

# The MICHIGAN ALUMNUS

*The Alumni—"In a very just sense and in a very large degree the fortunes of the University are committed to your hands."*—DR. JAMES B. ANGELL.

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## The Aims of the School of Business Administration

By C. E. GRIFFIN, Acting Dean, School of Business Administration

THE METHODS of business administration, in the past few decades, have undergone radical changes. For one thing, the size of the business unit has increased. First there appeared the large manufacturing plant and its efficiency as a producing unit over the small plant was so apparent that its progress has been sure and rapid. Then came the integration of small railroads into large transportation systems. With these developments in manufacture and transportation came the growth of large financial institutions related thereto. Finally, in the past decade or two, have appeared the large-scale merchandising institutions, first the department store and mail order houses, and now the great systems of chain stores. In all lines—manufacture, transportation, finance and distribution—the enterprises of today assume quite different form from those of the nineteenth century; and these changes in form have brought with them new problems, and what is more important for us, new methods of solving the new and the old problems of business administrators.

Under a system of small business units individual business problems could be solved one by one, each on its own merit; with the large units of today, business policy must supplant, or at least delimit, these separate judgments. Moreover, with the increasing size of units and the more attenuated contact of the manager with actual processes, more reliance has come to be placed upon quantitative measurement of business activities, and, in consequence, accounting methods have been improved and the methods of statistical analysis have been applied to business phenomena. Records have been kept and experience has been analyzed, until, today, the making of business judgments requires a background and technical equipment not possessed by the business leaders of past generations. Business has, in these respects, at least, passed out of the horse-trading stage and with this change has come to be recognized a new type of preparation for the prospective business man.

The time-honored method of preparing for business

is apprenticeship, and until the changes just described it was probably the most effective method. With the growing appreciation of the value of college training as a discipline, however, came the belief that a liberal education was quite worth while for the prospective business man. This idea has now been carried so far that a number of business firms make it a rule to demand a college degree as a minimum requirement for employment, although often they do not specify what the content of the college course shall be. But for many types of business activity the desirability of collegiate education for business, on a professional level, is coming to be recognized. Courses of instruction in business administration exist in practically every American university, and separate schools or colleges in most of them. In the Economics Department the University of Michigan offered courses, more or less professional in nature, as early as 1900. In recent years it came to be recognized that this field was of sufficient importance, that its literature and methods were sufficiently developed, to justify the establishment of a separate unit devoted to professional education for business. Accordingly, the Regents authorized this separation and Professor Edmund E. Day was called from the Department of Economics at Harvard to organize the School of Business Administration and to serve as its first dean. This was in 1924. The experience of the past four years has only served to strengthen the conviction of those most intimately associated with the School that the fundamental policies initiated at that time were sound and to deepen the feeling of regret that Dean Day, last year, chose to withdraw from the University.

There are a number of variations in the educational program of the collegiate schools of business of the United States. A number of institutions offer a four-year program beginning immediately upon entrance to the university. In this four-year period there is usually developed a more or less high degree of specialization, and this specialization is sometimes carried through from the very beginning of the program to

the end of the four years. At the opposite extreme stand two graduate schools of business administration, the Harvard and Stanford schools. For admission to these two institutions a bachelor's degree is required, and in the two years devoted to the business program emphasis is placed upon the basic subjects of business administration rather than upon the fields of specialization. The Michigan plan lies between these two—rather nearer to the latter extreme than to the former. The whole collegiate program comprises five years; three years are taken up with work in the liberal arts and sciences and are required for admission to the School of Business Administration, while the program of the School itself requires two years. The

object of the three years of pre-business education is to give the student a general educational background, a degree of maturity of mind and certain necessary preliminary instruction in the principles of economics, in the principles of accounting, and in statistical method.

The courses in the School of Business Administration are of three kinds and may be designated "basic" courses, "tool" courses, and "specialties." The first year is devoted to the three "basic" courses—Principles of Production and Personnel, Principles of Marketing, and Financial Principles; and to the two "tool" courses—Business Statistics and Accounting. The program of study in the first year in the School is thus practically specified for all students. The theory underlying this requirement is that students in this School, regardless of their special interests, must first of all gain the minimum preparation for business administration in general. In the second year a number of fields of specialization are offered—as Accounting, Marketing, Investments, Banking, Sales Administration, Advertising, and Real Estate Management—to one of which it is expected that a major portion of the time of the student will be devoted; but even in this second year there is one course required of all students, namely, Business Policy. In this course problems in business policy are studied which involve all or several of the major divisions of business, and by this means there is impressed upon the student the important fact that the most serious business problems usually involve, simultaneously, considerations in the fields of production, personnel, distribution, and finance. The business policy course thus serves to synthesize the lines of in-



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struction which have previously been treated separately.

Beginning next fall (1929), the program in business administration will be changed from a two-year course in the School, following three years of collegiate education, to a three-year course in the School, following two years of collegiate education. It will thus be possible for students to enter the School directly from the University College or from junior colleges of satisfactory standing. This change was authorized by the Regents in May, 1928. In order to protect the interests of students who were in the University at the time the change was approved, both methods of admission will be retained for a time. That is, it will be possible in the fall of 1929 and 1930 for a student to enter the School with two years of college credit and take three years more to obtain the M.B.A. degree, or to enter with three years of college credit and take two years for the degree. The comments made above on the theory underlying the program apply to the new plan, as to the present one, for most of the instruction in the first year of the School will cover subjects now taken in the third year of pre-professional work.

The method of instruction in practically all of the courses mentioned is through the use of business cases. This method is one which has long been used by the leading law schools of the country and, in the past few years, has been adapted to the teaching of business administration. A business case involves a statement of a problem which actually has arisen in some business organization, together with a sufficient amount of factual material concerning the business organization itself and the surrounding situation to enable the stu-



dent to see the problem as nearly as possible in the way in which it was presented to the business executives who dealt with it. If the case is properly prepared it is not essential that the name of the company involved be known, and therefore, in all cases except where specific permission is given, the identity of firms contributing the material is concealed through the use of fictitious names and, where necessary, the alteration of immaterial facts. Sometimes the solution which was made by the business executives is given and sometimes it is withheld, but in all instances the student is asked to study the case in a critical way and is encouraged to arrive at his own solution and to defend that solution against the differing judgments of other members of the class. The business cases, if successfully used, never fail to stimulate lively discussion, and in the hands of a competent instructor can be used to bring out significant principles or generalizations which assume in the student's mind a degree of validity that it is not possible to attain through the use of the ordinary text book or lecture method. Nor can these results be so well attained through the use of hypothetical cases, which are frequently used as "problems" in various fields of education. The hypothetical problem is bound to lack something of the complications which are characteristic of actual business situations. It is constructed with a view to bringing out, in clear-cut form, a pre-conceived rule or generalization and, to that end, assumes "all other things being equal"—which they never are. Emphasis is placed upon this method of instruction because it is a distinctive feature of the School and also because this method of instruction depends upon our obtaining a considerable number of significant business problems drawn from the business world.

