavored to outline some of the most evident fields of usefulness in which an employment department should prove its value. The establishment of such a bureau is too often believed to necessitate stripping the foreman or superintendent of authority, prestige, or discipline, placing these powers in the hands of one man or his department. So drastic a course is never necessary and rarely possible; a foreman's authority need not be curtailed in the slightest degree, unless his treatment of employees can not bear the light of oversight which the existence of an employment department brings to bear upon all employment relations. His power to discharge need not in any way be affected, but the employment bureau can render his use of this power (except in extreme cases) entirely unnecessary by making possible the alternative course of transferring the man who can not make out or who does not "hitch" with the boss. Even in the selection of employees the foreman's cooperation can be obtained and his opinions recorded by a simple, practical card system.

Most large concerns employ a purchasing agent and a purchasing department, not empowered to buy entirely without restraint or supervision, but because this department becomes peculiarly adapted to secure the best article at the best price. The foreman or superintendent of such concern does not personally advertise for, investigate, purchase, or reject each piece of machinery which comes into his room or department, yet does he feel that his authority has been curtailed because the purchasing department has filled his requisition for such a machine? He has merely applied to the proper source for the best they can secure for him, and his opinions, recommendations, or criticisms (provided they are just and logical) will be given all consideration by the purchasing department.

The functions and scope of an employment department in the field of labor matters can readily be compared to those of the purchasing department in its own line, and its relations with the executives of the concern are identical. Its mission is to equip and train itself to the point where it is the logical agent for such work; to

work in hearty cooperation with other department heads, but to take from them the routine work for which they are neither fitted nor have the time. To get personally acquainted with the individual employees, their abilities and characteristics, and to gain their confidence and merit it; to study, experiment, and work on any available methods for the betterment of labor relations and conditions; to have on file all possible information of interest to the concern; to make itself indispensable and a financial benefit to the plant, through earnest, consistent work and results achieved, should be the aim of every employment bureau.

The functionalized employment department is here to stay; its numbers are increasing from day to day; new organizations of employment men are being formed, discussion and conventions are being held. This entire movement is tending toward (and is quite necessary to) a more complete understanding, a more satisfactory solution of the most important factor in the manufacturing industry of to-day.

The CHAIRMAN.—We shall now listen to an address on “Methods of reducing the labor turnover,” by Mr. H. S. Dennison, of the Dennison Manufacturing Co.

## METHODS OF REDUCING THE LABOR TURNOVER.

BY HENRY S. DENNISON, OF THE DENNISON MANUFACTURING CO.

Any development of the subject which has been assigned to me—"Methods of reducing the labor turnover"—which pretends to be at all serious, is in itself a strong argument for a strongly headed employment department. The existence of and the continued increasing success of this organization is a still stronger argument for such a department.

I do not need to argue for it, but as the subject is so deeply in my mind I am bound to spend a few moments upon it. If there should be a concern large enough to take up the time of a good man on their employment problems, which has not yet established such a department, I want to urge upon them immediate action. If a concern is not large enough to take up the whole time of a man, I want to urge that they use half a man—not the whole of a half man, but the half of a whole man, and that that half may specifically be devoted several hours a day or week to this work.

I want to urge upon you men here, you employment managers, first of all that you realize, though it may be painful, that your profession is in its infancy, and that you can not afford to feel that you know very much, and that you must afford to think deeply and to think fundamentally and constructively about the development of your own work. I want to urge upon you to assume the responsibilities which come with a growing opportunity, the end of which we can not pretend to see to-day. I want to urge upon your bosses that they act charitably, but persistently, note your shortcomings, and insist upon their correction. The speediest possible development of your jobs is to my mind of the first importance of this country.

I shall pass over very shortly the elements of overcoming an excessive labor turnover, which had to do obviously with the employment department, because the work of the employment department has been more fully described this evening than I expected.

The labor turnover itself probably needs no exposition. Mr. Alexander's pamphlet probably most of you have seen. Millions have been lost by the careless handling and treatment of employees. We fail to realize that the employee is a capital asset, simply because the treasurer does not have to write a check for a certain amount to replace that asset after it has been lost. It has been very wisely said by Mr. Cory that he would rather throw a sewing machine out of his window than one of his young ladies.

To conserve this capital asset you gentlemen have in the first place your choice of applicants. I will pass from that very shortly, because in the present stage of the game the methods of choosing are such that you can only help in that part of the job. You can not settle the question of choosing wisely, hence choose as wisely as you can. Learn and learn eternally how to do it better. Mr. Cory's great-grandchildren are going to know something about choosing employees. My own feelings are that as a help in choosing men, job specifications are of very great assistance and importance.

