

# Release of Industrial Leaders from Government Service for Industrial Supervision

By MARK M. JONES

WE hear that we are on the dawn of an era of super-organization of business; that industrial units will be larger; that industrially we must be more economical and more efficient if we are to compete favorably in the world's markets; and that our business viewpoint must henceforth be international rather than national in its scope.

If this be true, the American nation will need leadership of the finest kind. It will particularly require men of initiative, adaptability, resourcefulness, broad knowledge of business conditions, and highly developed capacity to use things economically and efficiently.

With such an approach it seems that in connection with demobilizing labor, the release of industrial leaders from government service for industrial supervision has four main aspects:

1. Where is the need in industry?
2. The program for release of leaders for industrial needs.
3. Will executives return to their pre-war occupations?
4. What will be the result of their government service?

## THE NEED IN INDUSTRY

A primary need will be in the many shipbuilding plants of the nation. The production problems of these enterprises are such as to tax the resources of the highest type of management, and the need for men of initiative who can strike out independently, regardless of conditions, yet play the game with others so well that the necessary teamwork and cooperation may emerge, will be great.

Leaders will certainly be required in those war industries which face the problem of developing markets in order to prevent both new and old equipment from being idle. Many of these enterprises have simply manufactured their regular product as a war essential at a higher rate of production, while others have done special work with new equipment, for which they must now find a



product that has a market in peace times. Sales organizations have been discontinued entirely in some cases, whereas in others they have worked according to a much restricted program with the idea of holding enough of an organization together to return to peace conditions. To such fields many men will return richer in experience and with a wide field of opportunity.

The so-called "less essential" industries offer a distinct problem. Many were curbed to meet war necessities in money, materials and men. They will be facing the problem of expansion to a pre-war basis. It will be necessary for them to gather together an organization in many cases, while in others the nucleus which has been held together must be expanded for increased production.

A further need for executive talent will be found in the new industries which will grow out of the inventions and the special circumstances of the war. A striking example of this will be the chemical industries which now supply home needs, yet have many problems to overcome before they are in the most favorable position for competition in the world's markets.

The return to industries of the individual whose position was not or could not be filled when he entered government service is a pressing problem. We all know of many instances where important men have not been replaced. Their work has been distributed among associates who have speeded up as a patriotic effort. Naturally their increased speed could not be maintained continuously and many leaders will therefore return to positions which have been administered in a mediocre way and in which great opportunities for concentration of initiative exist.

How urgent is the need of releasing industrial leaders from government service is shown in the case of managers, superintendents and foremen drawn from their regular occupations. Men for such positions should be high types of leaders. Their initiative and activity in many cases took them into government service without thought of their future. Such men have usually been of high types, and industry has suffered from their loss. Their return should be speeded, as upon them with their enlarged vision and richness in experiences will rest a large portion of the responsibility for guiding us safely into the future.

Certain presidents or executive heads of industries have their enterprises so well organized that their individual initiative might

be diverted to government service without embarrassing the enterprise. However, the initiative and pioneering experience of such men will be again needed and their guiding hand should be quickly applied to the new problems in their enterprise, which will be created by the dawn of peace.

It thus appears that upon the speed with which we divert the initiative of industrial leadership from war to peace activities will in a large measure depend the speed and quality of our economic readjustment.

#### A PROGRAM FOR RELEASE OF LEADERS FOR INDUSTRIAL NEEDS

The leaders in government service might be classified in three groups, as follows:

1. Commissioned officers.
2. Civilians on government work.
3. Civilians in essential industries.

Among the commissioned officers, in field as well as staff service, will be found many industrial leaders. Their release will probably be determined by military rather than industrial necessities. In many cases they will be needed to meet problems of demobilization as affecting the army, yet after the planning in connection with such problems is done, they should be released in order that the work might be carried on by others of more limited talents. The men of special prominence who have accepted commissions would undoubtedly be permitted to resign, and thus take up old activities quickly. Others of less prominence would necessarily have to be sought out and could be located through the qualification records covering commissioned personnel. Releases where permitted by military conditions and desired would undoubtedly be regulated on the basis of length of service and in recognition of excellent work.

The civilians in government service might be grouped according to those who are on full salary and those who accepted appointments on a dollar per year basis. These civilians have in some cases been loaned by the enterprise temporarily, and in other cases for the duration of the war. Others have severed connections with former employers and have entered government service as a civilian on their own volition.