Not only is the maintenance of a close contact between the School and business organizations important from the point of view of obtaining case material for classroom use, but it is also essential to enable members of the faculty to keep abreast of the rapidly changing world of business affairs, and to facilitate this phase of our work we have organized a Bureau of Business Research, whose activities are more specifically described in another article. Our research laboratory must be the business community itself, and therefore, to even a greater extent than with other divisions of the University, it is essential that we rely upon the support of business organizations interested in the cause of professional training for business in general and in the success of the Michigan School of Business Administration in particular. This support does not primarily take the form of financial assistance, but rather of generosity in the giving of business facts and in co-operating in the advancement of research in business problems, which is of mutual value to the School and to the business organizations themselves. Alumni of the University who are in a position to supply such factual material as would be useful for instructional or research purposes will perform a real service to the School by making this fact known.

The primary objectives of the School of Business Administration are three. First is the training of the student in an approach to business problems. It is, of course, impossible to present ready-made solutions for the complicated problems which students will encounter in actual business. We believe it is possible, however, to train students in a method of analysis which will enable them more effectively to cope with these problems as they arise. This ability can be improved by continued practice in the analysis of business cases, as described above, and by acquaintance with the fundamental principles of and a certain amount of the factual information related to the basic divisions of business: production, distribution, and finance. This objective is one which will ordinarily yield practical results several years after the completion of the college course, for it obviously applies to business administrators rather than to business subordinates.

The second objective is to equip the student with a certain amount of expertness in some one of the special fields of business—for example, accounting, statistics, or market analysis. By contrast with the first objective, this one should yield returns in greater effectiveness immediately or shortly after graduation. It enables the student to become established in a business organization where he can obtain that intimate knowledge of business details which is a necessary preliminary to activities of a broader nature.

The third objective is to emphasize to the student, and incidentally to the business community at large, the social function of the business administrator. The economic standard of living which prevails in this country today is higher than that which has ever obtained in any other country or at any time in the history of the world. Many reasons could be found to explain this fact, but one of the most important factors is the quality of business leadership which has existed in this country. For the business manager is, in a very real sense, the director of our economic system. It is he who interprets the demands of the consuming public and who directs into the various lines in which they are to be employed the productive resources of the country: natural resources, capital, and labor. Upon his initiative, wisdom, and sound judgment depend the continuance and the advancement of the economic standard of life which so happily prevails in this country. Contrary to a very common view, there does not necessarily exist an opposition between those business policies which are commercially profitable and those which are socially desirable. It is granted that the conflict frequently does occur, especially in the cases of small and ephemeral business units; but if a sufficiently long view of business success be maintained the motives of profit and of social service more frequently coincide than diverge. Therefore, in laying emphasis upon the social responsibilities of business administrators, a sentimental appeal to unadulterated altruism is out of place. The best service which the business man can render is usually to manage his business wisely, to fore-

cast conditions of demand and supply correctly, and to build soundly for the future. For if he does these things the capital, the labor, and the resources of the country will be employed to the production of those things which people want in the proportions in which they want them; prices will be reduced and service will be improved; in short, the economic system will function smoothly and efficiently. And he who does these

things will be a successful business man. If this philosophy of the position of business administrators in society be accepted, it is clear that there are few groups who have a more important function to perform. It appears, therefore, that the efforts to prepare young men for positions of business leadership in the next generation are worthy of the most cordial support of a great University.

## The Program in Real Estate Management

By ERNEST W. FISHER, Associate Professor of Real Estate

**I**N 1922 more than fifty per cent of the wealth of the United States consisted of real estate, according to the estimate of the Bureau of Census. Of a total wealth of 320 billions, 174 billions were ascribed to real estate.

This large portion of the wealth of our country, it is believed, is governed by economic laws that are just as stable and dependable as those governing any other economic commodity.

Furthermore, the problems connected with the ownership and use of real estate are common to every man, woman, and child of the nation; and they are increasing in their complexity. Growing population, increasing wealth, and a growing tendency toward congregation in urban communities have developed problems connected with the utilization of the land resources of a community which a generation ago were unheard of. The advent of the automobile alone has brought profound and far-reaching changes in the structure of cities and in the uses which are made of its real estate.

Now it is peculiarly the function of the real estate dealer to anticipate these problems in his community and so to direct the utilization of its land as to wring from it the largest return in service which it is capable of giving the community. The adequate performance of this function of matching uses with land to which they are best fitted seems to call for some training.

The basis of such training clearly must be found in the economic principles in accordance with which wise land utilization must proceed; but these principles are



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largely yet to be discovered, and discovery requires patient and painstaking research. In most instances the original material in the analysis of which the economic principles underlying are to be discovered have not yet been collected. The sources are few and not well organized for the gathering of the material. Before research can proceed far, therefore, a technique must be developed for finding such material as is available and for the cultivation of new sources.

With these considerations in mind, the officers of the School of Business Administration established in the year 1926 the first full-time professorship in real estate to be established anywhere in this country. Previous to that time, courses in the subject had been given by men who had other connections on the Campus, but

were willing to give some of their time to these problems.

The courses offered now give an opportunity of earning a total of twenty-one semester hours and include such subjects as city growth, real estate values, real estate financing, real estate law, real estate accounting, and special training in research in real estate problems. Seniors in the School of Business Administration are thus enabled to major in real estate.

In accordance with the general policy of the School of Business Administration, the work in real estate is designed both to train students who choose it as their major and to carry on a program of research in the field.

In training the student the objective of the courses



in real estate is not to develop a technique of real estate selling; they are designed to assist in creating a more scientific attitude toward the problems of real estate use and development. They are intended to develop in the students who enroll in them a broad social and scientific point of view; to inspire the student with a zeal for studying and understanding the economic forces with which he deals; to train him in analyzing a real estate problem and discerning the forces involved; to acquaint him with the sources from which he can secure data that will assist him in the solution of a real estate problem; and to train him in the method of applying specific facts to a particular situation.

The research program has barely been launched. Two studies have been prepared and published by the Bureau of Business Research. The first of these was a statistical study of the fluctuations in real estate prices in the city of Ann Arbor. This study provides a statistical device by which the fluctuations in real estate prices could be reduced to a single index. It was hoped that such a device would enable a more accurate measurement of the phenomenon of fluctuating prices in real estate.

The second bulletin published in the fall of 1928 is a study of the ratio between population growth and the platting of lots in urban areas. This study extended to the following nine urban communities: Detroit, Cleveland, Milwaukee, Toledo, Birmingham (Ala.), Grand Rapids, Flint, Lansing, and Ann Arbor. The following conclusions quoted from the study indicate both its scope and significance:

"(1) The typical ratio of lots to population varies greatly from community to community; this variation can only partially be accounted for by such factors as density of population and the number of homes per hundred population.

"(2) The range of the typical number of lots per hundred population is from 28.5 in Cleveland to 51.8 in Birmingham, Alabama.