As a second feature I urge—and my warning may have more reason than some of the items I shall speak of—I urge the employment manager to get into the works freely and often, so that the job specifications are not before him simply in black and white, but that he should know them from personal knowledge.

For the next 50 years three-quarters of the work of the employment manager will be education, instruction, and fitting people to their job. We know that of the drop-outs a very large proportion are among those who have been employed a short time, and that is a prima facie case against the methods of shaping people to your work. Instruction must be given by a person of understanding mind, of sympathetic mind, with the power of appreciating the person he is dealing with. For many kinds of employees a school is very much to be desired, so that the hazing—conscious or unconscious—of new employees by older hands may be done away with. We too little appreciate the discouragement that goes with placing the beginner along side the highly skilled worker. After five or six weeks in a new place the sense of discouragement is always ready to bear fruit. Especially for work that requires long training, a school is an important possibility, which must not be disregarded.

I urge that the fitness of the employee be determined early and not postponed. In our older methods we have been too apt to get the employee as soon as possible on the job, forgetting all about him for five or six months and waking up suddenly to the fact that he is there and that he is unsatisfactory. Very obviously it is fairness to yourself and fairness to the employee if you are going to shift him anyway to shift him early.

Wage increases we have found are easily forgotten in the first few months, when perhaps they are more important than at any other time. Clearly the advance in skill is apt to be the most rapid after the first few weeks; and if wage increase is not going with advance in skill, you lose all the real effect of the value in the proper wage increase. The employment department must follow that up to see that it is done. Do not leave it on the shoulders of the foremen. There is too much on the shoulders of the foremen. Fasten the responsibility on the employment department.

Among the causes of industrial difficulty—I think a great deal of blame can be laid upon the foreman—the tactless foreman. I have had men say—more than a half a dozen in the ranks of labor—say quite frequently that the great difficulty lay with the foremen. One said: “We have no great trouble with the heads. Our difficulties are not with them. If we can get to them with a clear field and with nothing to interfere, we can always get satisfaction. It is the foreman who starts things going, and the men at the head have to back him up.” If that is true, it is up to the employer to try to overcome it, and as part of the job the education of the foreman for foremanship must be undertaken. The method of carrying that on can be easily begun by having meetings of foremen, by having the cases that are reported to the employment manager when they leave taken back in such a way as to educate the foreman. There must be education of foremen for foremanship. A skilled workman is not always a good foreman, although we have always selected the skilled workman for that job. He can do things so well himself that he has no patience with the shortcomings of others.

Now, the greatest and most acute difficulty in labor turnover lies in the direction of irregular employment. That is the most difficult question to face, but a question which must be faced, and must be faced seriously by employers, who must not climb behind the statement that fluctuations in industry have always been with us and always will be, and there is no way to avoid them. There is not today, but if we are going to do our share for the future we must find some way of making a beginning.

The two serious problems are seasonal and cyclical. The cyclical problem is as big as the whole of industrial civilization itself. It must, nevertheless, be faced, and its probable betterment lies in the facing of it. The fact that people are realizing that cycles recur and are trying to be wise to prepare is the beginning of overcoming this cause of unemployment. When a great majority of business men are wise enough to foresee the occurrence of a depression, say, 18 months hence, and begin to counteract it, business depressions will be less acute. The serious effects of unemployment due to depressions are not merely hunger and suffering, but also the permanent effects, the effects which at their worst make hoboese and always deteriorate a man and injure his future earning ability. So we must make every effort we are capable of to find chances and opportunities to better these conditions.

Seasonal unemployment, while perhaps not as bitter, because briefer, has ten times the chance of betterment. New means of overcoming seasonal irregularity of employment are being suggested almost daily. Methods of regularizing seasonal curves, of course, depend very much on the industry. Getting orders early is one;

making stock goods in dull season; perhaps making parts of goods where you can not make the whole article in dull seasons; taking on of complementary lines, a field which has large possibilities and very excellent results; advertising to stimulate "bread-and-butter" lines. There are many hundreds of possibilities there, if you believe they are there. If you do not believe they are there, you will never find them. Then, finally, and more directly in your own line, employees must be fitted for more than one kind of work.

But why should I talk to employment managers about the regulation of seasonal employment? After perfecting the simple things talked over this afternoon and evening, the routine and mechanical things, hiring, training, and fitting properly, you will still have your jobs and be ready to advance if there is any good red American blood in you. Then you will find that the ups and downs of the prosperity curve and the fluctuations of seasonal work most seriously interfere with the efficiency of your work as employment manager, and I am willing to predict that when you have made some progress against the evils of irregular employment you will find yourself face to face with that very real question, "Profit sharing," which so few know anything about and so many know nothing about.

