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Efficiency*

By James Duncan

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The word "Efficiency" has been given a new meaning. Webster's International Dictionary in a general way defines it as "characterized by useful activity," and in mechanics as "the ratio of useful work to energy expended." The new meaning indicates that it is a synonym for sweating—not the perspiration brand, but that of getting something advantageous, as labor, from anyone by exactation, as "to sweat laborers."

Organized labor accepts and practices Webster's efficiency. We make it part of our mechanical efforts. We stamp it so indelibly in our economics that the purposes for which we organize into trade associations or unions set it forth among the objects for organizing, usually in some such language as this: "The objects of this association are to encourage a higher standard of skill, to secure adequate pay for work performed, to endeavor by legal and proper means to elevate the moral, intellectual, and social conditions of members, and to improve the trade."

To paraphrase these excellent morals into one word would spell "efficiency" in its purest, fullest, and best application. Evidently this is not what is meant or intended by the newly applied use of an otherwise very expressive word, for as the new notion is dissected, we find that it strikes at the very root of workshop ethics.

It temporarily offers blood-money, so-called, to the man being coached to exceed the task, also a bonus to the speeder or task-setter, but will result eventually in a reduction of the worker's wages. For a time the former is driven by the latter to exceed his natural ability to produce, and when all that is in him has thus been urged along, the result is pointed to as one man's output. Then a day's pay, with the employer's representative as judge of the amount, is placed upon it, and the task-setter who has gone the limit, as we say in the shop, is of no more use to the employer excepting perhaps to go through the same process with another victim. Thus we have, in a crude way, an introduc-

* Address before the Economic Club of New York, Monday, March 27, 1911.
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tion to the two different kinds of efficiency which affect the part of modern industry under discussion.

I grant you this is not what is desired by the promoters of the new cult. No man has broader or deeper human sympathies than my friend and neighbor, Mr. Brandeis. If I may borrow a phrase, "he means well," but his environments have not permitted of his mingling in the output of the boiler and locomotive shop, the coal mine, the stone yard, or among iron workers on the twenty-fifth story of a sky scraper; consequently, his highly tensioned and imaginative brain weaves out a theory so pleasing in the conception, so tickling to the fancy and so idealistic in the motive, that the mere matter of it being wholly impracticable is forgotten.*

We are told that efficiency-management selects men who will find pleasure and delight in their work. Nonsense. Men's inclinations lead them to look for employment into which they put unrestrained will-power and delight; otherwise the management referred to would never meet them.

It is said that efficiency-management guarantees a basic hourly rate and gives higher pay from time to time. Possibly it might if those theorists who are evolving this scheme were also captains of industry, and did not change their minds in the transition from mental to material things, but in practice this is certain-

*With reference to Mr. Brandeis' address printed on another page the author adds the following comment:

He gravely declares as if it were true, that we are yet laying bricks and cutting stone as was done in Pharaoh's time and after trying to read that grotesque statement into my argument, he proceeds to state that I, therefore, desire to continue old and effete methods of building construction. The only resemblance is that in Pharaoh's time bricks were laid and stones were cut but there the analogy ends. I object to having motives imputed to me which form no part of my position. Several of our large modern building firms would gather around them comparatively a few mechanics, and would build a duplicate of Cheops, the great pyramid, in much less than a presidential term. In order to help an entirely mistaken argument on his erroneous position Mr. Brandeis calls to his aid a skit from Kipling on building methods in London. If he desired to consult home talent he could with much effect, instead, quote from Montague's "New York in Motion":

* * * * * * * * * *  

Parabulating Wall Street, you cast a curious eye
Upon a rain of girders that burst from the sky,
You side step falling boulders, you duck a granite block,
You dodge a mass of iron and angle beams and rock.
And, piqued with passing interest, commingled with surprise,
You ask the next policeman what all this signifies,
"That shack," he says, "was only two dozen stories tall,
They're going to tear it down and put a building there, that's all."

* * * * * * * * * *  

Reposing in your chamber at your brand new hotel,
At dawn you're roused from slumber, you still the clanging bell;
You hasten to the wall phone and grimly ask the clerk
If this unheard-of outrage is his especial work;
Politely he informs you to don your street array,
And get outside the building as swiftly as you may.
"We're tearing down the building," he says, "but it's all right,
We'll have a larger, better one upon the spot to-night."
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ly not the result. Collective bargaining between employers and employees would accomplish more along this line in a decade than so-called efficiency-management could ever hope to accomplish, and the progress made would be by mutual and voluntary effort and, therefore, involve the highest principles of citizenship.

