NEEDED IMPROVEMENTS IN THE OFFICE MANAGEMENT
OF THE GOODYEAR RETAIL STORES

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OF THE GOODYEAR RETAIL STORES

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# TABLE OF CONTENTS

Chapter | Title | Page  
--- | --- | ---  
I. | INTRODUCTION | 1  
| Statement of Problem |  
| Purpose of This Investigation |  
| Sources of Data |  
| Definition of Terms |  
| Organization of the Study |  
II. | THE NEED FOR SCIENTIFIC MANAGEMENT WITHIN THE GOODYEAR OFFICE | 9  
| Need for Constant Improvement and Adjustment |  
| The Basic Problem |  
| Basic Management Approaches |  
| Fundamental Objectives of Scientific Management |  
| Results of Scientific Management |  
III. | GENERAL OFFICE OPERATING PROBLEMS IN THE GOODYEAR RETAIL STORES | 21  
| Specific Duties and Responsibilities of the Office Manager |  
| Office Records and Reports |  
| Handling the Mail |  
| Work of Filing |  
| Correspondence |  
IV. | PERSONNEL RELATIONSHIPS IN THE GOODYEAR RETAIL STORES | 50  
| Basic Problems of Personnel Relations between the Store Manager and Office Manager |  
| The Office Manager as a Supervisor |  
V. | CONCLUSIONS AND RECOMMENDATIONS | 66  
| Conclusions |  
| Recommendations |  
BIBLIOGRAPHY | 71
CHAPTER I

INTRODUCTION

Statement of Problem

Many basic problems now exist in the field of office management as a result of the increasing amount of office work and the great demand for office workers. There is much to be done in the management of office work in order to raise it to the level warranted by its importance and essentiality.

Based on information supplied by Harry A. Hopf, the most common faults found in office management are as follows:

1. Inability to understand the proper relationship of the office to other parts of the enterprise.

2. Excessive amount of paper work performed, much of which is unnecessary.

3. Failure to simplify office operations.

4. Lack of balance between centralization and decentralization.

5. Unwillingness to delegate to subordinates the degree of authority requisite to perform their function properly.

6. Inability to perceive that office work cycles should complete themselves within work periods in which they have their inception.

7. Paucity of supervisors who are leaders.¹

This study is concerned with the most serious faults or weaknesses that now confront one business organization in the management of an important part of its office work. The organization is the Goodyear Tire and Rubber Company, and the phase of its office operations of special interest here is that of office work necessary in the retail stores of the company.

The retail stores within the Goodyear Tire and Rubber Company are classified according to the size of the store and the volume of sales that each store has, and classes are designated A, B, C, and D. For example, the stores that are located in large cities such as Dallas and Fort Worth, Texas, are generally classified as A stores for they will have an average sales volume of $35,000 to $45,000 per month. The A class stores also have a gas station, recapping service, and ten to twenty-five employees, of whom seven are office personnel. In general, a store that is classified as a B store will not have a station or recapping service; nevertheless, it will possess about the same number of employees and have the same sales volume as the class A store. The stores classified as C and D are located in the smaller cities, have a smaller volume of sales, and fewer employees than stores A and B. Stores classified C and D have an average monthly sales volume of $6,000 to $12,000 and three to six employees, of whom one to two are office personnel.
The office functions in the Goodyear Retail Stores cover a broad field. In general, they may be said to include the following: (1) all accounting procedures, (2) credit control, (3) filing, (4) correspondence, (5) handling the mail, (6) procurement of office supplies, and (7) use and maintenance of office machinery and equipment.

When checked against the list of common faults in office management, as suggested by Hopf, outstanding areas requiring attention in the Goodyear Retail Stores seem to be the following:

1. The need for more careful planning of office work, as indicated especially by excessive paperwork often performed, and by frequent inability to meet the deadlines for work of various types.

2. The need for more efficiency in operating procedures such as (1) handling the office records and reports, (2) handling the mail, (3) filing, and (4) correspondence.

3. Improvement of personnel administration and of relationships between the store manager and the office manager.

The type of improvement last mentioned probably represents the area of greatest need for improvement in the organization and management of the Goodyear Retail Stores. Poor personnel relationships between the store manager and the office managers have arisen as a result of several conditions. First, and perhaps of greatest importance, is the
frequent inability of store managers to understand the proper relationship of the office to other parts of the store. Because of this, in many stores they have been unwilling to accept recommendations for improvement, to furnish funds for equipment, to support programs and policies designed to provide more and better service, and in various other ways to lend their support, guidance, and sympathy to the office and its staff.

In the second place, the store managers have been unwilling to delegate to the office managers the degree of authority requisite to perform their functions properly. Also, the store managers have not thought it worthwhile to assign proper rank and place in the structure to the office manager and the organization unit over which he presides.

Third, it can be said that the existence of the two reasons described has seriously affected the opportunities of many Goodyear stores to retain an efficient office force with high morale among the office staff. A clear statement of the functions, duties, and responsibilities of office management and the development of a suitable and efficient organization unit for their conduct and control will be a progressive step. This will provide the means of rendering effectively to all the phases of business activity the myriad of highly specialized and daily-used office services required, which in turn will free for tasks of greater importance those who now consume their own time in providing these services for themselves.
Purpose of This Investigation

It is the purpose of this study to analyze certain basic problems of office operations and personnel administration in the Goodyear Retail Stores, and to make recommendations as to improvements most needed. Specifically, this study is undertaken with the intention of determining to what extent proper planning, more efficient operating procedures, and improved personnel relationships can aid in the success of office management in the Goodyear stores.

The study is undertaken with the hope of acquainting office personnel and top management within the Goodyear Tire and Rubber Company with problems as they exist in the offices of the retail stores, and to recommend certain basic techniques, the mastery of which should lead to more efficient operation of the offices.

Sources of Data

The data in this study were secured from both primary and secondary sources. The general field of office management and control was studied in literature of the field of business administration. Specific problems in the Goodyear Service Stores were then studied by utilizing pamphlets, newspapers, manuals, bulletins, and other material from the Goodyear Tire and Rubber Company. In order to obtain more specific information, the investigator made personal interviews
with office and store managers as a follow-up on the material obtained from other sources.

The problems to be discussed in this thesis were determined by interviews with the office managers of four specific stores selected for detailed study, and from observation and work experience as an office manager by the investigator in retail stores of the company. Recommendations as to specific improvements are based largely on generally accepted principles and techniques as described by authorities in the field of office management.

Definition of Terms

Most of the terms used in this investigation need no definition to be comprehensible by the reader; however, it seems well that one or two terms be defined as they are related to this particular study.

"Office management" is that branch of the art and science of management which is concerned with the efficient performance of office work, whenever and wherever that work is to be done. "Office work" as studied here is concerned primarily with the records of the Goodyear Tire and Rubber Company. These records are the history of transactions of the enterprise, represented by the accounts, by correspondence, by contracts, by orders, by inventories, by plans and schedules, by reports, and by written memoranda of all kinds.
Within the field of office management of the Goodyear stores, the function of the office manager is to operate the office with optimum efficiency. In carrying out this function he is directly responsible for the coordination and efficient functioning of the service groups which usually include the following units: office accounting, budget and credit control, mailing, filing, office methods, internal and external communications, ordering and receiving merchandise, inventory control, and general service.

Organization of the Study

Since time would not permit, this study will not be an exhaustive treatment of all the problems which exist within the Goodyear offices. Instead it will be a selective treatment of the office problems which seem to be in most urgent need of improvement in the Goodyear stores.

The first chapter of this study has been devoted to the introduction. Chapter II is devoted to consideration of the need for more scientific management of office work in Goodyear Retail Stores, with special emphasis on the need for improved planning. General office operating problems in the Goodyear Retail Stores are analyzed in Chapter III, followed by recommendations of various authors and of the writer for their improvement. Chapter IV deals with the personnel relationships between the store manager and the office manager, and with problems of the office manager as a supervisor. It
includes recommendations as to steps that should be taken to create better personnel relationships. The summary, conclusions, and recommendations are presented in Chapter V.
CHAPTER II

THE NEED FOR SCIENTIFIC MANAGEMENT

WITHIN THE GOODYEAR OFFICE

Need for Constant Improvement and Adjustment

One of the most important and the most difficult tasks faced by the office managers in the Goodyear Retail Stores is the establishing of proper planning mechanism. Specifically, there is a great need in the Goodyear offices for office methods work which may be defined as the practical approach for seeking, finding, and applying the one best way to solve all types of office problems.