I wish I might have had more excess time than I have taken on irregular employment. I can only ask you to take on faith the truth of what I have said, so that you will do a little more than your best in thinking of the possibilities in this line. This part of your work is beyond the primary grade, and it will give a foretaste of the future that will give to every one of you increased respect for the work you have undertaken.

The CHAIRMAN.—Mr. R. C. Clothier, of the Curtis Publishing Co., will address the Conference in regard to the employment department of that company.

## EMPLOYMENT DEPARTMENT OF THE CURTIS PUBLISHING CO.

R. C. CLOTHIER, MANAGER, EMPLOYMENT DEPARTMENT, CURTIS PUBLISHING CO.

We have heard several excellent talks to-night on the subject of the employment department and its functions, and much that I would like to say would be a repetition of what has already been said.

The function of the employment department not only consists of the selection and engaging of help but also covers the broad field of the development of the efficiency of personnel. Of course there are manifold ways of doing this. No two companies, I dare say, have the same machinery with which to do it. The organization of our employment department is not at all unique, yet you may be interested in hearing briefly about it.

The employment department of the Curtis Publishing Co. is divided into four subordinate divisions: First, the employment division, which engages and places the help; the instruction division; the medical division, which looks after the physical well-being of the employees; and the welfare division, whose duty it is to create the proper mental background for the workers.

It is the duty of the first of these four divisions, the employment division, to engage the help, to keep in touch with the different sources of labor supply, to analyze the human material as it is engaged, and to refer it to the executives for whom it has been employed; these department heads have the right of accepting or rejecting applicants recommended by the employment division. For instance, let us say that a requisition for help is received from the composition division, where the type is set for the Curtis publications. A certain type of man is needed for a certain position. The requisition is delivered to the manager of the employment division, who, before approaching outside sources of supply, immediately refers to the list of employees already on the pay roll, to see if there is anyone who can be promoted to that position. If there is not such a person in the company's employ, the employment manager will have recourse to the applications which have been made out by persons previously applying for work. These applications are filed by kinds of jobs and attached to each is an analysis card, which enables the employment manager visually to reconstruct the applicant.

Several desirable applicants are then sent for. The one best fitted for the work is selected and is sent to the manager of the composition division. Assuming that the applicant is accepted, he is

then sent to the medical division, where the company physician subjects him to a physical examination. The applicant is then sent back to the employment division, where he is given the "glad hand," welcomed into the organization and presented with a copy of a pamphlet explaining the workmen's compensation law and a copy of the book of rules, which contains information he should have as an employee, and which is imprinted with the applicant's name. The imprinting of the applicant's name on the book is an idea obtained from Mr. Dennison. It is felt that the applicant who receives this book with his name actually printed on it probably within a half-hour of his first interview, will take more interest in it than if it were handed to him like any other piece of circular matter.

In starting the work, the new employee is made to feel that we have a personal interest in his success and progress.

The employment division also acts as a clearing house of labor between the various departments, thus preventing the possibility of one operating department laying off help while another is engaging help of precisely the same character.

Another function of the employment division is to see that employees who are leaving our employ for any reason are personally interviewed. There is, of course, a direct channel of intelligence to be transmitted from the management down to the employee, but unfortunately there is too infrequently a channel through which suggestions and complaints may be transmitted from the employees to the management. Without this information it is impossible for the management intelligently to mold working conditions in such a way that they will make for enthusiasm and effectiveness among the employees. This information is obtained very largely through this system of farewell interviews to the employees who are leaving our employ and who, for that reason, feel free to speak their minds openly.

Instruction in our company is done departmentally. Through our instruction division, however (the second division of the employment department), we maintain voluntary classes in general cultural subjects and in courses which tend to increase the business ability of the workers. These classes, notwithstanding their voluntary nature, are very largely attended.

In addition we conduct an apprenticeship school, under the direction of our composition division, in cooperation with the Philadelphia school board. Here boys serve a five years' apprenticeship course and are turned out finished compositors.

One of the rooms of our instruction division is turned over to the Philadelphia school board for the conduct of a school for those of our boys who are less than 16, as required by the new child-labor law.

