

ORGANIZATION AND METHODS

WORK

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for Government Executives of Viet-Nam

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- I. Introduction
- II. The Field of Organization and Methods - Types of Problems
- III. How Organization and Methods Techniques can help Government Executives Do a Better Job of Management
- IV. Organization
 - A. Principles
 - B. Symptoms of Poor Organization
 - C. Documentation of Organization
- V. Work Programming
- VI. Work Measurement
- VII. Work Simplification
- VIII. Paper-work Management
 - A. Procedures or Work Methods Instructions
 - B. Forms
 - C. Reports
 - D. Correspondence
 - E. Records
- IX. Office Layout
- X. Starting Organization and Methods Work in your Office

I am happy to have this opportunity to talk with you about organization and methods work and to tell you how many of the government and private business organizations in the United States keep a constant check on their administrative operations in order to be certain that they are efficiently conducted, and later, perhaps to learn from you what Vietnamese organizations are doing in this field.

I know that to many of you, what I say will be very familiar, but in a group as large as this and with varying amounts of experience with this subject, we must go back to fundamentals.

The Field of Organization and Methods - Types of Problems

With what problems are organization and methods analysts concerned?

Generally, they deal with:

1. Organization structure, delegations of authority, staffing patterns or tables of organization, distribution of personnel among offices, measurement of workloads and performance standards.
2. The flow of documents from one desk to another and from one office to another, reports from one office to another, the design and control of forms and systems of directives.
3. The allocation of space and the arrangement of equipment and personnel within an office, the effective use of office machinery and the conservation of materials.

Because I have only recently arrived in Viet-Nam, most of the examples or illustrations which I will use will necessarily be drawn from my experience in the United States. Actually, this will be good, for I think that it demonstrates that the problems and activities in this area of management, whether of Government or private business, whether in the United States or in Viet-Nam are very similar.

The field of organization and methods is large. The course on this subject given at the National Institute of Public Administration for instance, requires two hours a week for a year. In thinking about what part of the field to discuss in the few minutes that we have together, it seemed to me that, considering your place in the Government, we should spend our time talking, not about how to design a form, or to draw an organization chart, since you will have technicians to do these things for you, but about what these techniques are, and what they can do for you, the managers of the government's operations.

How O & M techniques can help government executives do a better job of management

Your major task as government officials is to ensure completion of the programs entrusted to you as efficiently and economically as possible. That means that for each major responsibility or program you must consider:

1. Organization - You must have the right people in the right place.
2. Methods - How, where and when is each task to be done.
3. Evaluation - Is the work being done correctly? Economically? On time?

Use of the O & M techniques which I will describe will help you assure the success of your programs, at least in terms of effective execution.

Organization Principles

I have used the term "principles of organization" in the outline of this talk because all organizations whether government or private, have found that they have many almost identical problems in organizing themselves to do the work for which they were created, and that the answers, in many cases were also identical.

In fact, however, these "principles" cannot be applied to a given organization without modification to meet a specific problem because in every case:

1. Organizations consist of groups of people all of whom do not respond identically to a given situation.
2. Every group is a living, fluid force, so that even reaction by the same group to the same situation may vary over a period of time.
3. Inevitably, compromises must be made because of unique considerations applicable solely to the situation under consideration.

It would perhaps be better, then, to regard these "principles" as questions which the organization planner must answer with regard to each specific situation. Let us consider some of these questions.

1. How many employees can a supervisor effectively coordinate and direct?
To arrive at an answer to this question we must consider:
 - a. Is the work routine and repetitious?
 - b. Are all employees doing identical work?
 - c. Is the program a continuing, stable one, or a new fluid one?
 - d. Are the employees physically close to the supervisor?
2. Is this work, or closely related work, being done elsewhere?
3. Does the supervisor who has responsibility for carrying on the work have the authority necessary to do the job?
4. Is responsibility and authority to do a specific job delegated as far down the administrative ladder as possible? Before we can delegate authority and responsibility downward, we must know:
 - a. Are there standard policy and operation practices in force so that decentralized operations will be relatively uniform?
 - b. Would it be more efficient and economical to centralize certain of these activities?
 - c. How quickly must decisions be made?
 - d. Are there capable subordinates available to assume the responsibilities?
5. Are employees made responsible, administratively, to more than one supervisor? They may, of course, receive technical or staff supervision from others.
6. Is every responsibility or function of the organization clearly and specifically assigned to an individual or subordinate unit within the organization?
7. Are the responsibilities and functions assigned to each organization unit clearly and unmistakably defined?
8. Does each employee know to whom he is responsible, and who is responsible to him?
9. Is the basis of organizational structure, e.g. geographical, product, function, etc. considered at all levels of the organization?