So far as making available those loaned is concerned, the problem is more simple than with the commissioned officers. Some balancing of the needs of industry versus those of the government during demobilization can be arranged. In respect to those who have been in government service free of obligation to former employers, the problem will be one of redistribution in which individual initiative, the United States Employment Service and private employment exchanges handling executives will play an important part.

Placement of leaders now serving the government in civilian capacity will be more serious in those cases where a prospective opening has not been located. Civilians are scattered among a great number of departments and divisions, and are not classified in such a comprehensive manner as are those in uniform. The problem will not be so acute so far as the individuals of prominence are concerned. It will be among those whose activities have been of more limited scope that the main questions will arise. So far as leadership is concerned, however, the main problem will be in ascertaining the needs of industry and reflecting such needs to a central point in a manner which will permit of matching with the supply. It is mainly a question of how to arrange the focusing of supply and demand at the same point in order that a redistribution may be made on the most economical and efficient basis possible.

So far as the men held on government work through the operation of the selective service regulations are concerned, a less problem exists. The majority of those to be released will be found among the industries of a temporary nature for some phase of munition work. In such cases those who came from less essential industries may divert their activities into former occupations as soon as the restrictions of the Selective Service Act are removed.

In other cases where the work of the enterprise will not be materially affected, leaders who have been operating under unsatisfactory conditions because of industrial classification under selective service regulations will be free to enter new fields.

#### WILL EXECUTIVES RETURN TO PRE-WAR OCCUPATIONS?

It seems clear that more men in the class of leaders will go back to former occupations than will those from the workers. The majority will return to their pre-war occupation. Others, how-

ever, on the basis of a wider scope for activity, have learned of new fields in which they can better apply their talents. Individuals who formerly were in the class of misfits have found themselves, and will enter fields in which they may better apply their energies. Those who had only general qualifications prior to the war and have followed courses of study, accepted new responsibilities which have transformed them into specialists with a higher degree of skill. Such men will certainly do everything possible to cash in upon the enlarged usefulness thus created.

While the majority of leaders released from government service will return to pre-war occupations, not all will be released. It seems clear that for some time at least our standing army will be greater than ever in peace times and many will wish to remain in the military establishment. It seems reasonable to suppose that an opportunity will be afforded them to do so, and that a great many will accept it.

#### RESULTS OF GOVERNMENT SERVICE

Leaders returning to industry will, in the main, bring an enlarged vision and a greater appreciation of the problems of the day. Their government work has given them an international viewpoint, whereas before the war their interests were mainly national. They have had to deal with larger units than ever before in history and where they have been accustomed to thinking in tens and hundreds, a great many in order to succeed in government service have been compelled to speed up to think in thousands, millions and billions. Such enlarged capacities for administration will be a reward to be accorded an important place in the list of advantages gained from the war.

The majority will be more than compensated for their government service. Others, however, will return to peace times faded and fagged through struggles with great snarls of red tape. Many leaders have undoubtedly fussed and fumed while endeavoring to get results through "channels" and have ultimately been satisfied to slow down to the speed of their surroundings. This has been particularly true among those commissioned, and it seems reasonable to suppose that the issuance of commissions for non-combatant personnel would be very much restricted were we to enter upon another war period. Many cases have been reported where

able men have suffered diminished effectiveness as the result of the restrictions of the uniform. This of course has not been the case among those serving in civilian capacities. The issuance of commissions would probably be restricted to those serving in the field, and to a very few administrative positions of staff nature were we to mobilize again.

Among other advantages leaders will return with a broader understanding of the principles of industrial organization. They have made contacts that will cause them to better appreciate the principles underlying the control of large units and cause them to understand how to get results on a greater scale. They will also be speeded up to greater things, and will not be satisfied to settle down to the limited sphere of pre-war days. The results cannot but be helpful in advancing American industry to a more dominant position.

Probably the greatest result or the most far-reaching which will accrue from the experience of leaders in government service will be the keener appreciation of man power, and a broader understanding of the problems of human relations. How to get results from human beings has been one of the most serious questions in connection with carrying out the war program, and the majority of industrial leaders will return with a more wholesome respect for human effort, a keener desire to conserve human resources as well as a respect for the viewpoint of workers.

So far as the industrial leaders of primary importance are concerned, little need be said. Their number is small and in most cases their future is settled. With them it is mainly a problem of relinquishing their present duties, in order that they may be free for the carrying out of their plans for the future. It is among the leaders in the secondary and lower classes that the problems will arise, and so far as release is concerned, the requirements of industry will undoubtedly be subordinated to those of the military establishment. This, however, will be mainly a matter of method, and the policy adopted should move supply to demand in the most efficient manner and in the shortest possible space of time.