"(3) The number of lots platted fluctuates widely from year to year, rising in times of business prosperity, declining rapidly in times of business depression, and remaining depressed for long periods.

"(4) Periods of intense subdividing activity almost invariably force the ratio of lots to population considerably above the typical, the activity continuing for some time after the ratio has risen above the typical. When activity is at length checked it practically ceases and rarely revives until the ratio has fallen to a point well below the typical."

This research program has received great stimulus from the support which has been given it by the real estate interests of the State of Michigan. They have made available five annual fellowships in real estate at five hundred dollars each to promote interest and research in the problems of the field. These fellowships were available for the first time in the year 1927 and 1928. During that year studies were conducted on such topics as long-term leases in Detroit, private restrictions on the use of land, and influences affecting the direction of city growth. Some of these studies have been of distinct service in gathering materials valuable for real estate dealers and in pointing out certain social considerations involved in the use of such familiar instrumentalities as the long-term lease and restrictions in subdivisions.

Progress in research is always slow, particularly if the conclusions arrived at are to be trusted. It is not to be expected, therefore, that the economic principles governing wise land utilization will be discovered quickly or by any other process than that of slowly wringing them from materials secured through wide observation, from the experience of real estate men and owners of real estate who are willing to contribute such materials, and by patient and thorough analysis of those materials.

The social interest at stake is sufficient to justify the effort necessary in securing the materials and in training men who are to direct the utilization of land resources.

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## College Education for Women, Does it Pay?

By MARGARET ELLIOTT, Assistant Professor of Personnel Management,  
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**D**ESPITE the steadily increasing volume of literature on the changing economic and social status of women, there is still a conspicuous lack of factual material on the subject. Periodical articles are in the main of two general types—the one, dealing with individual cases of notable rise to success, the other, concerned with general reasons why women do or do not succeed in the different fields of gainful employment. In both, personal bias largely determines the conclusions reached. A prospective employer, or a woman faced with the problem of choosing a vocation, has for a guide only a few cases of outstanding success

or a bewildering array of conflicting theories as to the opportunities for women in this or that field of work.

To meet this need for quantitative data on the occupational status of women, the Bureau of Business Research of the University of Michigan, in cooperation with the National Federation of Business and Professional Women's Clubs, has undertaken a study of the achievement of women in business and professional work.

The National Federation of Business and Professional Women's Clubs is an organization of approximately 50,000 women grouped in 879 local clubs in

forty-seven different states. Although membership requirements vary locally somewhat, it is fair to say that the group represents a cross-section of women's work, exclusive of manual occupations. Due to the enthusiastic support of the National Federation, it has been possible to secure through the use of questionnaires detailed information concerning the education, financial status, and occupational history of over 14,000 of its members.

On the basis of this information, it is possible to substitute fact for conjecture in many long-debated issues relating to women's work. Not the least important of these questions is the relationship between a college or university education and vocational success measured in terms of earnings. Does a college education pay? For men, this question has been answered in the affirmative by Dean Lord of Boston University. By a comparison of median incomes of 7,396 men (median income is that income which has as many incomes below it as above), Dean Lord shows that the annual income of the high school graduate exceeds that of the grade school graduate by amounts varying from \$310 to \$1,280, according to age; and similarly the holder of an A. B. degree enjoys a differential in median income over the high school graduate varying according to age from \$320 to \$4,225. With the single exception of A. M.'s and Ph. D.'s of thirty-five years of age and over, which is, of course, almost entirely a teaching group, the holders of advanced degrees, including lawyers, show higher median incomes than men with a Bachelor of Arts degree. It is also noteworthy that the Bachelor of Business Administration has a distinctly higher median income in each age group than the Bachelor of Arts.

It seems, therefore, that for a man the commercial value of higher educational specialized training is no longer open to question. But is it also true for women? Are college women in general earning more than non-college women? Are they earning more in all kinds of work, or only in a few? And, finally, are they entering those fields where financial rewards are highest? It is to these questions that this study attempts to give answer.

A RECENT SURVEY of 3,039 gainfully employed, unmarried, college graduates made by the American Association of University Women shows that when grouped by years of experience, women holding an A. M. degree receive in every experience group a higher median salary than those with an A. B. degree only. Similarly, the Ph. D.'s median salary is above the A. M.'s. However, since the group is composed entirely of college graduates, there is no possibility for comparison with women at lower educational levels.

The 14,073 cases included in the present study of business and professional women give ample opportunity for comparison of earnings of the college graduate with those of women attending only elementary or high school. Table I shows that for 1,561 women attending grade school, the median earnings are \$1,480, or just



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\$17 more than the median earnings of 6,872 women attending or graduating from high school. This slight difference may very probably be accounted for by the fact that the grade school group is considerably more experienced. The college graduate, with an experience median of from one to four years less than the other group, has median earnings \$326 above the woman attending college but not graduating, \$370 above the normal school graduate, and \$413 above the high school level.

TABLE I  
Earnings and Experience by Education Groups

EDUCATION	Number of Cases	Per Cent	Median Earnings	Per Cent Earning \$3000 and Over	Median Experience in Years
Grade School, Graduate and Non-Graduate .....	1561	11.2	\$1480	7.6	17.4
High School, Graduate and Non-Graduate .....	6872	49.4	\$1463	5.8	13.3
Normal School .....	1745	12.6	\$1506	5.0	14.9
College, Non-Graduate .....	1968	14.2	\$1550	7.1	12.5
College Graduate, including Graduate Work, M.A. and Ph.D. ....	1754	12.6	\$1876	10.9	12.5
Unspecified .....	173				
Total .....	14073	100.0			



It is therefore evident that in general women who graduate from college earn more than women in lower educational groups. But is this true in all types of work, or only in a few selected occupations? It is a fairly safe assumption that the college woman has an advantage in teaching and probably in the other professions. But can she hold her own in commercial work—in finance, sales, and production? Table II, which compares the earnings and experience of college graduates with those of the total group, shows that although the college woman has had on the average one year less of working experience, and in several groups anywhere from three to six years less, she is nevertheless receiving in every kind of work higher median earnings than those of the total group. The difference in median earnings varies anywhere from \$23 in research work (doubtless to be explained in part at least by the lower experience median of the college woman) to \$333 in legal and protective work, \$412 in editorial work, \$619 in the field of health, and, for eleven cases, \$1,439 in production and planning.

Granted, then, that where the college woman ventures she succeeds. But is she venturing into all kinds of work? Is she experimenting in the so-called "newer" occupations for women, or is she keeping more to the traditional paths of employment? Table II shows a marked difference in concentration between the college graduate group and the total group in different kinds of work. Teaching, for instance, commands the services of more than one-half of the college group as compared with approximately one-fifth of the total group. At the college level, also, as one might expect, women are turning away from clerical work which, although it includes 42.8 per cent of the total group, claims only 11.8 per cent of the college graduates.