Symptoms of Poor Organization

I think that all of you here, merely by virtue of your experience, have developed a "feel" that tells you whether a group is well organized and operating smoothly. If you have ever taken the time to analyze this "feeling" you will find that it results from the recognition of such things as:

1. Executives are immersed in details and too busy to give their time to planning, evaluation of operational results and policy making. You can correct this situation by developing standard operating procedures and delegating authority to handle routine responsibilities. We have found, using the concept of accepting "calculated" risks, of which I will say more later, that it is better to delegate discretionary authority to subordinates and accept the risk that a few errors will be made, than to slow down operations by insisting on detailed supervisory review. Let me give you an example of this. I was called in to review the operations of a branch office of a large meatpacking concern. The branch processed several hundred thousand pounds of meat a day, and the manager had absolute authority to handle these operations - deciding how to process the meat, to whom to sell it, credits, finances, etc. as he saw fit. His sales were about \$50,000 per day. But if he wanted to buy a pencil, or a typewriter ribbon, he had to write to the main office in Chicago. This was changed, of course, because if the manager was competent enough to be trusted to handle \$50,000 worth of meat daily, certainly he could be trusted to buy administrative supplies and equipment when it was necessary. This story also illustrates another point which is applicable to other management activities as well as organization. The practice that central office approval be obtained for administrative expenditures had been started when the company was small and concentrated in the Chicago area. Under these circumstances, centralized buying of these supplies was desirable because it was more economical. But the circumstances had changed and the operating procedures had not changed to meet the new circumstances. I think that you will find it helpful to review your organization and procedures every few years, even though operations seem to be going smoothly, because changes in objectives and program occur, and organization and procedures should be changed to meet these revised programs and objectives.

2. A second symptom is that individual employees are not certain of the exact scope of their authority and responsibilities. Consequently, certain responsibilities, which appear to be borderline, are carried out by no one, or conversely, are duplicated by several organization units. You can correct this situation by issuing specific statements of authority and responsibility such as those that I will describe in a few moments.

3. Knowledge of the objectives and policies of the organization as they apply to each employee's work, is missing.

4. Employees employ little initiative in performing their duties.

While these two symptoms have employee training implications, they are organizational problems, too, in that they often stem from a lack of clearly presented statements of overall policies, and objectives, and of lack of understanding by the employee of how his work affects, or is affected by, the work of other employees. You will find that when an employee has a thorough understanding of the work of the entire organization, he can often suggest changes in his own operations that will make the work of other employees easier.

Documentation of Organization

Any plan of organization which you may develop does not actually exist until everyone involved is familiar with it. The employees working within its structure must know the jobs assigned to them and their relationship to other people within the group. Outsiders who have dealings with the organization must be familiar with its structure so that they will know who to contact on specific problems and understand the relationships which exist between members of the organization with which they are working. It is almost essential, therefore, that every plan of organization be accurately documented and that these documents be made available to all members of the organization and to those who have frequent business with the organization.

The documents should include the following:

1. A statement of functions of the organization, that is, an itemized list of the activities, clearly defined, for which each unit of organization is responsible.
2. Organization charts. There are several types of organization charts which may be used singly or together to portray the organization plan. Among the more common charts are:
 - a. Structural charts, which outline the basic anatomy of the organization and outline the basic relationships existing between units of the organization.
 - b. Functional charts, which outline the duties or responsibilities of the units of the organization.
 - c. Position charts, which show the title and rank of persons employed, or authorized to be employed within a unit.
 - d. Combination charts, that is, combination of two or more of the charts just described.

Specimens of the charts described are included in the written copy of this talk which you will receive.

Work Programming

Work programming is the preparation of a step-by-step plan for accomplishing the objectives of your organization with a maximum of speed and a minimum of cost. It means breaking down a program into its component parts, and establishing a firm schedule for completing each part. Work programming will help you more definitely know what personnel, equipment, space, etc. you will need each period for each program, and, in total, for your agency. Thus, you also obtain a firmer and more accurate basis for preparing your budget.

But to obtain the maximum usefulness from your work planning, you must also provide some means of examining the results and comparing them with the plan. Two complementary techniques are usually used for this purpose: reports, of which we shall say more in a few moments, and inspection. Inspection is the examination of conditions and performance and their comparison with the established program. By this means, supplemented by data from your periodic reports, you will be able to discover failures, or deviations from the plan while there is still time to take corrective action, or if necessary to amend the plan so that it will more closely correspond to the realities of the situation.