It is apparent that in all office work some mental process resembling planning always takes place, for it is impossible to do work without some sort of decision as to how to do it; this may be called planning. But the essence of planning, as a principle in the science of management, is that the work be done thoroughly and accurately, which means more than a loose and hasty decision regarding it.

The duties of the Goodyear office managers are so numerous and diversified that at first thought it would seem utterly impossible to get things done without some system of scientific planning. It is reasonable to assume that no
single individual could ever keep in mind the number of
different tasks to be performed unless there were a planning
mechanism to assist him.

The Basic Problem

A great handicap to the Goodyear retail offices is
management's lack of interest in formulating good planning
policies. Many of the office managers employed in the Good-
year offices are unaware of the full value and the poten-
tialities of office methods work. Office methods work,
properly applied, will help to carry out the office work in
a more simple and orderly manner. The office managers must
realize that innumerable worthwhile economies can be brought
about through proper planning.

If office methods are never analyzed critically, they
may never be improved. Too many routines in the Goodyear
stores are continued year after year for the simple reason
that they are considered adequate. But business growth (in
necessitating more record information), changing conditions
(changes in personnel, policies, laws, and the general
economic situation), and progress in facilities and methods
are bound to make methods obsolete in a short period of time.
"A method is obsolete when a more practical means has been
found."

\footnote{George R. Terry, \textit{Office Management and Control}, p. 34.}
In the Goodyear stores, for example, there is no scheduled date for monthly inventory, no formulated system in the record-keeping department, and no time and motion study as to which routine is most expedient.

The absence of careful planning produces such results as the following: (1) dependence upon informal organization—thus creating confusion, delay, and lack of uniformity; (2) some work being unnecessarily repeated, with resulting waste of time, money, and material; (3) less capable employees may have attempted work requiring greater competence, with delays or ineffectiveness; (4) simple work may have been done by employees capable of handling more difficult tasks, resulting in the waste of ability; (5) work which should have been completed by a certain time may not have been started early enough to be completed at the desired time; and (6) operations which could have been performed concurrently were handled consecutively, resulting in delays or in failure to meet other parts of work when expected.

Basic Management Approaches

In carrying out the work of office management and control within the Goodyear stores, several basic approaches seem to be followed by office managers. These approaches fit into the general pattern suggested by Terry, including (1) the conventional approach, (2) the observational approach, (3) the
systematic approach, and (4) the scientific approach. The type of approach characterizes the type of management. For example, when the conventional approach is used, the management is referred to as "conventional management"; and when the observational approach is used, the management is referred to as "observational management." Likewise, when the scientific approach is used, the management is referred to as "scientific management."

The most fruitful of these four types of management is scientific, which has done more to advance the status which management holds today than has any other factor. Scientific methodology is the backbone of modern, efficient office management. However, before discussing the need for scientific management within the Goodyear Company in the detail which its importance fully warrants, a brief discussion of each of the other types will be given so that it will be possible to appraise the approaches actually followed in the management of office work within the Goodyear offices.

Conventional management.--Conventional management is characterized by its dependence on and its adherence to custom. It follows the manner and method which have been handed down from the past in that emphasis is placed on doing a managerial task in a manner similar to that which one's predecessor used. In other words, the fundamental philosophy

\[^2\text{Ibid.}\] \[^3\text{Ibid.}\]
is expressed by the statement, "What was good enough for my father is good enough for me," and the follower of conventional management is content to follow the traditional way having little concern with efforts to discover new managerial techniques.

It was found in the stores observed by the investigator that conventional management was used extensively. This must be attributed mainly to poor training on the part of office managers and to lack of ability to do effective and successful research. Therefore, the office managers were satisfied to follow in the footsteps of their predecessors.

Observational management.---This type of management is characterized by the use of observations as the basic media for guiding and controlling the management operation. The observational manager observes how other managers achieve their goals and uses this information in determining his own course of action. He copies and attempts to select what he believes to be the best of his fellow managers' techniques and then applies them to his own particular problems. The observational manager's attitude is, "Find out how the other fellow performs a managerial task similar to the one which you have---then solve your managerial problem by using the same approach and method." Observational management is

4Ibid. 5Ibid.
practiced by a considerable number of office managers in the Goodyear organization today for little effort is required.

**Systematic management.**—The basic philosophy of systematic management is to manage by means of planned methods; that is, the systematic manager strives to achieve the desired coordination within the office by means of systems which automatically encompass the policies and procedures of the company and which provide the required written records.

Systematic management differs from both conventional management and observational management more in degree than in kind, for there is usually some system in every type of management. Whenever the manager tends toward systematizing certain operations, an element of systematic management is present.  

For the most part, systematic management is static because it tends to fix or to stabilize a given procedure and attitude. It tends to keep things as they are and to develop definite and rigid habits for handling the work. In short, systematic management strives to maintain the status quo.

In observing and investigating the Goodyear store offices the investigator found that conventional and observational management had been, in some instances, combined into a system within itself. By this is meant that the office manager had

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used the system that had been in existence prior to his employment with some modifications from observance of other office managers—thus creating his own system. However, it should not be inferred that systematic management has little value and should be eliminated wherever possible, for every office must have some kind of system. As a matter of fact, systematic management has proved of great value in many of the Goodyear stores in helping the office managers to accomplish important objectives.

Scientific management.—Science is a systematic body of knowledge which has been accumulated and accepted in reference to the discovery or understanding of truth. Science is objective, and there is no place in it for personal influences, likes, and dislikes. Therefore, the means through which this knowledge is discovered is called the "scientific approach." Hence, scientific management is the type of management characterized by the scientific approach.

Within the Goodyear retail offices it was found there had been little, if any, scientific management. This situation is probably due to the lack of knowledge of such management on the part of the office managers.

Scientific management is very important, and the remainder of this chapter will be devoted to a discussion of

\[8\text{Ibid.}\]
its need within the Goodyear Tire and Rubber Company in the
development of a modern and efficient office.

 Fundamental Objectives of Scientific Management

Within the Goodyear Tire and Rubber Company there is an
urgent need for determining fundamental objectives in regard
to procedures, forms, and other factors. The establishment
of objectives should be the first consideration in any analy-
tical work. This can be achieved through scientific methods
planning.

In scientific methods planning the four fundamental
objectives, according to Hermann, are to eliminate, combine,
simplify, and improve.9

The first and most important objective is to eliminate
everything that is not absolutely necessary in the office
operations. If the entire project cannot be eliminated,
then any portion or any details that are required should be
eliminated.

It is the opinion of the investigator that much of the
paper work in the Goodyear Retail Store offices can be
eliminated. For example, the filing of all incoming mail
and advertisements can be partially eliminated. Thus, valu-
able space would be saved and time requirements reduced.
This will be discussed more in detail in Chapter III.

9Irwin A. Hermann, Office Methods, Systems, and Pro-
cedures, p. 7.
If the office manager cannot eliminate, then his next objective is to combine. When management combines, some details will usually be eliminated and the method will usually be simplified and improved at the same time.

The simplest way of doing work is normally the easiest and most practical way. Elementary ways of doing a job should receive serious consideration. Methods can be simplified by changing sequence of operation, rearranging the work place, and applying mechanization or other modern means for accomplishing results.

There are times when it may be impossible to eliminate, combine, or simplify; under such circumstances, the most practical result is achieved by improving. A more thorough or modern method may be the one best way. In the Goodyear offices, for example, a system may be improved so that its direct result is to increase sales, increase stock turnover, reduce inventory investment, or increase office productivity.