As an inducement, efficiency-management offers pensions to workers at the end of service. The thought is out of joint with the main question; in fact, belittles it. If efficiency so-called had played its part, as per its new definition, pensions would not be necessary, and the idea that they would be granted or available proves the inefficiency of the scheme, for if it contained the inherent qualities claimed for it, when the end of service came the workman whose labor had been so scientifically and energetically enhanced should be financially beyond the necessity of a pension. The appearance of the need of a pension, however, suggests that exploitation of the workman's chief asset might be expected rather than his exaltation.

We are not informed where the pension would come from, whether from the industry, the state, the nation, or from a fund created by those who had been speeded under the system. Moreover, it is not much of an inducement or incentive to a worker to inveigle him into a doubtful method of productivity to be worked to the utmost limit until he is unfit as a producer, and then to offer him a pension.

It is said that efficiency-management would give workmen many opportunities for promotion. To whom, and over whom? To the most capable, you say? Well, then, our trade agreement methods are ahead, as is generally true, for they provide a minimum wage rate and above this the extra skilled worker receives or should receive increased compensation, which points the way to promotion. The trade agreement also aims to put compensation for labor performed sufficiently high to place the worker, when he is no longer capable of being a wage earner, at ease, living on his savings and not dependent on a state or other pension, which, although welcome when needed, should not be considered by our boasted civilization as a necessity, and certainly would not be so considered if the worker we are discussing were given an equitable share of the market value of that which he helps to produce.

Again, efficiency-management claims it would "graduate effi-
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ciency award to every worker from apprentice to president." We can imagine speeding the apprentice, but who is to speed the president that he may qualify for the extra award?

Any method of betterment should increase men’s earning power, but seldom is the reward so generally visible as this new plan avers. Employers are human beings, no more and no less. They will not pay more in compensation to workers than they can help paying, and the scramble for jobs among the idle human beings militates against fancy or idealistic methods in industry. Both conditions combined send the wage rate down to a position where the resistive and collective force of the trade unions cries stop, and from this position they endeavor to build up in the eternal grind for betterment. And where their uplift is not visible, the wage rate is generally found to be below “a living wage.”

Efficiency, so-called, admits that collective bargaining has done much toward increasing wages, but claims that it cannot offer a final solution of the labor problem, and gives as a reason that wages cannot be increased indefinitely. Will “efficiency-management” increase wages indefinitely? Besides, there is much doubt if there ever will be final solution of the labor problem, for contentions of this year affecting our industrial affairs will find accomplishment in a few years, and so on. The desire for betterment is a quality of the healthy mind; and the eternal source from which the desire for accomplishment springs, like to the inherent effort which causes the pursuit of happiness, is as near to the idea of perpetual motion as our finite mental status can comprehend.

We are told by “efficiency-management” that approaching industrial friction will hamper development, and that neither party (employer or employee) considers the interests of the other. This is theoretical misapprehension. Does not the modern trade agreement fully represent both? What else is collective bargaining? Each method recognizes the interests of both parties. Each method consists of definite, concrete, mutual contracts in which real efficiency is paramount, and in which, through the piece-work system, where it is in use, or in the establishment of a minimum day wage with compensation graded upward according to the earning power of the workman, efficiency is rewarded on a basis of mutual understanding; instead of the workman being goaded on by a speeding or tasking boss,
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whose only ambition in the melee is to earn a percentage on his cunning in inducing the worker to overwork himself. Does our civilization require such an unnatural system? Are business methods in the workshops so lax as to need new tasking methods to require the worker to measure up to modern needs? Are the captains of industry so ignorant about economy in commerce? Are our workmen who are each producing a third more than similar workmen do in any other country where hand labor or hand and machine labor combined are features, so tardy or so trifling in their vocations? We answer emphatically in the negative.

