

honesty of your intentions in dealing with us.

We have, all along, felt that your failure to remit must have been due to a series of misfortunes rather than to any intention of defrauding us of our money.

Your payment is again past due, however, and we venture to call your attention to same. If you cannot send us a large payment, send us a small one. This will show us that you are doing the best that you can, and give us confidence that you will ultimately pay the account in full.

Let us have your payment by return mail.

Yours truly,

Die. H. L. B.

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ALL THREATS TO BE FULFILLED TO THE LETTER

The keynote in the use of these forms is unflinching promptness. By keeping thoroughly alive to the obligations of the debtor and their due dates, and making persistent and systematic demands, the strongest possible inducement is made to urge the debtor to be equally prompt and equally mindful of his obligations. Debtors almost unconsciously take their cue from the way their accounts are treated by the creditors themselves, and when stringency occurs, they invariably pay those creditors first whom they know to be punctual and exact in their demands for payment.

Another principle which should be strictly observed in using this or any form letter collection campaign, is to invariably take the step you say or threaten to take, on the date mentioned by you. This is very essential, in order to secure confidence in your intentions. All qualification and leniency which it is intended to give ought to be frankly expressed in the letters, so as to get the fullest credit for them, as well as to give the debtor an exact understanding of what your course of action is to be. When you arrive at the date for the taking of any forewarned action, however, and do not take it, you lose a large part of the force of your collection effort.

These form letters are for part payment use; there can be a series for every extensive and uniform kind of credit offered by a firm. Each form being known by number, it is easy to have the head of the department lay out instructions for the sending of the forms to a particular client on set days, by means of a card system and date marker, as shown on the accompanying reproduction. The number of the form and the date is marked on the card by the mailing clerks, each time a form is sent out, and the date marker is set ahead according to instructions, so that at the right time the card will come up for the next form, unless a settlement is affected in the meantime.

In the particular business in which this system is used, the percentage of dead loss is less than one-half of one per cent., and accounts are practically never given up. It has been found that it seems always to pay to send out yet another form, even after suit has been brought, and after the loss is seemingly certain.

Of course, there are routine and well-known ways of collecting accounts from houses of good or fair rating, other than form letters, but letters can be used to advantage,

when suitably worded, for even the largest business houses.

When well printed by typewriter process to match the office typewriter ribbon, and signed by the firm (an office of the concern personal signature is most effective) with the address typed in, these forms look neat and personal, and are absolutely as effective as any really individual letter. In the first

place, it is not at all easy to detect imitation typewriter process printing; and in the second place, it does not detract from the dignity of the letter at all, even if the recipient knows the letter is a form. What counts is the wording and the alertness of the system—two strong collection forces which the form letter system provides both cheaply and well.—Selling Magazine.

System in a Contractors Office

Paper Read Before the American Public Works Association. Suggestions as to Best Way of Organizing A Contractors Office.

By F. B. GILBRETH, M.A.S.M.E.

Systematizing a department, an office, or a business, is accomplished by one, or both, of the two following methods:

1. By efforts of the members of the organization.

2. By efforts of professional systematizers.

For the original idea of system in our office, I desire to acknowledge my indebtedness to my friend, the late Wm. H. McElwain, the possessor of one of the master commercial minds of America. The success of his whole tremendous business was, to use the words of his own statement to me, "Due to having his entire system in writing."

Mr. McElwain's further advice was to carry the systematization of our business as far as possible by our own efforts before calling in the professional systematizer—that is, to use both methods suggested above in the order given. After system has been put in writing and perfected along simple lines by the men who have built up the business, it is easy for the professional systematizer to understand instantly the methods in use at the time he undertakes his task. He can then suggest changes and improvements, which can be adopted with no shock to the business.

When experts attempt to install system for a concern that has not been systematized by its own organization, a shock is bound to occur.

If it is desired to introduce expert advice before any attempt is made to systematize by the organization itself, there is no such protection against shock as to take the precaution of carrying on the old system in the same time that the new system is being installed and tried out. Keep the old system in a separate building if necessary, but keep it in operation until the new system has proved itself, by actual use, to be superior to the old. The expense of temporarily maintaining a duplicating accounting department, for example, is very little compared with the protection, speed, order, rivalry, and value of actual comparison.

As a result of our own experience, we believe that the best way to systematize a contractor's business is along the lines suggested by Mr. McElwain. We believe that

the fundamental laws governing systematization are clearly defined. They can be used and adapted to any line of business by the man in that business.

The procedure in systematizing by the evolution method is as follows:

1. Have each member of the office put in writing a description of the way he actually does his work. Not at first of the ideal way that the work should be done, but of the real way, the way in daily use. If an attempt is made at first to write down the ideal way, the entire benefit of the scheme will be lost. The rules must be historical, descriptive, and no nearer perfect than are the members of the organization. The rules must be in such form that they can and will be obeyed without having perfect human beings to fill each position. These written descriptions should be put in the form of rules for the next clerk below, who needs description, instructions and guidance as to the work he is eventually to do.

2. After each member of the organization has submitted his rules describing the way he actually does each part of his work, have the entire collection typewritten. A complete copy should be handed to the head of each department for correction and improvement. The corrected copies should be then inspected by the general manager.

3. During the various inspections of the rules, it will usually develop that some members of the organization have not been able to express their ideas well. It will also develop that some one clerk has a talent for wording rules particularly well. Select this clerk to revise and arrange in proper order the entire collection of rules. If an announcement is made at the time the rules are first written that the clerk submitting the best set of descriptive rules will be made "System Clerk," better offerings from all employees will result, and a higher standard will be secured. The system clerk should see that each rule describes the easiest way to accomplish the act that it describes. Few people realize that a simple system that can be enforced easily is much better than an ideal system that is difficult to enforce. Only simple system is good system. Have the rules expressed in the simplest, most concise manner possible.

4. Have the revised rules typewritten again, and give a complete copy to each