The application of scientific methods to office management in the Goodyear Retail Stores may be perturbing in that it implies a constant seeking to improve management. The so-called "best" management is always being sought but never permanently attained; however, this should cause no alarm, for reasons well expressed in the following statement by the American Management Association:

A constant ferment is characteristic of the science of management, and our particular American type of
management, with its fluidity, flexibility, and democracy, will always have something wrong with it. Our job is to find orderly methods for discovery and correcting mistakes. That is management.10

The Goodyear office manager who wishes to gain the benefits of scientific management for the company should strive to develop the scientific viewpoint toward his work, and to do this, he should cultivate certain attitudes and points of view which characterize the scientific-minded person.

Without reference to their relative importance, the most important attitudes have been stated effectively as follows:

1. Curiosity.--The scientific person asks questions such as: "Why is this done?" "What are the reasons for this operation?" "What is the purpose of this copy of the order?" The scientific worker is alert and observant.

2. Seeker of Truth.--Hearsay information is not accepted. Only facts on the actual behavior of the phenomena are used.

3. Objectiveness.--Intelligence and reason are placed above desire. Every effort is made to eliminate personal interest from the task at hand.

4. Imagination.--A creative and constructive ability is used to think beyond what is immediately at hand; it is an eye for a constructive future.

5. Patience.--There must be a willingness to take the time and trouble to discover the facts. The scientific worker abstains from jumping to conclusions.

6. Criticalness.--Careful judgment is levied on all procedures, policies, and explanations of managerial techniques.

7. Faith.--A belief in principles and laws and in the orderly processes and relationships of various phenomena is necessary.11


11Terry, op. cit., p. 45.
It is important that office managers and trainees have a very clear concept of the successive steps taken in analyzing the scientific method to any specific problem. The ten basic steps have been stated as follows:

1. Recognize the problem.
2. Make preliminary observations and analysis.
3. Draw up an hypothesis or tentative solution to the problem.
4. Make a thorough and detailed analysis.
5. Collect adequate data.
6. Classify the data collected.
7. Make a tentative answer to the problem.
8. Test this solution or answer.
10. State the answer to the problem.  

Results of Scientific Management

Results that may be expected if scientific management is conscientiously attempted in the offices of Goodyear Retail stores are the same that may be expected when the approach is applied in any other office situation. Leffingwell has stated these results as follows:

1. A better handling of the general work of the office, improved coordination of all the functions of the business, and, in consequence, the production of a better and more profitable organization.
2. A much more economical handling of the work, through the better training of clerks, and the elimination of superfluous effort.
3. The creation of a superior morale, since well-trained clerks, working in a well-organized office, have a concentrated environment for their activities and consequently develop interest, ambition, and pride in their own work and that of the organization as a whole.

12Ibid.
4. The development of the scientific control of the office activities in every department.\textsuperscript{13}

These results may be confidently expected from scientific management, carefully planned and organized, and thoroughly carried out in actual practice.

CHAPTER III

GENERAL OFFICE OPERATING PROBLEMS IN

THE GOODYEAR RETAIL STORES

Specific Duties and Responsibilities
of the Office Manager

The duties and responsibilities of the office manager in the Goodyear Retail Stores cover a broad field for the office manager has charge of some of the personnel administration and planning functions of the store, as well as the responsibility for actual clerical duties. In general, however, his duties might be said to include supervision of the following problems:

1. All accounting procedures including
   a. Inventory control
   b. Profit and loss analysis
2. Credit controls
3. Filing
4. Correspondence
5. Handling the mail
6. Use and maintenance of office machinery and equipment
7. Procurement and control of office supplies
8. Checking all incoming merchandise as a follow-up to purchase orders¹

The responsibilities of the Goodyear Retail Store office manager may be summed up in the statement that he is to operate the office with optimum efficiency and to be directly

¹The Goodyear Tire and Rubber Company, Retail Field Operating Manual, p. 18.
responsible for the coordinating and the efficient functioning of the service groups which carry out the above-listed activities.

Since time would not permit, this chapter will not be an exhaustive treatment of all the activities that had been listed. Instead it will include a selective treatment of the office problems which seem to be in most urgent need of improvement in the Goodyear Retail Stores at the present time.

In order to be able to clarify and analyze the problems thoroughly, a specific description of the organization and the operating conditions existing in each of the four classes of Goodyear stores will now be given.

Within the Goodyear Tire and Rubber Company, stores are classified by size of store and size of city in which they are located; namely, A, B, C, and D. For example, the store located in Fort Worth, Texas, is classified as an A store for it has an average sales volume of $35,000 to $45,000 per month, more than ten employees, a station, and recapping service. In general, a store that is classified as a B store will not have a station or recapping service; however, it may possess the same number of employees and have about the same sales volume. Stores classified as C and D are located in the smaller cities such as Denton, Texas. Also, these stores have smaller sales volume—thus having fewer employees than
stores A and B. Class C has an average monthly sales volume of about $12,000 with five employees, and class D an average volume of sales of $6,000 per month with only three employees.

In this investigation a specific store in each of the A, B, C, and D categories has been selected for detailed case study. These four stores are merely to be considered as typical ones—they cannot reflect all types of problems and needed improvement in stores in the Goodyear system.

To avoid personal embarrassment to particular store managers and office managers, the names and locations of the four stores studied will not be divulged.

In determining office operating problems of greatest current significance, the office managers of the four stores selected for detailed study were interviewed. In the interviews, the office managers were asked to consider each of their major responsibilities, as outlined on page 21, and to state which problems seem to be most pressing regarding each. From an analysis of their responses, and from the experience of the investigator in visiting and observing office operations in many other Goodyear stores, the problems in the following list seem to be in greatest need of attention at present: (1) office records and reports, (2) handling the mail, (3) filing, and (4) correspondence.
Office Records and Reports

To achieve orderly operations within the Goodyear Tire and Rubber Company requires an extensive system of record and report handling. Management must have written information upon which to evaluate and plan its work. To manage efficiently, written accounts of facts and events must be obtained, distributed, and retained; and when these records and reports are not available or are poorly organized, confusion and tumult characterize management's activities.

Office records.—"A record is any written account of facts or events for the purpose of retention."2 Records are data.

Careful study of the office records provided in each of the four stores analyzed suggests that the most pressing problems of this type now facing the stores are the following:

1. Inadequate protection of records
2. Delays in posting and proving ledgers
3. Inadequate record systems

Conditions found in the four stores with regard to each of these problems will now be described and possible improvements considered.

Inadequate protection of records.—A basic problem in regard to records is the lack of proper maintenance.

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"Records such as the accounts receivable ledgers are among the most valuable records kept in the store, not only for the monetary value which they represent, but also because of their importance in the store's relationship with its customers."

Because of the substantial value which these records represent, the ledgers should be carefully protected at all times. But in observations made by the investigator in the class B, C, and D stores studied, it was found that the records were left lying open on the counters. A customer's credit information was exposed to other customers and to unauthorized service personnel. The office managers of these particular stores should realize that this information is confidential and should be kept in that order. The office managers in each of these stores should watch this closely and take the necessary steps to prevent these records from falling into the hands of unauthorized persons. However, it was found in the class A store studied that the protection of these records was properly maintained.

For similar reasons and also to reduce the possibility of loss by fire, ledgers should be locked in a safe when the office closes unless doing so will interfere with the granting of credit.\(^3\)

\(^3\) The Goodyear Tire and Rubber Company, *op. cit.*, p. 27.

\(^4\) Ibid.
In the class B and D stores that were observed in this investigation it was found that because of carelessness the records may or may not be properly placed in the safe at closing time. However, it was found in the class A and C stores that the records were properly placed in the safe when the petty cash was put up at closing time. The office managers in stores B and D can prevent this improper action by (1) putting the records away themselves, or (2) assigning the responsibility to one specific person.

*Delays in posting and proving ledgers.*—A second disciplinary problem is keeping the accounts receivable ledgers posted up to date and accurate in every respect so that the ledgers at all times reflect the correct current balance so essential to intelligent credit approval. Moreover, "delays in posting or errors which result in out-of-balance conditions, invariably result in someone spending much more time on this operation than is necessary."  

In all stores surveyed in this study the office managers have become negligent in posting and proving their ledgers daily. Invoices and cash receipts are placed in their ledgers and remain there for an indefinite period of time. This procedure not only results in keeping the ledgers and accounts receivable control out of balance, but it also creates an unfavorable customer reaction when he wishes to know his

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5Ibid.
current balance. Also, negligence in posting incoming billing to inventory creates delays and prevents up-to-date balance of inventory.