The welfare division of our employment department operates on the basis that an employee who is happy and free from anxiety and who works in a favorable physical environment can certainly do better work and more of it than the employee who is anxious and fearful and who does not work under the most agreeable physical conditions. It is impossible, of course, to go into the detail of our welfare work in the short time allotted to me. I might say, however, that it is the duty of the welfare division to go after the fundamental things first and pay attention to the less important things afterwards. In these days, when problems of personnel are recognized as being so genuine, the welfare division is an economic necessity, but to measure up to its full value to the organization it must be conducted on a strictly business basis. Every dollar put into it must be made to yield 100 cents return.

You have heard much on the subject of labor turnover. We all understand that it is the relation between the number of employees engaged and the number on the pay roll, yet it is very hard to obtain the correct comparative labor turnover figures, owing to the fact that different concerns figure turnover according to different formulas. I believe that in some way a uniform formula should be adopted, in order that our turnover figures may be interpreted with something like scientific accurateness.

The employment department is, of course, a service department, but it should work hand and glove with the operating departments, helping them in a genuinely sincere way to increase their own efficiency by increasing the efficiency of their employees. By following such a policy faithfully, the employment department must inevitably take its place in the organization as one of the productive departments.

#### DISCUSSION.

Mr. C. H. Hood, of H. P. Hood & Sons.—I really feel it a little dangerous to speak because I do not know what may come afterwards. Possibly the safest thing to do is to tell you some of the things I have made a note of which will help in the better management of our business to-morrow. The best men produce the best results, and return the best service. Select with the greatest care the best and only the best. After you have selected the best then instruct them so that they are thoroughly instructed and put upon them all the responsibility that they can carry. Responsibility develops.

Next, promote from the ranks, and in promoting, or at the time of promoting, you must again select and instruct. You must give as careful instruction now as when you began, and many times employees will help you in the selection.

The best men receive the highest pay. Ordinary men receive ordinary pay. Ordinary men make trouble at times. Better men receive better pay.

Have employees' councils. Let your employees come to the councils and let them be heard. If possible let them go to the management. Do not let a man leave without an interview with the proper party. Lastly, let me say that poor men never leave; do not let good men get away.

Mr. JAMES LOGAN, of Worcester.—It is now half past 10, and it is cruelty to keep you after this hour, but after I was seated at the table your chairman said I must talk for a few minutes.

After every great war there has been a wonderful period of industrial development. It was so following the Crimean War, following the Civil War, the Franco-German War, and it will follow the present war.

I do not think there has ever been given proper consideration to one of the real causes for the great growth of our Nation after the war. I think one of the principal things that made for the development of the Nation was the ambitions that were aroused by the war. Men went from the farms, factories, and stores, plain country boys, and came back lieutenants, captains, majors, colonels, and in some cases generals. They went from the villages and came back with a Nation view. They reached out and developed the West. Men were taught to obey first and then to command. This is going to operate in Europe to-day on a larger scale, to my mind, than the world has ever seen. The Russian peasant whose vision, had it not been for the war, would have been bounded by the horizon where the earth and sky meet, can never be compressed into the small place he would have been destined to fill.

When the war is over we are going to have a new world, and we must adjust ourselves to it. The old world is passing away in the circle of fire and blood, and it can never be the same world again. Never again will one man have the power to drench the world with the blood of the best and the bravest of men. Out of this will come a democracy of Europe. And what is democracy? It can not be defined. You can not compress democracy into a definition—that means to limit and restrict. It is a great faith, and, as the Apostle Paul described faith, it is "the substance of things hoped for, the evidence of things not seen."

That is what these people on the other side of the world are going to struggle for, and the nations are going to get out of it what President Lincoln said at Gettysburg, "a new birth of freedom." Great Britain, as a power, is going to have a new birth of freedom. The armies of the world are going to have a democracy they never had before. They have been largely officered by men from the upper

classes, but so many of these men have been killed that they have had to go to the ranks and put shoulder straps on the men in the ranks. And they can never take them off again, and the man with shoulder straps stands firmly on his feet.

To my mind, if I read correctly, there is in the army of France to-day a democracy almost unknown in the other armies, a comradeship with the rank and file that has made France a new nation that we did not believe possible. France has become a new nation because of it. She found her soul through bitter defeat at Sedan.

When the war is ended these nations are going to be poor, and very, very poor, and the impelling power of poverty makes fiber, while too much prosperity produces fat. These people are going to be trained down like race horses, and we in this country, with the prosperity we have been having, will have grown flabby and soft with the good things coming our way. We are going to need all the efficiency we can possibly get to meet the problems right in front of us. We have not begun here any too soon. It is time for us to set our house in order to meet the competition of the future.

(Meeting adjourned at 10.45 p. m.)