TABLE II

Relation of a College Education to Earnings in Different Types of Work

Type of Work	Total Group				College Graduates (Including B.A., Graduate Work, M.A., Ph.D.)			
	Number of Cases	Per Cent	Median Earnings	Median Experience in Years	Number of Cases	Per Cent	Median Earnings	Median Experience in Years
Clerical .....	5862	42.8	\$1434	12.4	204	11.8	\$1621	10.6
Teaching .....	2689	19.7	1552	13.6	957	55.5	1773	12.8
Sales and Publicity ...	1469	10.8	1490	16.4	84	4.9	1962	15.5
Health .....	894	6.5	1864	13.3	82	4.8	2483	13.0
Financial .....	609	4.5	1904	16.9	32	1.9	2000	13.6
Production and Planning ...	463	3.4	1321	15.5	11	.6	2750	12.5
Food, Living, and Personal Service ....	418	3.1	1883	13.8	59	3.4	2297	12.5
Welfare .....	315	2.3	1968	15.6	109	6.3	2119	12.7
Library .....	205	1.5	1631	16.2	66	3.8	1893	13.3
Legal and Protective ...	182	1.3	1881	14.9	29	1.7	2214	12.5
Editorial .....	168	1.2	1538	13.4	28	1.6	1950	6.9
Purchasing ...	141	1.0	1374	18.3	6	.4	1800	15.0
Research .....	80	.6	1960	10.3	30	1.7	1983	8.8
Personnel .....	75	.5	2174	16.5	21	1.2	2450	12.9
Not Elsewhere Classified ...	118	.8			7	.4		5
Information Missing .....	385							
Total .....	14073	100.0	\$1548	13.5	1725	100.0	\$1872	12.5

Teaching salaries are, however, relatively low. In contrast to commercial work, where more than eight per cent have earnings in excess of \$3,000 a year, only 3.7 per cent of the women in education receive that amount. Yet only twelve per cent of the college group, as against thirty-six per cent of the total group, are engaged in commercial work. Similarly in the professions other than teaching, 11.8 per cent earn more than \$3,000 a year, yet only five per cent of the college graduates have entered these professions as compared with eight per cent of the group total. In manufacturing also, where 7.2 per cent show annual earnings of over \$3,000, less than five per cent of the college women are included, although this group represents 14.4 per cent of the total number. Only in eleemosynary and social organization work, in which 7.3 per cent earn over \$3,000 (see "Semi-Public" in Table III), the percentage of college women (9.9 per cent) exceeds that of the main group, (6.2 per cent).

TABLE III  
Comparison of College Graduates with the Total Group by  
Fields of Employment

Field of Employment	Total Group			College Group		
	Number of Cases	Per Cent	Per Cent Earning \$3,000 and Over	Number of Cases	Per Cent	Per Cent Earning \$3,000 and Over
Commerce .....	4743	35.7	8.2	200	11.7	21.5
Education .....	3088	23.2	3.7	1040	60.8	7.2
Government .....	1194	9.0	5.3	123	7.2	7.3
Manufacturing .....	1922	14.4	7.2	79	4.6	18.9
Primary Production .....	55	.4	10.4	5	.3	20.0
Professional .....	1021	7.7	11.8	85	5.0	34.1
Semi-Public .....	831	6.2	7.3	169	9.9	7.1
Transportation .....	448	3.4	2.3	8	.5	12.5
Information Missing .....	771		6.9	45		4.4
Total .....	14073	100.0		1754	100.0	

IF OUR GROUP of 1,725 college graduates from forty-seven different states may be taken as a fair sampling—and there seems to be no reason to believe otherwise—we are forced to conclude that college women are not taking full advantage of their opportunities, measured in terms of possible income. For, although they show in every field of work into which they have entered an earning capacity higher than that of women at lower educational levels, they are apparently not making the most of their advantage, as they are not penetrating in any great numbers into the fields where chances of high financial rewards are best.

Seventy per cent of the groups are in the employ of educational, social, or welfare organizations. Why? A variety of possible explanations suggest themselves. Is the college woman financially able to overlook monetary considerations more than women at lower educational levels? Is the question of financial rewards of less significance to her than the inherent satisfactions of the work itself? May it be that the college woman is more susceptible to the influence of traditional respectability surrounding certain occupations such as teaching and social work? Or is the matter of ease of securing employment a controlling element? The question of causative factors deserves consideration.

## The Program of the Bureau of Business Research

By CARL N. SCHMALTZ, Assistant Director, Bureau of Business Research

THE BUREAU of Business Research, a department of the School of Business Administration, was established by action of the Board of Regents in the fall of 1925. The Bureau's purpose is to maintain the instruction and scholarship of the School on a professional basis by providing more reliable data for teaching and by facilitating and coordinating the research work of the faculty. In this way the members of the Faculty develop professionally and keep in touch currently with business men. Incidentally the Bureau offers much assistance in solving the problems of business by bringing to bear upon such problems the research facilities of the School.

The field of business has a number of peculiar characteristics which make necessary an organization for doing the work just described. In a relatively new field of collegiate study, like business, active investigation is particularly important. Not only must new knowledge be constantly added to the stock, but existing theories must be subjected to continual scrutiny. In the second place, the investigation of business problems often requires the gathering together of confidential data to which an individual cannot get access easily, but which are readily made available to a responsible, established institution. Again, the necessary materials frequently are scattered geographically or must be recorded over a period of time, so that the resources or the continuing existence of an institution is desirable. Many business investigations require a considerable amount of detailed or clerical work which can be carried on most economically through a central agency. Finally, in many cases the work of gathering material can be facilitated by offering current reports as a service to cooperators. These usually involve routine work which can best be handled through an organized body. Whenever possible, the Bureau is arranging for cooperators to contribute to the cost of its work by paying fees for such service. Some of the work, therefore, takes on a truly cooperative character, the Bureau contributing money and ability in return for the information gained, and the organizations which supply the data contributing money in exchange for the service received. These needs are felt generally by business schools, for there are no less than twenty-three collegiate bureaus of business research in the United States.

Although the type of work carried on by the Bureau can best be indicated by describing its various projects, a few general characteristics of the work may be mentioned here. First, most of the investigations have strong practical aspects and are of immediate value to business men, but many of them are distinctly pioneering in character and are conducted in the spirit of the pure scientist. Hence, they are a proper part of a university research program. Second, in general the work deals with principles and fundamentals and is concerned only incidentally with minor matters of method or technique. The whole School program is pointed to these same basic matters of principle and to the broader sort of thinking. In this connection, it should be pointed out that the School of Business Administration at Michigan is not strictly comparable with the familiar undergraduate colleges of commerce. The School is trying to put its instruction upon a professional level similar to that of only three other American schools; Dartmouth, Harvard, and Stanford. Thus the nature of the job which the School is undertaking makes the emphasis of fundamental research especially desirable.