In the class B store it was found that the ledgers were not only out of balance but were behind thirteen days in posting. Company policy specifies that on the twenty-fifth of each month all ledgers are to be posted and proved up to date and all statements mailed. It was not until February 8 that this was done when it should have been completed by January 25. In this case, the store manager should take drastic steps to see that the company's policies are carried out. In such cases, this not only is a bad reflection on the store personnel, but it jeopardizes the credit service rendered by the company.

In stores A, C, and D, it was found that the office managers proved their ledgers only on the twenty-fifth of each month. In general, there were always some posting errors. These errors created delays and it took from one to two hours to find the mistake. As it is the office manager's responsibility to see that the books are kept in balance at all times, he should make it his duty to check the books periodically to see that they are kept in balance. However, it was found in these particular stores the ledgers were posted daily—thus keeping all invoices and cash receipts posted up to date even though proved only once a month.
It is also a duty of each store manager to check the records at specified times to see that the office manager is carrying out the policies as set forth by the Goodyear Tire and Rubber Company.

To reiterate, delays in posting not only create errors which result in out-of-balance conditions, but invariably result in someone spending much more time on this operation trying to find the errors which, if made on daily posting, could have been easily corrected.

**Inadequate record systems.**—Another problem confronting the Goodyear retail offices is that of inadequate system in keeping accurate records with a minimum loss of time. In the class B store, for example, the following system was found to be in operation. When the office manager was making out the daily profit and loss report, he posted his ledger to prove controls before completing the report. This procedure is improper inasmuch as the report should be completed as soon as possible and mailed. In proving the controls, the office manager should complete his daily report first. Following this, he should total all invoices, which are to be charged to the accounts receivable, and debit their total amount to the balance sheet of the ledger. After this, he should total all cash receipts and credit them on the balance sheet of the accounts receivable ledger. The results obtained
should balance with the accounts receivable control of the daily report. This will eliminate doing one thing before the other is completed.

In the other three stores selected in this study, the office managers followed this procedure. However, as has been previously mentioned, the office managers of these particular stores did not prove their ledgers until the twenty-fifth of each month.

Scientific planning and methods work as implied in the preceding chapter can make records a living tool of management by simplifying their preparation and improving the accuracy of their contents. Proper planning will help to attain orderly and efficient execution of the work involved in keeping accurate records. Lack of planning usually brings about opposite results.

Since a large part of all the office work has to do with accounting records of the store, any step the office manager may take to reduce the time required to handle those records will facilitate the work of the store managers who base their plans upon the information which the records reveal. The office manager should realize that the sooner the desired information is available, the more quickly it can be put to use. Speed and accuracy are of the essence for obtaining records for control. This does not mean that all records have the same urgency value. Like all other office
work, the value of any particular record is purely relative; some records are more urgent than others. The fundamental principles that should govern record keeping in the Goodyear establishments are as follows:

1. A record must be capable of verification. Unless this is possible, the record falls into the category of "hearsay evidence" in the courts, of little real value in making a wise decision.
2. The information desired must be available when needed, since the purpose for which records are kept is to furnish a specific type of information. These records should be kept in such shape that the information is always ready at hand and can be had in the shortest possible period of time. However, the purpose of the record should govern the character and degree of its availability.

Reports. --"A report is a written statement based on a collection of records and usually expresses a summarized and interpretative value of the records." In short, a report is a formalized statement based on the records.

To be of maximum value, records generally must be interpreted in summary statements. The central purpose of reports within the Goodyear Tire and Rubber Company is "that they serve to bring out the salient facts from the mass of information derived from the records."

From a careful investigation of the office reports in the four stores studied, it was found that the most urgent

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7 Terry, op. cit., p. 233.
8 The Goodyear Tire and Rubber Company, op. cit., p. 35.
problemas of this type are the following: (1) delays in getting reports to the proper places, and (2) poor and inadequate reports.

*Delays in getting reports to the proper places.*—Within the store offices the problem of issuing reports on time either to the store manager or to the district office is obligatory. Such a duty calls for expediency and accuracy on the part of the office manager. There is a tendency for the office managers to be late with reports either through negligence of a follow-up system or poor working knowledge of operating instructions.

In the case of the class B store, which has been previously analyzed, the office manager was thirteen days behind on his record posting—thus, he was eleven days behind on his reports. For example, all credit and collection reports should be mailed not later than the twenty-seventh of each month. The original copy to the General Credit Manager is mailed to Akron, the second copy to the District Credit Manager, the third copy to Division Accounting, and the final copy is sent to the store manager and is later filed. Such delays create bottlenecks in the specified departments within the Goodyear Tire and Rubber Company. In such cases, it is the responsibility of the store manager to see that the office personnel execute the policies as implied by the Goodyear Company. The store manager can do this most
effectively by requesting that the final copy of this report be placed on his desk not later than the twenty-seventh of each month.

Also, a good working knowledge of report instructions and of where to find them in the Field Operating Manual is an important and fundamental requirement for the success of any store office manager. In addition, the office manager will find that a very helpful adjunct to such knowledge is a follow-up system which will remind him what is to be done and when.\footnote{The Goodyear Tire and Rubber Company, \textit{op. cit.}, p. 145.}

By the use of such a system, operating and other work can be planned and organized so that it can be done at the most opportune time. Therefore, the efforts of operating employees can be utilized more efficiently.

Any report that is forgotten or otherwise left to the "last minute" and then rushed is bound to result in disrupting the work of various parts of the organization. Errors occur and other duties are, therefore, neglected. By using a follow-up system the office manager can plan ahead all of his reports and, therefore, can have them completed according to schedule.

\textbf{Poor and Inadequate reports.---}A second problem to be solved by the Goodyear Tire and Rubber Company as a whole is
that of improved report writing. Such a duty clearly calls for the most careful accuracy and concise construction on the part of the office manager. The office manager must realize that errors in figures and computations, and unnecessary information are a waste of time, money, and energy. It is the duty and responsibility of every office manager to see that all reports are accurate, necessary, and sent in on time.

It was found in the class D store observed in this investigation that unnecessary reports were being sent into the district office. To illustrate, in sending the weekly profit and loss analysis to the district office, the office manager was sending in a complete breakdown of all tire, car, and home merchandise, and major appliance sales separate from the regular profit and loss statement. This is unnecessary and a waste of time. The district office is interested only in the actual gross and net profit or loss for they receive an itemized profit and loss statement from the division accounting office semi-monthly. However, the office manager had been misinformed by the store manager and had not taken the time to read the instructions in the Field Operating Manual.

The investigator found that the class C store was sending in an inaccurate sales tax report. In the state of Oklahoma it is required by law that state sales tax is to be charged on all excise tax, effective June 1, 1950. This
particular store was not doing this; therefore, these sales tax reports had to be revised, and thus time was lost in the office as well as unnecessary expense derived from these errors.

All reports that were sent in by store B were properly made out; however, they were all late because of poor routing, scheduling, and follow-up on the part of the office manager. All reports that were sent in by store A were properly made out and were sent in on time.

In order to achieve results for proper report writing, the following "eight rules for making good reports" are listed:

1. Make only reports having a definite purpose.
2. Include only statements and data that will aid in reaching a clear understanding of the subject.
3. Be impartial by including facts on all sides of the problem.
4. Follow a logical order.
5. Use simple words and short sentences. (If in writing such as special reports)
6. Interpret findings clearly.
7. Summarize briefly.
8. Make specific recommendations. 10

If these rules are properly applied in pre-planned reports, the Goodyear office manager's results will be satisfactory.

Handling the Mail

The efficient handling of the mail contributes immeasurably to the performance of the office work in the Goodyear

10 Terry, op. cit., p. 290.
Retail Stores. Mail which is picked up promptly by the office manager and properly distributed to the store manager, budget manager, service manager, and the office personnel helps prevent work delays, costly errors, and waste of time. Loss of important documents and checks, confusion in processing orders, and needless waste of the store manager's time can result from careless handling of the mail.