That the cult in question is intended as a knock on trade-union efficiency, is noticeable in the efficiency-management statement that it would be better for the community at large for workmen to devote their efforts to the promotion of the speeding system and get their reward, than to trust to their unions to get and keep for them what the unions can get and keep for them. For further proof I refer to the following strong statement by Fred W. Taylor in “Shop-Management,” page 1479. “When the workmen are convinced that a system is offered which will yield them larger returns than the Union can offer they will promptly drop the Union.” This is meaningful but illogical. The workmen would still need the Union to guarantee them that the “larger returns” would be maintained. Those who doubt this know little of commercial manipulations. But my purpose just now is to prove that however plausibly presented the real purpose of these transcendentalists is to try to break up the Unions or to make their efforts nugatory.

We are informed that the piece-work system should be more in evidence. This is like unto a motorman telling an eminent surgeon how to properly remove gall stones. Practical men whose lives have been passed in a business and have abandoned the piece-work system because of its lack of real efficiency, especially in the quality of the output, need not to be lectured by a group of even well-intended theorists on the subject. The former know. The latter are not even good guessers on practical affairs.

We are told the efficiency-management “would eliminate the constant necessity for driving men.” This would be great and grand if true. But, imagine, if you can, a speeding boss who urges a man along for all there is in him, even resorting to the bribe of a bonus, having eliminated the constant necessity for
driving men. Simple in words is it not? But, oh my, what a difference there is when you come to do it. Here again Mr. Taylor (Shop-Management, page 1480) does not leave us in doubt. Listen. "No workman could long resist the help and persuasion of five foremen over him. He will either do the work he is told to or leave." I agree with the alternative, he would leave. Who could bear the "persuasion" in question and live? Besides does not the cost of "persuading" also come out of the labor value of the victim?

But why practice this new theory on commerce alone? Management seems to be doing very well. It owns speeding autos, yachts, has fine residences and many servants, more or less efficient. It goes to Europe or the mountains in summer and to Florida and California in winter. It is sufficiently effective to form trusts and monopolistic combinations, through which fewer officers are required, and those who are essential are correspondingly higher paid. Studied along the line of elimination of competition and of increased compensation, it may be said to have shown such apt absorption of scientific efficiency as to make the newest crop of efficiency-managers green with envy.

The man behind the hammer does not desire to see a method introduced to overwork him more surely than grim competition has already done. He would rather welcome a new system to guarantee more steady employment, at a less rapid gait, with the attendant surety of better health and longer life, and he who can bring this about will be hailed as no one has been hailed since the Carpenter of Nazareth incarnated the great moral, "As ye would that others should do unto you, do ye also so to them."

But what about the professions? The new cult is mostly composed of lawyers, a few editors, and an unknown quantity called "intellectuals." Why not practice "efficiency-management" among those, and if it works well, others will copy it. Why try the experiment "on the dog" all the time? Begin with lawyers, for instance. What a field there is among the legal fraternity to practice efficiency-management! To them is attributable much of "the law's delay," the continuing of suits, the number of unnecessary or unwarranted indictments, and through the practice of cunning, sometimes the miscarriage of justice. They abuse energy and otherwise useful effort through following empty and meaningless customs and in saying and writing ancient and use-
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less phrases. They waste more time and money in following antiquated methods, by which judges and lawyers more seriously interfere with the administration of justice and the attainment of equity than is evident in any other phase of business life. Let them get task masters on efficiency who will speed them along on thought and action, not forgetting the promise of a bonus. The saving to business pursuits generally would, I feel sure, soon exceed the enormous daily saving through "efficiency," on the railroads of our great country, the announcement of which quite recently took our breath, until we were assured by railroad magnates that the statement was a pipe dream.

The expounders of the new scheme inform us that "the task given to a man is based on a detailed investigation by a trained expert on the best methods of doing work, and the task setter acts as instructor." As a skilled workman I want no task nor task setter to harass me at my work. That would rob me of my individuality and self-reliance and would reduce me to an automaton.

Alongside of this doubtful theory Organized Labor places its efforts at efficiency and invites close comparison between the two systems. Industrial and economic progress depend more upon education and a clear, well-nourished brain than upon any system of speeding that could be devised, and Organized Labor is foremost in support of our public schools. We believe in school-room education as well as in workshop education. We favor industrial education, and have called for the enactment of state legislation to permit of the high school preparing men and women for industrial pursuits co-equal with the high school education guaranteed at present to those who propose to enter the professions. We also favor industrial night schools where workers can receive education that will develop their minds while their hands are being trained in the workshop. Our methods, we believe, are superior to the new scheme. They make for welfare and good citizenship.