In this emphasis upon principles, the product of the Michigan Bureau compares favorably with that of other collegiate bureaus. The publications of the Bureau, almost exclusively, have been monographs with definite conclusions. They have not been mere fact-reporting pamphlets. They have been studies rather than reports.

Thus far the Bureau has completed ten investigations, the results of which have been published in the series of *Michigan Business Studies*. Two others are now in press. The first study developed a mortality curve for automobiles, indicating



CARL NELSON SCHMALTZ

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what proportion of the cars produced in each year go out of service in each subsequent year. This makes it possible to compute the replacement demand of automobiles, knowledge of which is becoming increasingly important to automobile manufacturers. Another study dealt with a related problem, the measurement of demand and the methods used by various firms for setting sales quotas and sales budgets.

In the field of real estate two interesting and valuable studies have been made. The first devised a method for making an index of real estate prices, and included such an index for Ann Arbor. This index is brought to date annually and deserves much practical attention. The report gives clear instructions which may be followed by any realtor in making price indexes for his city. The second real estate study sets up a measure of sub-dividing activity with the idea of giving people some means of determining whether a community is over- or under-subdivided. Obviously, considerable economic waste is incurred when large amounts of money are tied up in subdivisions years in advance of demand or when a city is forced to suffer from the lack of sub-divisions. The new indexes set up by the study will be of great help to realtors in achieving better control of this important activity.

One study has been made of general business conditions in Michigan and of the means available for measuring them. Somewhat similar is a study of labor turnover in Michigan



factories. In connection with this study the Bureau gathers monthly statistics from over one hundred industrial firms and returns to these cooperators monthly reports showing how their own figures compare with typical figures for the trade.

In the field of retailing three studies have been published. The first described the stock-sales ratio, a new index of the relationship between merchandise inventory and sales, and established standard ratios for fourteen departments in department stores. This study should assist materially in making stores more efficient. The second study in this field reported upon the operating problems and statistics of credit and accounts receivable departments in retail stores, and the third presented standards of performance for the various departments in department stores. The Bureau's work in retailing, like that in labor turnover, has involved the receiving of monthly statistics from a large number of stores and the making of current reports to these stores. The retail stores cooperating in these monthly exchanges are scattered from Main on the east to Illinois on the west. In this work the Bureau has developed reports of such practical value that the stores are willing to pay for them.

The other two studies are concerned with the means of insuring progress in business methods, in machines, or in products; with the extension to industry of scientific research methods. One of the studies deals with means of getting suggestions from employees. The other takes up all of the methods which firms are using to insure progress, and involves the organizations that have been set up for this purpose, the cost of the work, the personnel concerned, and the results.

Of the projects now in progress special mention should be made of an unusually ambitious and comprehensive study of women in business and in the professions. For this study detailed reports were made by more than 14,000 business and professional women in all parts of the United States. The analysis of this material presents many difficult and complicated problems. When the first results were published, during the next ten or twelve months, employers will be given valuable guides for use in selecting and placing women, and women who wish to work in business or in a profession will be given practical assistance in determining the type of training needed and the opportunities offered in various fields. It is expected that this study will result in between four and ten separate publications.

In addition, the Bureau is now engaged upon several new studies in the field of retailing, upon studies of hospital and real estate accounting, upon a study of the relationship of agriculture to business, and upon several investigations in the field of real estate. It is continuing the regular work having to do with general business conditions in Michigan, with labor turnover, and with retail store performance. Other studies will be undertaken from time to time. Business men interested in particular research problems should get in touch with the Bureau, for it is very likely that the Bureau will be able to help them upon a cooperative basis.

Copies of all the Bureau's publications may be had directly



OLIN WARREN BLACKETT

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from the Bureau at 208 Tappan Hall. Also, people interested in studies now in process and who write to the Bureau will receive notices of the publications that interest them.

Thus the Bureau of Business Research is an organization made necessary by conditions in business education, the peculiar need for investigations and the type of work that must be done in conducting them. The work will bear fruit first in a better Faculty and in better teaching; secondly in graduates who will become more efficient business men, usually with a strengthened sense of social responsibility; and finally in increased efficiency in business enterprises and in better service to the people served by business.

## The Program in Accounting at Michigan

By W. A. PATON, Professor of Accounting

THE SIGNIFICANCE of accounting as a mechanism of analysis and control in the field of economics, particularly with reference to the management of the large business enterprise, has long been recognized at Michigan. The first course in the subject, a single-semester offering, was given in 1901 by Mr. D. W. Springer. No doubt the early interest in this work was heightened by the fact that Professor H. C. Adams, then chairman of the Department of Economics, had for many years been chief statistician of the Interstate Commerce Commission and had much to do with the development of accounting classifications for steam railways which were finally

issued by the Commission in 1914. From 1912-1916 the instruction in accounting was in charge of Professor David Friday, and in this period the number of students electing the introductory course increased rapidly, and two advanced courses were developed. During the past ten or twelve years, in response to the steadily developing demand for intensive training in this field, the program in accounting has grown to a group of courses totaling between thirty and forty semester hours, and requiring the services of from five to six full-time instructors.

Until 1924 all of the courses in accounting were offered in the Department of Economics in the College of Literature,





WILLIAM ANDREW PATON

*Professor of Economics and Professor of Accounting, has three degrees from Michigan. He was graduated in 1915, received his A. M. a year later, and his Ph. D. in 1917.*

Science, and the Arts, and the first course in principles was regularly taken in the sophomore year. In that year, with the establishment of the School of Business Administration, all of the advanced work was transferred to the new school, and the introductory course, although retained by the Department of Economics, was shifted to the Junior year. A significant result of this change is the requirement of two years of collegiate training, including a year's work in the principles of economics, before the student is admitted to the accounting program, together with the placing of the more specialized and professional courses in this field in the second year of the School of Business Administration and the fifth or graduate year of the student's collegiate training. This is a distinct departure from the arrangement followed in most of the collegiate schools of business or commerce. In fact in many of these schools the student is admitted to the work in accounting directly from the high school. The plan adopted is based upon the view that a broad foundation is an essential element in a program of training of a truly professional character.

At the present time the curriculum in accounting embraces a full-year course in principles in the Department of Economics (and, in addition, a one-semester survey course for special classes of students); and an advanced course in principles, a year course in systems and cost accounting, a year's work in public accounting, and special courses in income tax accounting, public utility accounting, governmental accounting, and real

estate accounting—all in the School of Business Administration. In addition, a one-semester course in theory is offered in both the Department of Economics and the School.

It is the principal purpose of the program of work in accounting to meet the needs of two more or less distinct student interests. The first lies in the field of administrative or managerial accounting; the second, in the field of public or professional accounting. A considerable number of the students who take two or more courses in accounting intend to enter immediately the employ of large enterprises in manufacturing, transportation, or elsewhere, as members of the accounting staffs of such enterprises. Some of these students may not intend to engage in technical accounting work permanently, but they enter the private accounting field in recognition of the fact that accounting is steadily growing in importance as an avenue to the more important executive positions, particularly in the corporate field. About as many students as enter administrative accounting definitely intend to enter the field of public accounting, commonly as junior accountants on the staffs of recognized firms of Certified Public Accountants. Here, too, however, a considerable number plan to remain in this work only a few years, with the idea of utilizing the experience and contacts so gained in obtaining responsible positions in business management.