Work Measurement

The purpose of work measurement is to enable you and your subordinates to determine how well the work for which you are responsible is being done and to help you keep work-load and personnel in balance. If more man-power is assigned to a job than is needed, man power is being wasted. If too few persons are assigned to a job, performance suffers. By the use of work measurement techniques you will be able to:

1. Transfer personnel promptly between activities in accordance with work-load fluctuations.
2. Evaluate the effect of changes in organization, procedures, equipment, etc.
3. Substantiate requests for additional personnel or for reduction in personnel and estimate future personnel requirements.
4. Compare performance of similar activities at different offices so that you can detect those that appear to have the most or least efficient organization, procedures, equipment, etc.

Work Simplification

Work simplification is the systematic analysis of the factors that influence job performance and the design of simplified work procedures. These simplified procedures result in the elimination of wasteful applications of human effort, equipment, supplies and space.

- A. We practice work simplification when we analyze
 1. The forms, reports, and other documents used in a procedure, which we refer to as "paper work"
 2. The sequence of operations using these documents
 3. The layout of the space used for these operations
- B. In order to:
 1. Eliminate unnecessary work
 2. Simplify necessary work
 3. Provide the most economical sequence of operations
 4. Provide the most effective lay-out of space.

Paperwork Management

Paperwork is a necessary evil in all large scale operations, government or private, because it is the only practical way to inform members of the organization of new plans and procedures to collect information on which operations can be evaluated and decisions made, and to document the activities of the organization.

I do not know how many pieces of paper are handled daily by employees of your government but considering the fact that these include records of all types: directives, vouchers, reports, regulations, order, correspondence, etc. and that each of these must be created, reviewed, mailed, processed, filed one or more times, the magnitude of the volume of paper can be imagined. But by the use of organization and methods techniques, it is possible to make this paper Work for Managements, instead of remaining paperwork for management.

Procedures, or Work Methods Instructions

Each employee sees only a small part of the total job. Because all of the parts are interdependent, and must fit together perfectly, it is necessary that the ways and means of doing the job be presented by someone who sees the job as a whole. This should be done in writing.

In my experience I have found that many instructions are disregarded, or are carried out improperly because the plans or ideas are not understood. Your instructions have much better chance of being followed if they are:

1. Clear
2. Complete
3. Brief
4. Easy to read
5. Easy to remember

How do we achieve these qualities? I have tried to follow these rules, and have found that they usually help me achieve my purpose:

1. The person writing the instruction must be familiar not only with the subject-matter directly discussed, but with the implications and reasons for that matter.
2. The written instruction should tell the employees:
 - a. Who is responsible for carrying out the instruction
 - b. Why is it necessary or desirable that this be done
 - c. What, exactly, is to be done
 - d. When is it to be done
 - e. Where is it to be done
 - f. How is it to be done
3. Define every fact, concept, relationship with which any reader of the instruction is likely to be unfamiliar.
4. Describe explicitly the flow of work and the sequence of operations, i.e. make clear both the source from which each piece of paper comes, and the process or operation which follows each step described in the procedure, particularly as to the disposition of forms and other work materials.
5. Cancel, specifically, all previous instructions, requirements or methods which were previously in force in connection with the procedure.
6. Write clearly and simply. Use short, simple sentences. Place all major ideas in separate paragraphs. Use topical headings and sub-headings which stand out from the rest of the material. Use concrete illustrations or examples whenever possible.

Form Control

A form is a management device for securing uniformity and simplicity in the recording, transmitting and processing of information. Through the continuing analysis and improvement of forms and procedures relating to their use you can obtain:

1. Maximum simplification of appropriate, necessary forms.
2. Improvement of office procedures based on forms.
3. Consolidation of forms which are designed for the same or similar functional purposes.
4. Elimination of non-essential and obsolete forms.

These will lead to:

1. Simplified work procedure
2. More expeditions and uniform processing and handling of information and reduction of time required for filing.
3. Reduction in time required to process needlessly complex forms.

Reports Control

A report may be defined as information transmitted by one office to another to help the latter

1. Form policy
2. Control operations
3. Evaluate performance
4. Prepare other reports

Before they are placed in use, reports should be carefully reviewed to:

1. Eliminate all unessential duplicate and unnecessarily complex reports.
2. Insure that the contents of the reports will serve the purpose for which intended and that proper reporting intervals and realistic due dates are established.
3. Insure that instructions and forms used for a report are clear and complete.

Through such review, you will achieve

1. More efficient planning and control of operations through simplified, easily interpreted reports.
2. Savings in labor now expended in compiling, preparing, transmitting, reviewing and filing non-essential reports.