We are opposed to the speeding system in its application to the workshop, and claim to speak with more authority on this than on changes of executive methods in the management of great enterprises. We see nothing in the speeding system but an effort to turn manual laborers into specialists, each performing a certain task month after month as a wheel in a machine performs its part, the monotony of which, especially when men are driven to
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high speed, would drive them to the verge of insanity. If any of you ever passed an hour in a sweat shop (as visitors, I mean) in the clothing business, where specialization perforce is practiced, you will have an idea of our conception of what is being preached to us in the way of efficiency-management. We are not mere machines; we are human beings and protest against being discussed and considered as co-equal with machinery. The claim that a worker who has become expert in one portion of an industry, and who has become so through great mental and physical strain, would more quickly become an expert in any other employment, is against everything experience has yet indicated. In fact, specialists are usually unfit for anything else than the work on which they become expert, and when anything happens to deprive them of employment, they invariably fall into and increase the ranks of the unemployed.

The whole scheme of efficiency-management is a beautiful theory, but is wholly impracticable. It is nerve-racking and wage-reducing, and unless something better can be brought to the relief of the already overworked wage earner in the way of real efficiency, please rather help him along in collective bargaining as practiced under trade agreements, which grades his wages upwards from an acknowledged minimum rate. It stimulates the worker to rational effort and to free will activity born of an inherent desire to do something, unhampered by a speeding boss, for the welfare of the human family, instead of being speeded for a bonus with the assurance of an early death.

Instead of demanding your pound of flesh from us, aye, even the last drop of blood in your pound of flesh, in the eternal grind for so-called efficiency, why not try another kind of speeding—seeing, for instance, that workmen are well fed, well clad, well housed. Sufficiency in these particulars would certainly induce natural and earnest efforts towards plentiful output and good quality.

This new scheme proposes to foist upon us a whirligig of motion equal to the rhythmical turn of a wheel in a machine, but in addition to increase those motions seemingly in mathematical ratio. What does all this mean? Have workmen in the past been idlers and their employers fools? Some may have been, but they are exceptions—just as we have had bum politicians, shyster lawyers, dishonest office holders, and frenzied financiers who fluttered for a time and then were forgotten—but the general
run of employers and workmen are not the fools and idlers this passive cult would have you believe.

May we not for a moment view our subject from a different angle? What say you, my theoretical friends, to putting your scheme into use where it may do real, and, let us hope, permanent good. What stable industry most needs is steady employment for workmen. To them the fear of losing their jobs is a veritable hell upon earth. If, therefore, you can speed, instruct, influence, or legislate management into efficiency in this direction, our hats will come off to you. Start, for instance, with the hard-coal regions of Pennsylvania. There thousands of workmen go deep into mother earth to clip coal from its fastenings, primarily to supply a commercial as well as a household commodity essential alike to business and to comfort, but really to increase the large incomes of haughty coal barons, who in their lurid outbursts of pathos and alleged responsibilities even claim partnership with the Deity, yet who prevent the miners from working beyond two hundred days in a year. Statistics show their working days per annum to be from 188 to 212. Now, then, if a change to about 300 working days were given them, two great blessings would be evident: their earning and producing power would be normally enhanced, and the price to the consumer of anthracite coal would be reduced. The former would be a human and the latter a business virtue, and here again is a chance to boom an experiment in efficient-management.

In the clothing trade, men, women, and children are "sweated" for months; then go idle for months every year. Why not instill your efficiency into better management in that industry? Coming back to the subject proper, we may be told we do not understand the new scheme. Our reply is that we believe we understand it thoroughly, and we also believe we know what the net result will be, but our academic and zealous friends understand neither us nor workshop tactics. They want to further exploit labor; we want to further exalt labor, and in pursuance of the latter we will in the future, as in the past, embrace every practical means to the desired end, but the notion with which we are just now confronted aims at "remaking" workmen in a new mold, trimmed, polished, with bulging muscles, swift of hand and foot, improved eyesight, shop value seventy-five per cent more, acute, docile, accepting and being governed by thought from the speeding boss, and for what? We repeat, for what?