The program in accounting is also designed to serve the needs of students of business administration who do not plan to undertake technical accounting work upon graduation, but who recognize the importance of some training in accounting in preparation for work in banking, financial management, and other branches. In fact, at the present time a full-year course in accounting is required of all students for admission to the School of Business Administration. The first course in accounting, also, and to a minor degree some of the advanced courses, furnish training for students in engineering, law, and other professional fields and special curricula, who recognize the growing importance of such training in relation to their special interests.

A feature of the accounting training at Michigan in the last year of the program (which is the fifth year of the student's collegiate course) is the period of practical experience provided for students specializing in the field who have maintained a high scholastic record and who are otherwise available. Arrangements have been made with a number of firms of public accountants in Detroit and other cities by which qualified students are employed as junior accountants, under careful supervision, for a period of from six to eight weeks during the rush season in public accounting, January 15 to March 15. This feature of the work as yet is hardly more than an experiment but the results obtained last winter, when eight students were given this practical training, were very gratifying. The following is the list of firms with whom students were employed last season: Ernst and Ernst; Haskins and Sells; Isenberg and Purdy; Lybrand, Ross Brothers and Montgomery; Price, Waterhouse and Company.

It is of interest to note that under the present law governing the granting of C. P. A. certificates in Michigan, a graduate of the School of Business Administration who has specialized in accounting is permitted to sit for the state examination immediately in all subjects except "practical accounting," and, if successful, is granted a "certificate of examination." Following only two years of practical experience in public accounting—instead of the four years required of candidates in general—he is then permitted to take the examination in the remaining subject, and, if successful, is granted his final certificate and is licensed to practice as a Certified Public Accountant.

The demand for high-grade men with a broad foundation in collegiate work and an intensive training in accounting and related subjects is large and growing. For such students, accordingly, there has thus far been no serious problem of placement. Indeed, each year since the organization of the School of Business Administration the number of satisfactory positions available, both in the private and public accounting fields, has far exceeded the number of qualified candidates for such positions.



## Vocational Progress of Graduates in Accounting

By C. S. YOAKUM, Professor of Personnel Administration

ALL OF US are interested in the future. Students and recent graduates are particularly interested in what position is open for them. Will they be promoted rapidly? How are salaries? Is it wise to change positions frequently or not at all? Many such questions are present in the minds of the college graduate while in college and for a long period thereafter. The only answer to all these questions is in general terms. What have others done? No individual is likely to run a parallel course but it will probably be somewhere near what others have been doing.

In 1924, the newly organized School of Business Administration took over all advanced work in accounting. Professor Paton, who was in charge of all accounting training, and has continued in charge, decided to make a brief survey of the field to discover some of the answers to these questions.

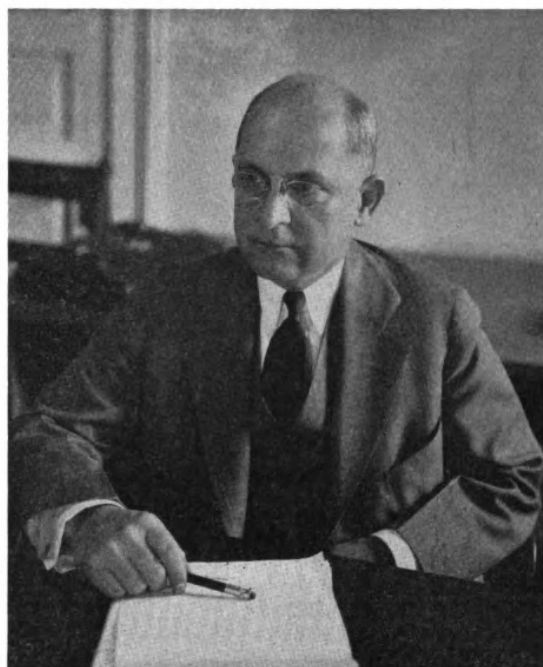
One of the means used was to get the assistance of former graduates of the University. Two hundred and fifty names were selected. All of these had had three or more courses in accounting work. They were requested to give their present position and a brief sketch of the various steps by which they had reached this position.

A very considerable number of graduates replied. Of those replies, one had been out of the University ten years. The others were more recent graduates, ranging through the intervening period to three who had graduated only a year previous to the inquiry. Of the replies, 106 gave sufficient data to permit tabulation. Many of the others wrote regarding one or other of the questions, or replied that they had never entered accounting, or were no longer interested in that field. Sixty-seven of the 106 could be identified as being in accounting work or as in work which involved considerable accounting knowledge.

The information presented by members of the group indicates that the customary length of time spent in the first position is about eighteen months. This is an average, and the median is much lower than this, being only twelve months. The mode, or largest number, also falls in the interval between seven and twelve months. One hundred persons reported so that the information here is distinctly valid. The longest period of service in one position is eight years. The mean and median length of service for positions after the first up to the one held at present, are as follows: second position, mean 19.5 months, median 16 months; third position, mean 15 months, median 11 months; fourth position, mean 16 months, median 12 months; fifth position, mean 18 months, median 15 months.

To a beginner, and especially a college graduate, these averages may seem long. To the individual who has been in business for a long time, a year or a year and a half is not a long period of service. It is this difference in point of view which brings about the question referred to above. Is twelve months, or eighteen months a long time? Obviously the question must have some better basis than the two points of view just mentioned before a satisfactory answer can be found. It is customary in hiring a great many types of employees, to consider that men of thirty-five or forty who have held more than seven to ten positions are likely to be of the roving type. If these positions contain one or more where the service has been six or seven years in length, the individual is not so surely classified as a changeable character. A short calculation will show that the young man who graduates from college at twenty-two, could easily have held seven positions with an average length of service of twelve months or better, and one position of approximately seven years in length, by the time he is thirty-seven years of age. This would indicate that the averages obtained here are not far from the general attitude of the employer in selecting men of experience. Data from other investigations similar to this also corroborate these findings.

If we limit our study of length of service to changes from one firm to another, we are not affected by the vagueness of



CLARENCE STONE YOAKUM

*Professor of Personnel Administration. He came to Michigan in 1924 from the Carnegie Institute of Technology, where he was Research Professor of Applied Psychology. He was head of the Department of Philosophy and Psychology at Texas from 1908 to 1919.*

definition of the term position. In this case we may illustrate by saying that a person who entered business in 1916 may have been employed by five different concerns. One individual who reported, indicated that in the first year of employment he had been employed by three different companies. By years, from 1916 to 1926, inclusive, the average number of different concerns employed by, for 107 whose data were available on this item, was 2.1. This general average represents almost exactly the individual averages for each of the graduating classes. In other words, there is very slight variability. The average number of months spent with a firm is approximately twenty. The weighted average for all positions is eighteen. In other words, a change of position is approximately equivalent to a change of firm. The difference between twenty and eighteen is represented by three or four junior grade positions in public accounting companies. Changes in position would take place in companies of this type without change to a different concern. It is an interesting speculation, but little more than that, to wonder whether this means that real promotion is nearly always obtained by taking a new connection.

