

been some good reason for the delay, and urging if the delay has been caused by anything for which the house is responsible, that the customer will be kind enough to write immediately. A third letter is a little more insistent, though courteous; and the fourth takes up the matter from an ethical point of view, appeals to the customer's sense of fairness, his pride, etc. If none of these has the desired effect, an attorney in the employ of the company takes the case. It is worthy of note that a letter over the signature of an attorney is often all that is necessary with obstinate and indifferent debtors.

Plattery is a subtle weapon in collecting accounts, as it is in other dealings. One very successful correspondent has a plan of writing a personal letter to a delinquent, saying that his firm has decided to draw on all delinquents in a few days, that he takes the liberty to write to Mr. Blank, believing that he prefers not to be drawn on, and suggesting that if a check is received by the 23rd the drafts will not be executed.

SHOWING AN INTEREST BESIDES THE DUN.

Many firms hold to the policy of writing letters the day after accounts are due, and making formal request for prompt payment. Some do not like to plead the need of money as an argument for payment, and perhaps it is not always a good plan; perhaps, occasionally, any excuse for pressing payment weakens the demand; but in most lines of business it is better to incorporate some manifestation of interest that will take away from the dunning letter all the disagreeable effects, while retaining all the usefulness of its mission. A resourceful correspondent can always find a logical and pleasant way of pressing collections.

The following are some paragraphs selected from letters used in the collection departments of a wholesale concern and a publishing house selling on the instalment plan:—

I shall esteem it a personal favor if you will write to me fully and frankly by return mail.

I trust you will not compel me to refer the matter to a local attorney for attention. Let me hear from you.

If we do not hear from you within ten days, your contract will, in the regular order of things, pass over to our attorney, and I am really eager to avoid that.

As soon as your account is placed in good standing by at least one regular payment, I will send you any one of three books described in the enclosed folder that you may select. When sending your payment, be sure to tell me which one of the books you want.

According to our rule, we shall have to draw on you next Thursday for the amount of your account due on the 10th. Can you send us your check before Thursday? We hope so.

The Watchdog of Dividends

By H. P. N. IN SYSTEM.

Frequently a department head, long in the service of the house or with some special claim to consideration, will be indulged in his whim by the management and allowed to block installation of labor-saving devices in his immediate province. Such a case requires tactful handling. I recall an in-

stance where I had to enlist the president and chief owner of an important New York concern as an unofficial salesman before I could convert his office manager to purchase my appliances.

It happened that the office manager had a small share in the business, having received the stock when the concern was struggling to make headway. The president was a kindly, bighearted man who gave him full sway in the recording and accounting end of the business, overlooking the fact that he was wedded to old-time methods and made a showing only by the most niggardly economy.

The office manager admitted the worth of my device after a demonstration, but made the price his excuse for flat refusal to purchase the two he needed. His little dividend, he conceived, would be cut down by the unusual outlay and he may have needed the money, for all I know. At any rate he said "no" with emphasis.

Naturally I carried it up to the president, expecting that a word from him would alter the "shadow's" decision. His eyes twinkled when I told him frankly why the office manager balked.

"He's the watch-dog of our dividends," he said and explained the other's interest

in keeping down expenses. "We'll have him in and see if we can't sell him."

The manager showed his vexation, but the president handled him as gently and tactfully as though he were a big customer with a just complaint.

"I wondered if Mr. Blank, here," he began, indicating me, "showed you how he could spread the costs of his appliances over ten or twenty years and make them pay for themselves several times over." It was an argument I had used on this office man as well as the president and this "old man" developed it beautifully. With pencil and paper, adding interest charges and allowing for depreciation, he showed that his devices in twenty years would cost only twenty cents a day. He was a natural salesman—was the president—and he made the thing clear as rock-crystal.

"They'll cost you, personally, Jim," he wound up, about two dollars a year. Don't you think we can afford that for the clerk's sake, even if they don't make the savings they seem to promise?"

Stumped, the "shadow" fenced a little longer and finally gave in. But he didn't wait twenty years to get his squandered dividends back. The next time I called I found he had dropped one clerk and was figuring on letting out a second.

Organization in Manufacturing Plants

EXTRACTS FROM PAPER READ BY EUSTACE THOMAS, B.Sc., BEFORE THE INSTITUTE OF ELECTRICAL ENGINEERS

Everyone who has visited a number of shops, some working on day work system and some on the premium system, must be impressed with the difference in the atmosphere of the two. With piece or premium work there is not only a brisker air about, but also the author seemed always to notice a more cheerful atmosphere. Probably the reason is that with either the piece or premium system the man feels that he is working for his own benefit. The following are some disadvantages of day work, especially in general shops. The men slack off as soon as the foreman's vigilance relaxes at all. Some men regard it as a matter of principle to make jobs last as long as possible with a view to increasing employment. The men are quite content to wait for material. The handling of material by the foremen is always less efficient. Costing is uncertain and unsatisfactory. Some advantages of premium or piece work are: Each man has an interest in the work. The men press the foreman to give efficient delivery of material, and the foreman is thus placed between two fires. Each job must have careful consideration before being committed to a price or time which may be hard to change. Each job makes the estimation of new work easier. The foreman has more time to plan his jobs, and is better able to estimate for and keep correct promises of completion. If the assemblers are on piece or premium work, they draw attention themselves to any inaccurate manufacture of parts coming to them.

DAY WORK TO HAVE TIME AND PRICE ESTIMATED.

In cases where day work seems neces-

sary, it should be insisted on that a price and time are estimated for each job, even although these are not made known to the men. The actual price and time must be compared later with this estimate. The effect is to force attention to all day work jobs, and in some measure to bring about the other advantages enumerated under premium and piece work. But, further than this, it must eventually make the foreman desire to get piece or premium work in where he has been accustomed to give out day work, for, if a price has to be given in any case, it is easier for him, if it is given to the man outright and the man is working with him, to keep the time down. The simplicity, comfort and general advantage of piece or premium work cannot be sufficiently proclaimed. So much so that where appreciated every manager of a general shop will find means to introduce it to a much greater extent than is at present common.

PREMIUM WORK

It was well known that with piece work a man seldom attempts to earn more than about time and a quarter for fear of getting the rate cut. This caused an uneasy feeling in the employers that they were not getting the best efficiency, and it was hoped by the introduction of the premium system that this difficulty would be got over, a promise being made that the time allowed should not be altered unless a new method were adopted. In fact, the masters hoped that they might be able to relax some of their vigilance, and that the men would of their own accord