Systematic reporting procedures can and should be used to keep management up-to-date on the problems and progress of the work program of the organization and provide a basis for the evaluation and follow up of work being done.

Correspondence

If you will review your correspondence for a period of time you will probably find many letters which carry approximately the same information. For this type of letter you can prepare and use form letters and paragraphs. The use of form letters -- some of which can be mimeographed rather than individually typed, will save the time of your typists, reduce the number of carbon copies which will have to be produced, filed and stored, and the number of letters which you will have to read and sign.

I would like to add a few words about the contents of your letters. Today, I am sure that in this country as in my own, recipients judge your letters not by literary conventions nor grammatical niceties, but by how clearly and briefly it tells them what they want to know. It is not easy to write a brief letter that says exactly what you have in mind. One of our great Supreme Court Justices, Oliver Wendell Holmes, once wrote to a friend: "I am writing you a long letter because I do not have time to write a short one". I have a very good illustration of this. Recently I sent an order to a firm and requested some information about how they shipped goods. They sent me a mimeographed letter of one and a half pages

which rambled all around the point. Apparently, the person who signed the letter realized this because he added a three-line postscript which said "This is simply an invitation to open a regular account and your initial order will be shipped irrespective of any reply." How much better if they had said that in the first place!

Records Management

The term "Records Management" is now beginning to cover the creation of records, that is forms, reports and correspondence as well as the disposal of these pieces of paper. However, since we have already discussed these separately, we will talk only of records disposal.

I am sure that you are all familiar with this problem because I have visited some of your offices and have seen folders of records piled high on desks, cabinets and even on the floor. Moreover, as your agencies broaden the scope of their activities and obtain equipment which make it easy to prepare multiple copies of documents, you will find that your store of records will increase in geometric proportions.

You have possible several methods of disposing of these old records.

1. Outright destruction
2. Maintenance in their present form but stored away from the office.
3. Maintenance on microfilm
4. Transfer to an archives

Which method you use will depend upon legal requirements and your estimate of future use of the records. For instance, in some personnel folders stored in the South Viet-Nam Archives I saw approval of leave forms written in 1932. You might decide that you would normally not require this record after a period of two years, say, and destroy it at that time. On the other hand, you may have the drawings of the water and power lines in a building which you will want to keep as long as the building stands in order to be able to make repairs quickly if necessary. You might well decide to microfilm such a record.

To do any of these things you first must know what kinds of records you have, how many of each kind you now have and how fast they accumulate. Then, knowing how you use them, and therefore the probability of their future use, and of any legal restrictions on the disposal of specific records, you are in a position to determine how long you must keep each record, whether in your own file or elsewhere. You will be interested in a new concept which is attracting attention in the United States in connection with the disposal of old records - the acceptance of a calculated risk in destroying records which may be needed in the future but which probably will not be so needed. Let me give you an example. I was called into consultation by a large rubber company which had filled all of its storage room with records, and in an attempt to make more space available, was microfilming these records at a cost of about \$30,000 per year. Part of this store of old records were the cancelled checks used to pay employees' salaries. The company had 15,000 employees and paid them every week. Since the state in which the company was located has a statute of limitation of 11 years, the company was holding these pay checks for 11 years, because their lawyers had advised them that if they did not have the cancelled checks as proof of payment, an employee could claim that he had not been paid, say 10 years ago, and the company would be required to pay him again. This was true, but when we searched for the facts we found that as far

back as the oldest employee could remember there had never been a case where an employee who believed that he had not been fully paid, did not make his claim within a few days. I was therefore able to persuade management that although they were indeed liable for an 11 year period, the probability that they would ever be called upon to make a second payment was very small, and that it would be cheaper to take this risk than to continue to store these records for 11 years.

Office Lay-out

You are in the middle of a period in which a general shortage of office space and equipment is coupled with a growing demand for both of these. A study of your office lay-out relative to the operations carried on there may help you make your office more adequate for your work.

Ideally, every office should be so arranged that

1. There is a straight-line flow of work which will insure a minimum of criss-crossing of work in process.
2. Space is conserved, yet enough room is provided for each employee to operate effectively without being cramped.
3. Working conditions are such that personal efficiency is increased and office strain and fatigue are decreased.

A simple drawing can sometimes show if the lay-out of an office can be improved. On a scale drawing of the office as presently arranged draw lines showing the flow of work through the office. If considerable criss-crossing and long distance movements are shown, it is probable that the lay-out can be improved. An example of this type of chart is shown in Exhibit 4.