The median salary for all beginners here reported is \$125. Medians for the years 1919, 1921, and 1924 exceed this general median. The median beginning salary of those who went directly into accounting is \$125 and the median of those who entered non-accounting occupations is \$150. By years of service, the average salary shows a definite and steady increase. The ninth year shows an average salary of \$400 per month.

There is a general tendency for present salaries to correspond with years of experience. This correspondence is indicated by the correlation of +.344. Since a perfect correlation between experienced and salary would be +1.00, it is evident that other factors than length of time operate to deter-

mine present salaries of those who replied to the questionnaire. Two important factors are undoubtedly individual differences in ability and differences in opportunity.

One of the interesting things to be obtained from these reports is the manner in which the different individuals have reached their present position. The most noticeable characteristic of these data is the variety of terms used to indicate different accounting positions. Also the same term may be used for any one of the successive positions, or many be used throughout a series of very definite promotions so far as salary

is concerned. There are only two groups who have fairly definite lines of promotions, with distinct titles applying to the different levels. One of these is the teaching group and the other is the group that enters the offices of Certified Public Accountants. In the latter case, the titles, junior, semi-senior, and senior are apparently well standardized titles for a distinct line of promotion. Otherwise titles indicate very little and in many cases, nothing regarding the salary or rank of the person with the title. The reports also contain many interesting details about the daily work.

## Michigan and M. S. C. Get Together

FOR THE FIRST TIME in the history of the two schools, alumni representing the University and Michigan State College have joined together to pay tribute to the athletic great of both schools. The first meeting was in the form of a big "get-together" at the Michigan State College Union on November 14th, the Wednesday preceding the Michigan-M. S. C. football game on the 17th. The second was a luncheon at the Detroit-Leland Hotel on November 16th.

The Lansing meeting was attended by approximately two hundred, all of whom voted the evening a great success. Coach Harry Kipke, '24, of the State athletic staff, and Coach Bennie Oosterbaan, '28, of the Michigan staff, both Michigan All-American nine-letter men, were the speakers. Kipke, in his talk brought out the fact that his Spartans were the under-dogs for the game the ensuing Saturday, but promised eleven fighting men for the big fray (and everyone knows by now that he kept his word). Oosterbaan replied that Michigan knows too much of Kipke to be over-confident, and if defeated, that is one excuse they won't have to offer (and they came near to having to do just that).

James Hasselman, Director of Publications at M. S. C., acted as toastmaster for the evening, and introduced Glen Stewart, Secretary of the M. S. C. Alumni Association, Edmund C. Shields, '94, '96, representing Michigan, and President Robert S. Shaw of Michigan

State College. All gave short talks on the object of the banquet, and the meeting closed with the singing of "Alma Mater" and "The Yellow and Blue."

Two days later in Detroit, there were three nine-letter men present as guests of honor: Armin Rickel, '09, President of the University of Michigan Club of Detroit, Harry Kipke, and Bennie Oosterbaan. In addition, there were more than one hundred and fifty graduates of the two schools now living in Detroit present at this sport dinner, sponsored by G. V. Branch, active M. S. C. alumnus, and Carroll P. Adams, '11-'13, secretary of the Detroit Michigan club.

Kipke said, in part: "I am proud of the improvement shown by the Michigan team this year and proud that I once played on it. I hope that they win all their games, but I also hope that just before the M. S. C. game each year the whole team suffers broken arms and legs. And another thing, if Michigan works 'Old '83' tomorrow I will resign because I have my team all primed for it."

Bennie commented on the fact that many of the players of both squads probably played together in high school and that regardless of which team had the highest score, Michigan would win.

R. E. Remington, erstwhile referee, sports writer for the *Detroit News*, and teacher at Northwestern High School, and "Bud" Shaver of the *Detroit Times*, spoke.

## Pittsburgh Alumni Honor President Little

MORE than two hundred Michigan men and women attended the dinner for President Little and President Ottaway of the Alumni Association sponsored by the University of Michigan Club of Pittsburgh, on November 9th, at the University Club, Pittsburgh. Those in attendance report it one of the most successful dinners ever held by an alumni club.

Henry O. Evans, '94, '96, toastmaster for the evening, was introduced by the Club president, Robert G. Young, '08. Introductory remarks were short, and President E. J. Ottaway launched into an interesting talk on the Alumnus Program. President Little, the main speaker of the evening, virtually walked with his many ideas into the hearts of all those present, and reports are to the effect

that every Michigan alumnus in the Pittsburgh district will give Dr. Little all the support he may need in carrying out his many and varied plans.

During the course of the evening Michigan spirit reigned supreme, with songs, cheers, and music.

Honor guests for the evening included representatives of the local and near-by universities, local school board representatives, as well as the officers of the local Harvard Alumni Club.

Honoring President Little and Mr. Ottaway, a noon luncheon was given at the William Penn Hotel, and was attended by the Board of Governors and several

prominent and outstanding alumni of the University of Michigan.

### The "Football Bust"

THE annual dinner, known traditionally as the "Football Bust," given by the University of Michigan Club of Detroit for members of the football squad, coaches and band, will be held at 6:30 Saturday, December 1, at the Hotel Statler. Seventy-two members of the squad and one hundred members of the band will be the honored guests of the Detroit alumni on that evening.



# School of Business Administration Graduates

## What has Become of Some Recent Alumni of this School

**L**IVING ANSWERS to the question, "Does a college education in business principles and methods pay?" are the graduates of the School of Business Administration, a brief resume reveals. Success seems to be the rule rather than the exception.

Although the School of Business Administration was not formally established as a separate unit of the University until 1924, for many years preceding that courses in commerce were offered in the Economics Department of the College of Literature, Science, and the Arts. Students who took the courses in Accounting, Corporation Finance, Business Law, Railroads, Public Utilities, and Money and Credit were granted a certificate in Business Administration.

There is Frank F. Kolbe, '14, A.M. '15, President of the Grosse Ile Properties Corporation, who has risen from the ranks of instructor at the University from 1914 to 1917 to his present position, President of the Grosse Ile Properties Corporation. For two years he was associated with the National City Company in New York, and in 1919 became associated with the General Motors Corporation, serving as Assistant Treasurer from 1920 to 1928.

Glenn G. Munn, '14, also began his career as an instructor, teaching Economics at Mount Holyoke College during the year 1916-1917. For two years he was Assistant Personnel Manager of the Chase National Bank, New York City, assuming the position as Editor of *Railroad Service*, Standard Statistics Company, in 1921. He is at present Assistant Manager of the Bond Department of Paine, Webber & Company.