The office manager is faced with a number of problems in regard to the mail procedure within the Goodyear offices. These problems were found in all four stores surveyed in this study. They are listed as follows:

1. Centralization
2. Expense
3. Proper schedules

A brief discussion of these problems will be given in the paragraphs following and needed improvements will be considered.

Centralization.—The first problem which confronts the office manager is that of whether the store manager or office manager should control all the incoming mail. This problem of handling the mail in the store office is a vital one for the store manager and the office manager to solve if they are to maintain an efficient "handling the mail" technique. In large offices, one or more mail clerks take charge of the incoming mail and route it correctly.
However, in the Goodyear store offices where there are no mail clerks, it should be one of the jobs assigned to the office manager as the store manager may be busy with some outside sale, thus creating a bottleneck which may involve the loss of time in office operations.

In the class A, B, and D stores used in this study, the office manager picked up the mail at the post office every morning on his way to the office. The mail was distributed to the proper persons shortly after his arrival. This procedure saved time and put the mail into the proper hands. However, in the case of store C, the store manager picked up the mail. This mail was not generally sorted until the store manager had read all that was addressed to him personally. This procedure created delays within the office as operating instructions, checks, and reports do not get into the office soon enough. For example, instructions were sent to change the interbilling slip from yellow to white. Unfortunately, the office manager did not know of these instructions until he had sent in the wrong billing and it was returned for correction.

An approved method of handling the incoming mail in the store offices where there is no mail clerk is to have the office manager read each piece hastily, except those marked confidential, and drop it in a small basket on the desk belonging to the department manager dealing with the business brought up by that particular piece of correspondence.
The duties and responsibilities for handling the mail, therefore, should be centralized in the office manager's office. The very nature of the mail work necessitates centralization, and it is important that these responsibilities be fixed and that the person in charge is competent and has an adequate amount of supervisory control to get the work performed effectively. This is particularly important in smaller offices where the mail operation frequently requires only the part-time services of one person. The responsibility for handling the mail should be fixed upon this individual to help insure satisfactory service and provide proper control over the mail operation.\textsuperscript{11}

\textbf{Expense.}--Another problem the office manager is faced with is that of the expense of stamps and envelopes. In all four stores investigated this expense was extremely high. Part of this expense can be eliminated if the office managers in all of the stores would keep the store manager and other employees aware of the fact that the excessive use of stamps and envelopes is uneconomical. For example, all mail going to the district office each evening can be placed in a large manila envelope, thus reducing postage costs and the saving of time. Many other economies might be expected from careful analysis.

Proper schedules.--The office manager is confronted with the problem of tying his mail schedule with the train schedule, if the service of outgoing mail is to be efficient. For example, there is little point in going to the post office at ten o'clock if the train schedule is at nine o'clock. Therefore, the office manager must learn to tie his mail schedule with the train schedule.

Work of Filing

Filing occupies a vital central position in the work of the Goodyear offices and permeates practically all office activities. It may at first seem curious that filing should be considered a form of record keeping, yet a little reflection will show that filing a letter or a document is equivalent to making a record of its contents, at very much less cost. Documents are filed in order that they may be available for use at some future date; that is also the precise purpose of making records. Classification of papers is a form of filing, with the object of getting all material of one class together. Materials are retained in an office primarily for the three following reasons:

1. To serve as reference when inquiries are received
2. To provide management with data on past performances
3. To produce vital information in compliance with legal requirements

12 Terry, op. cit., p. 373.
It is said that there are four basic types of filing in use in contemporary offices; these are alphabetical, numerical, geographical, and chronological. The alphabetical and numerical files are employed by the Goodyear Retail Stores, perhaps because they are the most easily understood.

This discussion thus far has emphasized separate problems of the stores selected in this investigation. Since the same filing systems are uniform in all Goodyear stores, separate analysis of filing practices in the four stores will not be conducted. However, case examples in each of these four stores may be given to exemplify the basic problems involved.

From a careful observation of the filing systems in each of the four stores studied, it was found that the most pressing problems of filing now facing the office managers in the Goodyear stores are the following:

1. The need for central filing
2. The need for an orderly filing system
3. Inadequate retention plans
4. The need for knowing what to file and the elimination of waste

Conditions found in the stores studied with regard to each of these problems will now be discussed and recommendations for improvement will be given.

\[13^{Ibid.}\]
Need for central filing system.—One of the basic problems the office manager is confronted with is that of whether the advantages of a central filing system located in the office manager's office and under the care of the office manager can offset the advantages which many store managers see in having individual files. If the preference of the store manager is heavily on the side of individual files, there is nothing to be gained by keeping up an argument for general files. On the other hand, centralization under a trained worker does result in certain definite improvements. To illustrate, the Goodyear store manager is generally so busy with sales activities that he does not have time to file the records, letters, and reports which concern him personally. Furthermore, these pile up on his desk and are sometimes lost or customers may need information that may concern them. Such problems were encountered in all of the four stores used in this investigation.

If the office manager is able to persuade the store manager to install a central filing system, he has solved the problem of availability of materials to all concerned. Centralization of filing affords effective control and, as a general rule, gives very efficient filing. These are important advantages of centralized filing:

1. Uniformity of filing procedures. Files can be set up according to the best plan from the over-all enterprise viewpoint.
2. Better supervision. The full time of a qualified department head can be utilized.
3. Saving of time. All filing requests and all materials come to one area. There are no questions as to where certain papers might be filed. Needless walking between or the calling of various departments is eliminated.
4. Satisfactory service. The responsibility for filing is fixed with one person who can specialize in this work. Quick, efficient service is probable, for the work is not a sideline of another office employee.
5. Greater utilization of physical factors. Filing equipment can be utilized to capacity, office space conserved, and efficient layouts employed.14

All Goodyear offices have papers which are of general interest, including such items as general correspondence, orders, invoices, quotations, and vouchers. Physical centralization of these materials proves advantageous. However, there are cases where some files are important only to the store manager and have little relation to the work of the store office. These might be best left with that individual. They include the store manager's price book, his personal expense account, and sales quotas.

The need for an orderly filing system.--In connection with the centralization of files, the office manager must have an orderly system of handling all store documents from the time they are received until they are completed and filed. This can be brought about by scientific management and alertness of the office manager.

The following benefits will result from systematic handling:

14 Ibid.
1. Increased efficiency on the part of the entire organization. No time will be wasted looking for documents, or verifying the facts on any transaction.

2. Better control over the operations and store assets. Less chance of duplication and other errors. Store and office manager can know how things are being handled when files are in order.

3. Better customer reaction. Customers are favorably impressed by a neat and orderly appearance of their records. Customers like to feel that their property and records of their transactions are being handled accurately and systematically.

The office managers should follow the principles outlined below in handling and filing of all forms and documents.

   Documents in process:
   Instructions covering the issuing or handling each document always state how it is to be distributed after processing is completed. Some incoming documents must be held in "pending files" awaiting some action by some other point before they can be completed. Such documents, while awaiting completion should be kept in an orderly manner in manila folders properly identified or in a safe. When handling is completed they should be placed in a permanent file at once.15

   Extreme care must be exercised by the office manager to prevent loss, alteration, or other mishap occurring.

   Inadequate retention plan.--The second problem confronting the Goodyear office managers is the problem of record retention. There is an urgent need in all Goodyear

15 The Goodyear Tire and Rubber Company, op. cit., p. 175.
stores for the establishment of methodical retention, preservation, and storage. A flood of records and papers induced by increased efficiency and specialization has reached the proportions of a tidal wave. It is now physically impossible to retain all records\(^\text{16}\) of the stores' business, even were it desirable to do so; yet the great number of records that must be preserved because of historic, economic, or legal value soon makes physical facilities inadequate.

Within all four of the Goodyear stores studied in this investigation, records, accumulating over a period of time, have reached considerable volume; and without standardized procedures for record retention and periodic destruction they may soon reach impossible proportions. All four stores observed in this study have kept all incoming letters, advertisements, and other non-essential records for several years; however, it was found that the class C store has accumulated the most non-essential records and advertisements. For example, the office manager of this store filed everything that came into the store from miscellaneous letters to advertisements. This creates a waste in both time and storage. Therefore, there is a need for standardized procedures to eliminate useless records.