In allotting space among the various operating groups within your office, consider the following:

1. The work of each unit should flow continually in one direction within itself.
2. Place units that work closely with another in adjacent space.
3. Place offices that are visited by the public near the building entrance.
4. Place secret and non-public work in space away from the street.
5. Minimize the number of private offices and partitions since these not only make clerical supervision difficult, but interfere with lighting, ventilation and the flow of work.
6. Use the best lighted space for location of clerical activities or those requiring close or visual work.

Starting O & M Work in Your Office

At the beginning of this talk I said that I would talk principally about how you can use O & M techniques, rather than the techniques themselves, because these latter were principally of interest to technicians. I understand, however, that because of lack of funds, and a shortage of technicians, many of you do not have such service available to you. I want to point out that many of these things can be done by your present personnel.

For instance:

1. Technical skills are not required to insure that your written instructions answer the questions who? what? when? where? how?

2. By reading the arretes which govern your operations, you can make a list of your responsibilities. By checking this list against the responsibilities of the various bureaus, etc., you can determine if all of your responsibilities have been assigned.

3. From this list, too, you can prepare the documentation of organization referred to previously.

4. You can set achievement goals for each program. These will be roughly estimated at first, but with practice you will achieve precision.

5. You can review the reports you receive, revising them if necessary to insure that they furnish you with the information you need to measure the progress of each program.

6. You can take an inventory of your records, and determine how long you should retain each, and what the legal restrictions are upon their disposal.

7. And most important of all, you can encourage your employees to suggest to you what actions you can take to make the work of your office more efficient. The men and women who do the routine day-to-day work of your office know very well if they are preparing useless copies of documents, or filing papers that will never again be used. If you can tap this reservoir of knowledge by appropriate incentives, you can do more toward raising the efficiency of your office than in any other way.

As I said, the present supply of O & M technicians in Viet-Nam is very limited, but at the Institute of Public Administration we will be training more of them each year, so that soon this lack will be remedied.

Possibly more funds may be made available for this purpose next year. Meanwhile, if you recognize the desirability of such a program, and do what you can with the funds and personnel you have, you will have taken the all important first step. In this connection, I am fond of relating a story which may or may not be true, but which well illustrates this point. It is said that during the First World War, the Big Three (President Wilson, Prime Minister Lloyd George, Premier Clemenceau) decided that the North Sea must be mined as a defense against submarines. They called in the commander of the North Sea fleet, Admiral Sims, and told him of this decision. He protested that he did not have enough mines or mine-layers for an operation of such magnitude. "Do you have one mine-layer, and one mine?" President Wilson asked him. "Of course", replied the Admiral. "Then let's start laying the mines one at a time until the job is completed" the President told him.

Similarly with O & M work in your office . . . start doing what you can with what you have . . . you will find that each step you take will pay you dividends in efficiency and economy.