Chester H. Lang, '15, has applied his knowledge of business principles and methods to several different corporations. The year following his graduation from the University he spent with the Washburne-Crosby Company, and the next with the Pittsburgh Coal Company. In 1919 he became associated with General Electric Company, with which firm he is still connected. For his first four years with General Electric he served as Assistant Manager of the Publicity Department, and the last five he has held the position of Comptroller of Budgets. Mr. Lang also is a member of the Board of Managers of Ellis Hospital, Schenectady; a member of the Board of Directors of the Schenectady Y. M. C. A., and Representative of the First District of the General Alumni Association.

Robert E. Payne, '16, has been with Lawrence Scudder & Company ever since the year he graduated. He was manager of the Chicago office from 1919 to 1921, becoming resident partner, Michigan territory, in 1921, and of the Western Division in 1923. Since November 1, 1927, he has been a general partner. He has his Certified Public Accountant's license in three states,



**ROBERT G. RODKEY**

*Associate Professor of Banking and Investments, was graduated from the University in '14 and received his A. M. in '17.*

Illinois, Michigan and Missouri. Mr. Payne also is a member of the American Institute of Accountants and of the American Society of Accountants.

Albert Bradley, Ph.D. '17, has been with General Motors since 1919. He is Assistant Treasurer.

H. Leo Dalton, '17, was lecturer on Accounting and Business Finance, Toledo University, from 1917 to 1927. He is associated with Konopac, Hearst & Dalton, Certified Public Accountants, Toledo and Detroit.

Harold M. Johnston, '17, is Treasurer and Comptroller with the Sparks-Withington Company, Jackson, with whom he has been connected since 1922.

Walter G. Elsnau, '18, is Treasurer of the Philadelphia and Cleveland Coal Company, Cleveland, Ohio. He was auditor of the corporation from 1921 to 1925, when he was promoted to the treasurership. Before becoming associated with his present company he spent one year, 1919-1920, with the Marwich-Mitchell Company.

Gilbert R. Byrne, '19, was auditor of the United

States Telegraph and Telephone Administration the year following his graduation, and from 1920 to 1922 he was auditor of the Income Tax Unit, located in Washington. Since that time he has been with Arthur Andersen & Co., New York, first as accountant and since 1925 as supervisor of accounting engagements.

W. Swindt Butterfield, '21, has been with the Jackson City Bank since 1921, serving as assistant cashier since 1924.

Among many others is R. F. Weinike, '22, who has been making splendid progress with the General Electric Company, Schenectady, N. Y. He has been with that company since graduation and his advancement has been steady. At the present time he is traveling auditor for the company.

Harold W. Scott, '22, has been in the public accounting field since graduation, beginning as a junior with Haskins & Sells, later becoming a senior accountant with them, and at present he is in charge of the Report Department of the Detroit office. He holds the C. P. A. in the State of Michigan.

Alfred C. Farrell, '22, taught Accounting at the Carnegie Institute of Technology in Pittsburgh and at the University of Pittsburgh for four years after graduation, and since that time he has been with the Dennison Manufacturing Company. At the present time he is executive in charge of sales and administration for that company.

Eric L. Kohler, '14, has made an important place for himself both in the teaching and practice of accounting. In addition to being a Professor of Accounting at Northwestern University, he is the senior partner of E. L. Kohler & Co., Certified Public Accountants, Tribune Tower, Chicago. He collaborated with P. L. Morrison in writing "Principles of Accounting," and with P. W. Pettingill in writing "Principles of Auditing." His latest book is "Federal Income Taxes, 1927."

No small number of men who took the courses in commerce in the Economics Department have gone into the teaching of business subjects. James P. Adams, '19, has been in charge of the courses in Accounting at Brown University for a number of years and is at the present time Chairman of the Economics Department of that university. Ray V. Leffler, '15, has been teaching Money and Banking at Dartmouth and Yale since 1919 and is at present Chairman of the Economics Department at Dartmouth. Roy B. Cowin, '16, taught Accounting at the University of North Carolina and the Carnegie Institute of Technology for a number of years and is at the present time Professor of Accounting at Lehigh University. Ross G. Walker, '20, taught accounting at the University of Iowa for a number of years and is now Assistant Professor of Accounting at Harvard.

Since the 1926 class was the first group to be graduated by the School of Business Administration with the degree of Master of Business Administration, the holders of these degrees have not yet been in the business world long enough to attain important executive positions. Even in this short length of time, however,

many of them have been able to establish themselves firmly in the business world.

Richard Moore, '26, is in the Treasurer's Department of the General Motors Corporation. In the Penobscot Building alone in Detroit there are nine School of Business Administration graduates. The School is well represented in the investment banking business. The Statistical Department of Keane, Higbie & Company is made up of four graduates of the Business School and one graduate of the University of Michigan Law School. Millard Pryor, '25, is in charge of the department. With the exception of the summer of 1927, which he spent at the University to complete the work for his M.B.A. degree, Mr. Pryor has been associated with Keane, Higbie & Company since he graduated. Mr. Pryor is responsible for organizing and building up the department from merely a position for one man.

Bradley Case, '25, M. B. A. '26, is next in line of authority to Mr. Pryor in the Statistical Department of Keane, Higbie & Company. Mr. Case spent the first year and a half after he graduated in the Statistical Department of the Bell Telephone Company.

Paul Rickman, M.B.A. '27, is another Michigan man with Keane, Higbie & Company. From the time of his graduation until last June he was affiliated with Lybrand, Ross Brothers & Montgomery, Public Accountants. He now carries the title of Auditor and Office Manager at Keane, Higbie & Company. Mr. Rickman says he would be ready to cause trouble if there is ever talk about changing Mr. Paton's "Practical Course in Accounting," as he secured his first position through his connection with Lybrand, Ross Brothers & Montgomery during the two months he spent in doing "practical work" under Mr. Paton.

Bernard Nagelvoort, '26, also is in Mr. Pryor's department. The first year and a half after graduation Mr. Nagelvoort spent as Manager of the Stock Transfer Department of the Guaranty Trust Company. The Class of 1928 added two more to the Statistical Department of Keane, Higbie & Company—Milton Bosley, '28 B.Ad., and Harvey Green, '28.

Raymond Perring, M.B.A. '27, and Forest Brimacombe, '28 B.Ad., are in the Credit Department of the Detroit Savings Bank. From reports, they have the credit situation well in hand.

Elmer G. Weber, '28 B.Ad., is Vice-President of the Detroit Research Bureau, a company which makes investment and financial analyses, market studies, and compiles the figures for the *Manual of Corporation Statistics*, published by the Detroit Stock Exchange each year.

There is only one conclusion to be drawn: graduates of the School of Business Administration are well prepared for business when they leave the University. As one alumnus puts it: "I am convinced that the course of study in the Business School has genuine practical value and the Faculty is deserving of a great deal of credit for the important part which they are taking in carrying out the policies of the School."