\(^{16}\)The word "records," as used here, denotes any paper on which appears written information of whatever nature relating to the transactions and events of the company. The word is not limited to the formal department documents, books, accounts, and memoranda.
These procedures should include the following steps:

1. The adoption of fixed schedules for retention and destruction purposes
2. Providing a depository so arranged that the records are available for ready reference
3. Periodic transfer of inactive records to a depository and the uniform storage of these inactive records under the requirements of the retention schedules and elimination of extraneous or useless records at the source
4. Periodic and actual destruction of useless records at stated times together with a periodic elimination procedure for records retained to meet statutory or regulatory requirements, and a systematic recording of the ultimate destruction of these useless records. Flexibility must be provided, under direction and approval of the committee, for periodic changes or alterations of the schedules of retention to meet changes in current requirements.17

Delegation of authority for the selection of the records to be retained and those to be periodically destroyed is of great importance. The office manager should be delegated this authority with the advice of the store manager.

Uniformity in selection, classification, retention, and ultimate disposal of all useless records will result from the adoption of standard procedures under proper supervision. Moreover, the systematic elimination of large quantities of paper at the source will reduce storage requirements and facilitate maximum use of the records retained under the program.

The need for knowing what to file and for eliminating waste. Two other duties for the office manager are involved in the proper handling of the filing system. First, he must

17Maze, op. cit., p. 594.
be sure what to file. In store C, which has been previously mentioned as accumulating the most non-essential material, the office manager was filing everything just because the store manager told him to do so. Such procedures could, possibly, be eliminated if the office manager of this particular store would read the filing instructions which are listed in the Field Operating Manual; however, if the store manager insists that this procedure be kept, the office manager has no other alternative. Second, he must be economical with regard to filing supplies. For expediency, the clerks in stores B and D were using new ledger sheets on every new charge account without checking the file to see if the customer has previously had a ledger sheet. If the customer has a ledger sheet in the files, this should be used since doing so will reduce costs and conserve filing space. By proper and adequate supervision on the part of the office manager in each of these two stores, wasteful practices such as this can be greatly reduced.

Correspondence

Every office manager in the Goodyear Tire and Rubber Company faces the problem of getting out letters. Written communications, both internal and external, are important to all office tasks and they serve as an active force in the conduct of the store's activities. The purposes of letter writing are to convey information and to build and maintain
good will. Writing letters represents a tremendous amount of work, and any effort to improve or to simplify them and, in certain instances, to eliminate them is worthwhile and represents a challenge to almost every office manager in the Goodyear Company.

In observing the correspondence of each of the stores studied it was found that the following problems were in the most urgent need for improvement:

1. Standardization of letters
2. Delays in getting letters written
3. Failure to make duplicate copies

In the pages following a brief description of the existing problems will be given and recommendations for improvement will be made.

**Standardization of letters.**--One of the problems confronting the office manager is that of standardizing the style of external letters. Within each store, offices are permitted to use their own style of arrangement; therefore, the individuality of the company is not expressed. The general style of letters should be standardized. This is a valuable sales point, since the style of the company's correspondence in a certain sense expresses the general character of the company; in other words, the company itself is associated in the minds of its customers with the form and style of correspondence they receive from it and with which they have become familiar.
In the class C store it was found by the investigator that the office manager would write, instead of typing, a letter to such customers as the Sinclair Oil Company or to other such companies on tablet paper or a memorandum pad. However, in stores B and D used in this study, it was found that the office managers used the standard Goodyear paper with a Goodyear heading. The office manager in the class C store should realize that such letters are not as easily read and, also, that they suggest poor management on the part of the store manager.

To achieve the expression of individuality of the firm in its correspondence, the letter should be standard in form from the date line to the signature. Such points as the form of opening salutation, the length of the lines, the paragraphing, the rules governing indentation, the complimentary close, and the manner of writing the signature of the company should generally be the same of all correspondence, unless there is a good reason for doing otherwise.\(^{18}\)

**Delays in getting letters written.**—The second problem concerning correspondence is that of getting letters written promptly. The office manager should realize that a definite procedure is required to write communications and letters effectively and promptly; the work cannot be left to chance. Relying upon haphazard methods or hoping that all correspondence

work will be written well and promptly is wishful thinking. A way of getting written letters accomplished effectively and economically must be established and followed. An excellent procedure is to

1. Get letters to those who answer them (Proper clerks in the large stores, such as A and B class)
2. Get facts to the correspondent
3. Permit correspondent to analyze facts and organize letter
4. Get letters written and in the mail.\(^{19}\)

If this procedure is properly applied along with adequate supervision and proper direction and control by the office manager, the results desired will be accomplished.

In stores of the B and D class observed, the investigator found that letters that were coming from the district and other offices did not, in many instances, get a prompt reply. For example, if the District Store Supervisor were requesting information on some particular subject, the letters might lie on the office manager's desk for two or three days before being answered. This not only causes delay in the supervisor's reports, but the letter can be lost or misplaced and forgotten. As these letters are generally very important within the enterprise the office manager should, by all means, take steps to prevent such an informal handling of the correspondence. This can be achieved by using the four steps presented in the last analysis. In the

\(^{19}\text{Terry, op. cit., p. 340.}\)
class A and C stores, however, no such delay was found. The 
office managers answered all letters just before closing the 
office each evening.

**Failure to make duplicate copies.**—Another problem of 
correspondence to be solved by the office managers in all 
four stores investigated is that of duplicate copies for the 
office files. Sometimes office managers fail to see that 
duplicate copies are made. This results in having incomplete 
records. There is not only a need for these copies for 
legal references but also for the security of the office 
manager of each particular store. For example, letters 
written to the district and other offices can be misplaced 
or lost by the clerks or messengers. By having duplicate 
copies the office manager can show evidence of replies both of 
internal and external communications. The office manager 
must see that all letters have a carbon copy for store files 
at all times. This can be accomplished most effectively by 
proper maintenance and control through proper office super-
vision.
CHAPTER IV

PERSONNEL RELATIONSHIPS IN THE
GOODYEAR RETAIL STORES

This chapter deals with the personnel or human aspect of office management in the Goodyear Retail Stores. Personnel attributes are vital, and there is no question that the management of personnel permeates all phases of office management. Every function in the store is affected in some way by the personnel aspect. It has been stated, "You can only govern men by serving them. This rule is without exception." ¹

A great many troubles in the Goodyear store offices can be avoided if proper attention is given to the providing and maintaining of adequate relationships between the store manager and the office manager. The store manager is the key figure in the organizational structure. He is charged with seeing that the work in the store is performed within reasonable time and cost. In his position he is responsible for the execution of work performed by others. It is necessary that the store manager know how to direct their efforts to the best advantage.

¹George R. Terry, Office Management and Control, p. 340.
The store manager's job is basically to direct the sales activities within the store and to develop the employees under him. Therefore, he must have the ability to get work performed properly at all times by all the units in the store.

It is beyond the scope of this study to propose all the detailed procedures which could be used in personnel administration and supervision within the Goodyear Retail Stores. As in the case of office operations, only the most significant and urgent problems in personnel relations will be considered in this chapter. These include (1) poor relationship between the store manager and the office manager, and (2) the office manager as a supervisor. These problems were determined through interviews and observation by the investigator in each of the same four stores in which office operations were studied.

**Basic Problems of Personnel Relations between the Store Manager and Office Manager**

Within the field of personnel relations between the store manager and the office manager there are numerous problems which are common to all coordinating groups. Not all of these basic problems are present in the same degree in each store, but none the less they are present and cognizance must be taken of them. Certainly before it is possible to solve a particular problem, the difficulty must be recognized and properly appreciated. Once the difficulty is perceived,
it is necessary to be guided by the principles which are fundamental to the situation in order that a wise solution can be evolved.

Information obtained from interviews with office personnel and from a careful study of the personnel relations between the store manager and the office manager in each of the four stores observed suggests that the most pressing needs are (1) informal organization, and (2) low morale.

Conditions found in the four stores with regard to each of these problems will now be described and recommendations for improvements will be considered.

**Informal organization.**—One of the biggest problems within the Goodyear Retail Stores is that of informal organization. Informal organization generally arises where the social needs of the employee are not satisfied or where the formal organization is faulty. Also poor management practices lead to informal organization.