EXHIBIT 1

Structural Organization Chart

EXHIBIT 2

Functional Organization Chart

EXHIBIT 3

Position Chart

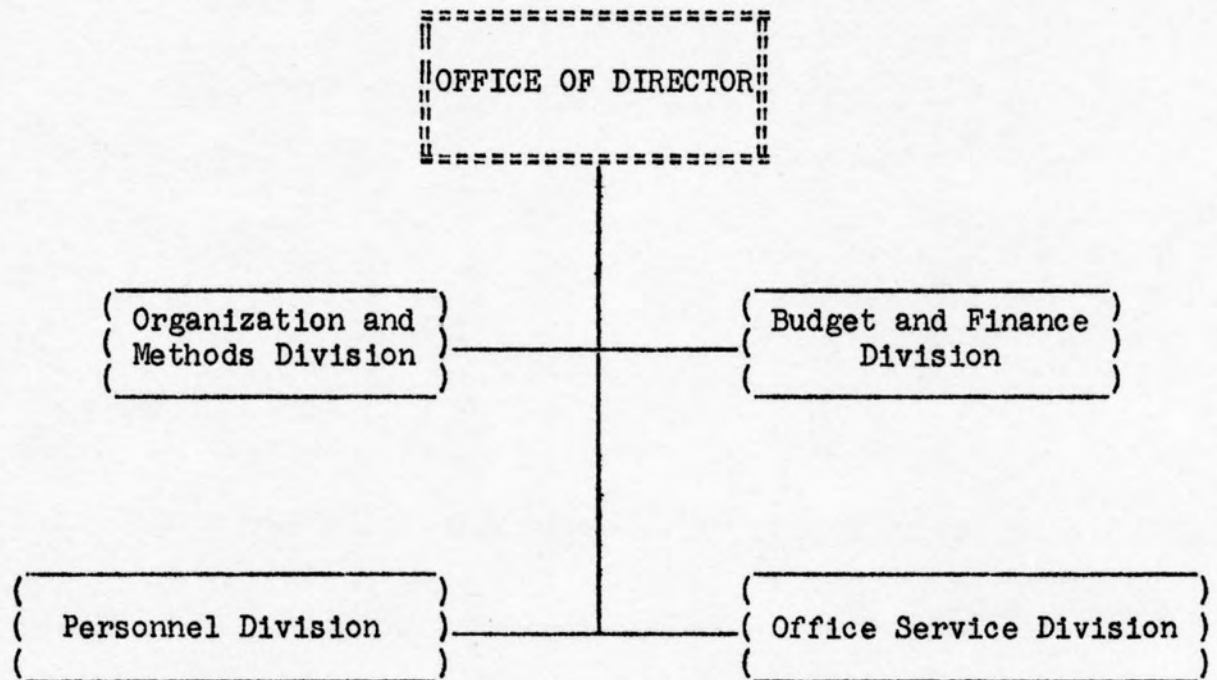
EXHIBIT 4

Office Layout

Questionnaire to be distributed in connection with lecture on O & M

June 11, 1956

1. Do you have any means presently within your organization for developing and placing into effect improvements in organization and administrative operating methods?
2. Does your agency, in general, follow the suggestions for effective organization discussed in today's lecture?
3. How do you tell employees what to do and how to do it?
4. In what operations can you introduce printed forms in lieu of letters in your department?
5. Do you make any distinction between records with respect to the length of time that you keep them in your files?
6. Do you encourage employees to make suggestions for improving the way they do their work? How many suggestions have you had in the past year? How did you reward the workers who made these suggestions?