In surveys taken by the writer in each of the four stores studied, the office managers gave the following as their chief complaints in regard to informal organization:

1. The store managers are interested only in sales and do not understand the difficulties of the office manager's job.

2. They get contradictory and conflicting orders. For example, the office manager may assign a job to be done within a certain length of time to a clerk, and the manager may tell the clerk to do something else without informing the office
manager. Therefore, the position of the office manager in the department is often weakened by the store manager's giving instructions to the office manager's subordinates.

3. They feel they do not have the authority they need to do their job properly.

The above-stated complaints create friction between the office manager and the store manager which can be referred to as the "eternal-internal" struggle. This not only causes confusion among the office staff and other employees but weakens the office manager's authority.

In the class B, C, and D stores used in this investigation, the store managers had very little knowledge of office operations or the work involved—thus it was very difficult for them to see the importance of the proper planning within the office. For example, the case discussed in Chapter III, in which the office manager was thirteen days behind on his reports and records, was found to be caused by the improper personnel administration on the part of the store manager.

The store manager was constantly taking office employees from the office and having them to do other tasks. This was not only a violation of the rules implied by proper communication, but it made the office manager feel that he did not have any authority over the office personnel.

In stores C and D, for example, the store manager would often tell the office manager that no more credit would be
granted to a certain customer. Acting upon these instructions the office manager would inform the budget manager and other employees concerned of this decision. After these instructions had been passed along, the customer would enter the store to make a purchase on account. Possibly the store manager, or a salesman acting on the sales manager’s instructions, granted the credit without informing the office manager of his decision. Therefore, the office manager’s position was again weakened by the store manager giving instructions to the office manager’s subordinates without consulting or informing the office manager.

It was found in the class A store that the personnel relationships were exceptionally good. The organization of the store and office operations were formal and efficient. In the investigation of the store personnel it was found that the manager of this particular store had been with the Goodyear Company for twenty-five years. He had worked up from the service department to the manager’s position, having gone through every position in the store. Therefore, he knew the responsibilities of the office manager. It was his belief that all office employees contributed indirectly to sales and that an efficient office was necessary in the promotion of sales.

In an interview with this particular store manager the question was asked in regard to the organization, "How do you
keep a formal organization in regard to personnel relationships within this store?" He referred to the Store Manager's Manual which lists certain fundamental rules which the store manager should follow. They are listed as follows:

1. Have your line of authority known; who is responsible to whom and for what.
2. Be sure any order given is expressed clearly and completely.
3. Show the employees the need for what they are doing; everyone likes to feel that he has done something worthwhile in life aside from earning a living.
4. Have every order carried out or be sure to countermand it.
5. Do not be afraid to offer praise for work well done; however, do not be fulsome about it; give it in the presence of others and in an official sense. The store meeting offers an excellent opportunity for doing this.
6. When an employee begins to lose interest or becomes indifferent to his work, have him in for a frank and sincere talk. Try to find out the reasons and get rid of them. Point out firmly but kindly his weaknesses. Give him an opportunity to correct himself. In some more flagrant cases, put him on probation for a definite period of time.
7. When the store manager has criticized an employee because of his conduct or results or when you have to talk to an employee who is losing interest, make a record on the "Employee's Record Card" which has been set aside for this purpose. It is a permanent record of the counsel or criticism.
8. The key to successful relations between the store and office manager is for the manager to be always on the alert to spot situations which will lead to grievances, along with a sincere interest on his part for the well-being of the employee and a willingness to correct any situation which may have escaped his notice.

If the store managers of B, C, and D stores would apply these rules in their stores, they could attain equally satisfactory results.

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To mould good relationship between the store manager and the office manager, the store manager must apply these instructions to his own use. The store manager must realize that the problem is that of human relationships, which are ever-complex, ever-changing, and ever-defying standardization. Success in handling men requires, therefore, an abiding interest and continuous thought in respect to their jobs.

When the store manager fails to follow the personnel policies as outlined by the Goodyear Company, he does not impress his subordinates as being the type of leader that is required. Furthermore, this situation prevents the development of efficient office practices and methods and to some extent has made uneconomical organization adjustment necessary. The investigator suggests that a clear-cut statement of the functions, duties, and responsibilities of office management and the development of a suitable and efficient organizational unit for their conduct would be a progressive step. This would provide the means of rendering effectively to all the phases of the store activity the myriad of highly specialized services required of the office manager.

Morale.--Another problem existing in the field of human relationships within the Goodyear Company is that of low morale. High morale is an essential feature of efficient cooperation between a management and its employees. Maynard says,
It is impossible for an organization to function at peak capacity unless it possesses that psychic quality designated as morale. It is the spirit within an organization that induces the members to put forth their best efforts and to accept and execute willingly the directions of leadership. It is that quality within an organization that turns it into a cooperating mechanism. It is necessary for the individuals and groups to subordnate their interests to those of the group as a whole. Normally, persons will not do this unless they feel that some future time their sacrifices will be recognized and properly rewarded.

The principal process in morale development is the integration of interests. It is the procedure of developing and maintaining an interdependence between the organization service objectives and the personal objectives of the individuals and groups who compose it. In order to develop morale, it is necessary that each group and each individual be given a square deal. If that is done and if the members of the organization feel that they are being treated fairly, good morale is likely to be achieved.3

One of the basic problems arising in the Goodyear stores is that the store managers often do not show proper respect for office and store personnel. It was found in stores B, C, and D that the store manager would refer to the office manager or service manager as "my men." They would often tell the customers, wishing credit information, to "see my office boy." In doing this these particular store managers lowered the morale of their office managers and subordinates.

In the class B store the store manager was constantly taking office employees from the office and having them to do other tasks. This not only lowered the morale of the office employees by having them neglect their office work but

it also lowered the morale of the office manager as it made him feel that the office was of little importance.

In this store, the store manager should ask the office manager if some of the office employees were available to assist in another job for a short while. After consulting the office manager for permission, he then should ask the employees to assist in another department.

In the class C store it was found that the employees had not received an increase in salary for two years. For example, one of the employees was making only $149 per month and had not received a salary increase for two years. This employee had been very efficient in his work, but his morale was so low that he was planning to resign.

The store manager of this particular store should realize that an increase in pay would not only create better morale but it would increase the employees' productivity and efficiency. Also, the store manager of this particular store should realize that the loss of a good employee is much more expensive than a raise in salary.

It was found in the class D store studied that the store manager never gave praise to his store personnel when the district personnel was surveying the store. Instead he selfishly accepted all the praise for himself. In doing this, the morale in the store was decreased. The store manager
should praise his employees in the presence of the district personnel when they are in the store.

In such instances, the store managers of these stores should refer to the subordinate in this manner, "our office manager," or "the office manager."

The store managers of these particular stores must realize that employees are people and should be treated as such. They should be made to feel that their jobs are of great importance. By using the proper title as designated by the Goodyear Company, a store manager can raise the morale of his personnel. For example, in any organization that has an accountant, if he is referred to as a bookkeeper it will tend to lower his morale.

In the class A store observed, it was found that morale was relatively high. It has been previously mentioned that the store manager's belief in regard to his office personnel was that all office employees contributed indirectly to sales. He recognized the responsibilities involved in the job. In referring to the office personnel it was always, "our office manager," "our budget manager," or "our chief stock clerk." In doing this he made the employees feel that they were really a part of the organization and doing something that was worthwhile.

The conclusion to be reached relative to morale is that low morale can be raised in the Goodyear stores if the store
manager will do as suggested by Pfiffner for any supervisor; that is "de-emphasize his own ego while building up the ego of his subordinates. In doing this he will encourage the maximum participation by the rank-and-file employees."\(^4\)

**The Office Manager as a Supervisor**

A great many of the problems discussed in the preceding chapter can be avoided if proper attention is given to the providing and maintaining of adequate office supervision. The office manager in the Goodyear stores is a line supervisor. He is charged with seeing that the work in his unit is performed within reasonable time and cost. Every policy, every decision, and every procedure originated within the store must filter through the office manager.