7. Do you set target dates for specific jobs? Do you follow up to insure that the work is satisfactorily completed before that date?

STRUCTURAL ORGANIZATION CHARTBUREAU OF MANAGEMENT

FUNCTIONAL ORGANIZATION CHARTBUREAU OF MANAGEMENTOFFICE OF DIRECTOR

- Directs and coordinates the fiscal, personnel and office services functions of the Department.
- Formulates basic organization structure, operating procedures and methods and over-all management policies.
- Advises the Secretary of State on administrative matters.

Organization & Methods Division

- (-Makes organizational studies.)
- (-Conducts management inspections and recommends improvement in operational methods.)
- (-Reviews proposed forms and reports.)

Budget & Finance Division

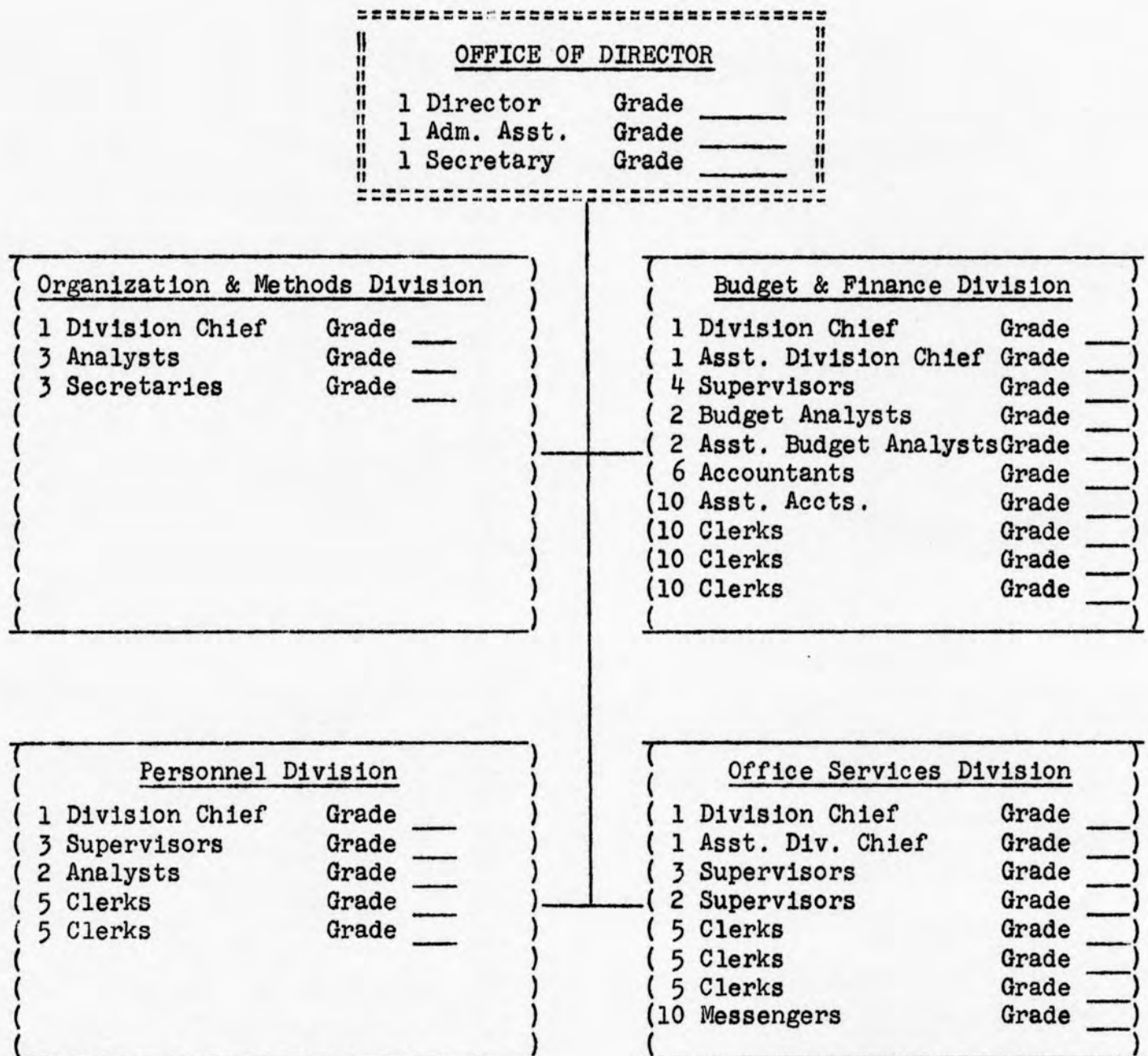
- (-Prepares all budgets)
- (-Collects, audits and compiles time, cost and work load data)
- (-Maintains detailed accounting records of the Department.)
- (-Audits all vouchers.)
- (-Prepares payrolls.)