Within the Goodyear stores the office manager's job as a supervisor is to direct the activities within the office and to develop the office employees under him. Also, the office manager is in charge of all personnel in the store with the exception of the store manager. The office may delegate the responsibility for doing certain work to store personnel other than those of the office.

In the four stores observed it was found that the problems in the most urgent need for improvement in regard to supervision were as follows:

1. Improper delegation of authority

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2. Inability to make decisions

3. Inadequacy of the office manager to face the personnel problems confronting him

These problems were determined by a careful observation and investigation of the store and office personnel in each of the four stores studied. The conditions found will be analyzed in the pages following and improvement for each will be considered.

Improper delegation of authority.—One of the basic problems found in the stores investigated is that of inadequate delegation of authority on the part of the office managers. For instance, as was mentioned in the preceding chapter, in the class B store the office manager was thirteen days behind on his office reports, part of which was because of improper personnel management on the part of the store manager and to improper delegation of work on the part of the office manager.

The office manager in this particular store was recessive and, therefore, lacked courage to delegate the work properly. He had a tendency to shy away from unpleasant human relationships. If the work was not properly done he would do it himself. Thus, the office employees would not accept the responsibility for the work, and, therefore, took advantage of the office manager.
In this case, the office manager could correct this situation if he would recognize that a problem existed and faced it. For any supervisor who faces similar problems, Pfiffner suggests,

He should in the first place, know organizationally that it is his duty and responsibility as a supervisor to deal with these matters firmly, boldly, and, of course, wisely. Secondly, he needs to feel secure in his own ability to carry through, and this security will not emanate from job descriptions that coldly list his responsibilities.\textsuperscript{5}

In stores C and D it was found that inaccurate records, as discussed in Chapter III, were partly due to improper supervision. The office managers in these particular stores must realize that it is their responsibility to see that the work is carried out according to the Goodyear Company's policies.

In the class A store studied it was found that the office work was performed orderly and efficiently. This was due, in part, to the more careful supervision on the part of the store manager. It was found in this particular store that the store manager made frequent checks to see that the office manager was carrying out the policies of the Goodyear Tire and Rubber Company. Likewise, the office manager followed the example set by the store manager in making checks to see if the office personnel and other employees were carrying out their work properly.

\textsuperscript{5} Ibid.
In carrying out the delegation of authority, Pfiffner says,

The supervisor should delegate authority without surrendering control. This he does by his knowledge of jobs and the amount and quality of work that should be expected. Thus he established automatic internal checks that tell him what is going on without the necessity of his constantly interfering in the details of jobs performed by those whom he supervises.

Inability to make decisions. — Another important problem confronting the Goodyear offices is the office managers' inability to make decisions. Within the four stores used in this investigation it was found that all office managers lacked the ability to make decisions, to a certain degree, at their work level. For example, in each of the four stores it was discovered that office managers would ask the store manager if repossession should be made after a customer had become delinquent several days or perhaps several weeks.

The office manager has the authority to have the merchandise repossession when necessary without consulting the store manager. In such instances as mentioned above the office managers can review the customer's past credit records, and by the issuance of the delinquent notices should be able to come to a conclusion as to whether or not the customer will pay within a certain length of time. If this is done the office manager should be able to make the decision without taking up the store manager's time and effort.

6 Ibid.
Inadequacy of the office manager to face the personnel problems confronting him.—One of the greatest weaknesses within the Goodyear office is the inadequacy of the office manager to face up to the personnel problems confronting him. It was found in the four stores observed that this is partially because personnel technology is as yet not so fully developed as it should be, but that is only a partial answer—one that may be used as an unjustifiable excuse for weakness. The real malady was found to be that most people are afraid of other people; not afraid in the sense that one is apprehensive of physical jeopardy or loss of job, but afraid of the disapproval of one's own fellows. In other words, the office manager was afraid to reprimand his subordinates or to face up to the store manager.

In store B it was found that the store manager removed office personnel to do other work whenever he wanted to without consulting the office manager about the necessity in the office. The investigator suggests that the office manager should (1) come to the rescue of his own department, by informing the store manager of the importance and necessity of the office work, or (2) inform the store manager that the responsibility of the office work had been given to the office manager.

It was found in each of the four stores, the office managers failed to reprimand or discipline the subordinates
because it was not felt to be the popular thing to do. Employees would then take advantage of the office managers and thus lower the power of their supervision.

To eliminate these faults the office manager, according to Pfiffner, must (1) deal face-to-face with people on matters that may involve unpleasantness, and (2) face up to personnel problems courageously and objectively.\(^7\)

\(^7\)Ibid.
CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

From this study the investigator concludes that more efficient office procedures and a better personnel relationship between the store manager and the office manager than was evidenced in the study can be developed by the four stores studied. The administrative officials in the Goodyear Tire and Rubber Company apparently are largely unaware of the vital need for improved policies and procedures, and the store managers and the office managers are reported to have little representation in formulating the policies which are adopted. Furthermore, there is ample evidence that the office managers of these various stores do not know the worth of scientific management and of office methods work.

The store manager and the office manager in the class A store reported that they are devoting part of their time to some phases of improved personnel relationships and better planning of the office work. However, in the class B, C, and D stores used in this study, there was no evidence of progress being made to provide more efficient office operations or to improve the personnel relationships.
In the Goodyear Service Stores the store manager and
the office manager have the responsibility of administering
the store policies and office operations. Much of the suc-
cess in raising the standards of personnel relationships
and office procedures depends upon the cooperation of these
two people. Poor personnel relations between the store
manager and the office manager have kept the office manager
from attaining the objectives desired.

It is obvious that many problems arise in the offices
of the Goodyear Retail Stores for which a solution is never
attempted. Many basic problems arising in the office operating
procedures are due to improper planning; thus, the organiza-
tion of the work was not systematic. Systematic planning in
such cases does not mean to keep things in the office just
as they are or to develop definite and rigid habits for
handling the work. Instead, the basic philosophy is to
manage by means of planned methods; that is, the office
manager tries to achieve the desired coordination within the
store office by means of systems which automatically encompass
the policies and procedures of the Goodyear Tire and Rubber
Company. It was found in this study that most of the office
managers in the Goodyear stores studied had lost interest in
devoting the time to plan systems by a scientific approach
because the store managers failed to cooperate with any of the
schedules the office manager made. It seems that most of the
store managers fail to see the need for systematic operations.
It is further concluded that many of the office standards and procedures could be enhanced if adequate office supervision were carried out by the office manager. There is ample evidence to support the view that in class B, C, and D stores used in this investigation, the office managers did not have the cooperation from the store managers to carry out their duties and responsibilities effectively. However, in spite of the inadequate personnel relationships that often existed between the store manager and the office manager, many obstacles in the proper maintenance of the office operations could have been eliminated if proper supervision had been applied by the office manager.

Recommendations

In the preceding discussion, attention has been directed to the principal elements of strength and weakness in the office management of the Goodyear Service Stores. Specific points where improvement is needed, therefore, have already been indicated. The Goodyear Tire and Rubber Company, like many other companies, has been slow in the application of improved techniques for the management of its offices. The following statements represent the principal recommendations of this study of office management and control of the Goodyear Retail Stores:

1. The most effective single way to correct the shortcomings in office management in the Goodyear Retail Stores is
to show and convince top management of the vital importance of office work.

To achieve this goal the office manager should (1) sell top management on the idea that improved service is the result of efficient office operations; (2) point out the reduced costs of efficient operations; and (3) stress the increased profits that arise from an efficient office. Show top management that office work usually affects profits by reduction in office expense, elimination of office waste, and increase in the office workers' productivity.

2. When an employee is training to be a store manager, he should be given training in the field of office operations. In doing this, the store managers would have some knowledge of the duty and responsibility of the office manager's job. Thus, it is possible that many of the problems in personnel relations now existing between the store manager and the office manager would be solved.

3. The office manager should plan the office work. The planning of office work is one of the most basic functions in office work, as it makes thorough control possible. Proper planning in the Goodyear offices will help to attain orderly and efficient execution of the work. By planning the office work, the office manager will have a methodic technique of looking ahead in order to meet work requirements and to reduce the mental effort required while the office work is done.
Proper planning within the Goodyear offices will help to prevent rather than correct delays in getting out the office work.
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