Personnel Division

- (-Conducts recruitment, placement and promotion programs.)
- (-Maintains personnel records.)

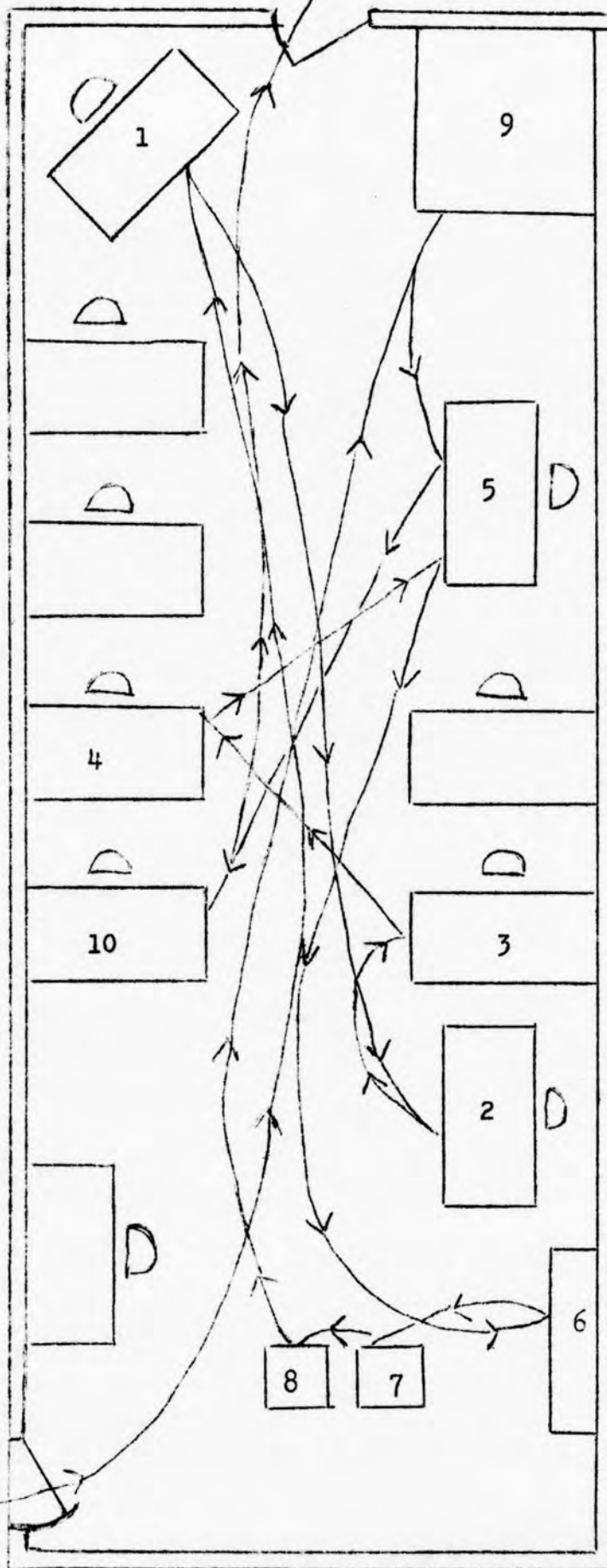
Office Services Division

- (-Prints and distributes all publications of the Department.)
- (-Receives, stores and issues supplies and equipment.)
- (-Procures and allocates office space and telephone service.)
- (-Provides mail, messenger and file service.)
- (-Operates records management program.)

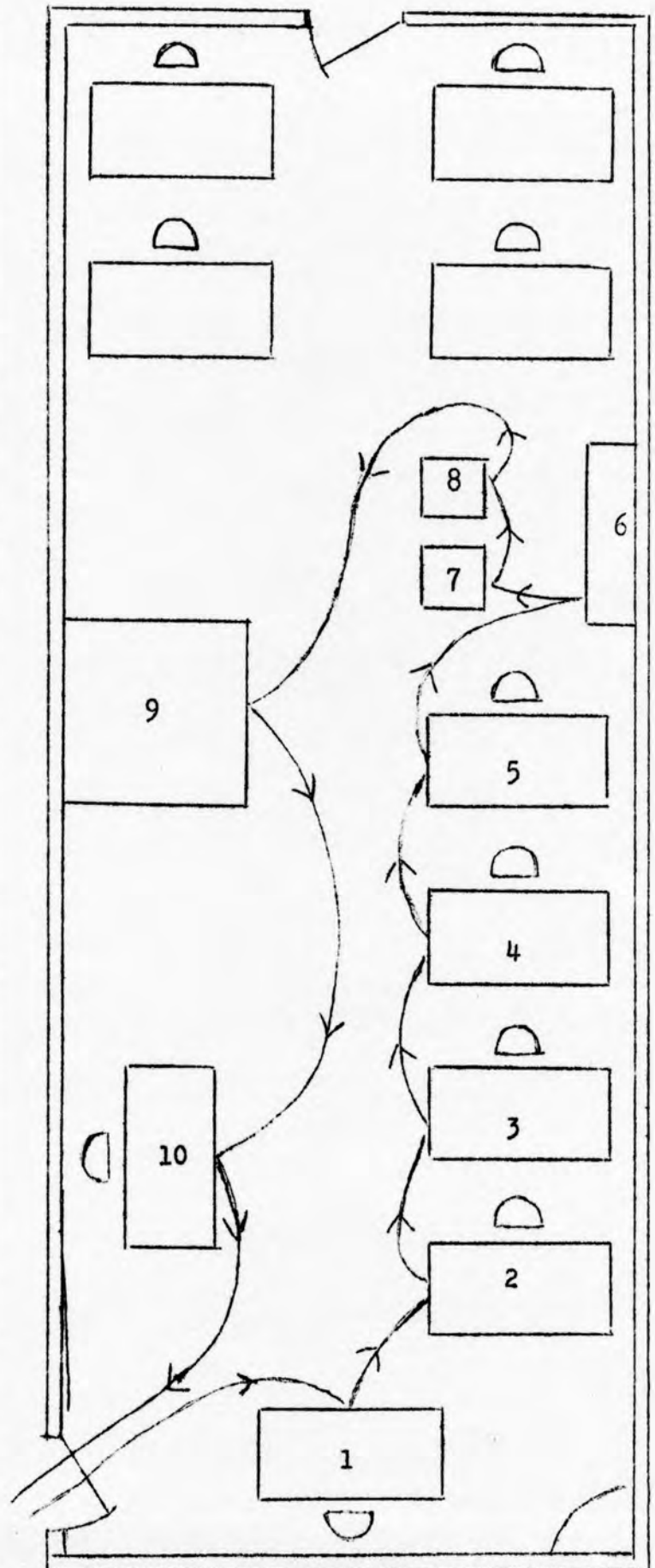
POSITION ORGANIZATION CHARTBUREAU OF MANAGEMENT

v1
 LAYOUT FLOW CHARTS
 Luoc-do ve su xep-dat do-dac cho thuan-tien

Exhibit 4
 Hình số 4



BEFORE STUDY
 Truoc khi nghien-cuu



AFTER STUDY
 Sau khi nghien-cuu