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The University and Training for Business

BY DR. W. SHERWOOD FOX

THE PRESIDENT:—Gentlemen, the Universities of Canada have given many brilliant graduates to the world in medicine, science, arts, law, and business. All the universities of this great country of ours have excellent courses for students to study for their chosen vocation in life. Western University has made a particular study of training students for business. As you all know, our distinguished guest today is President of that University. Dr. Fox, since his graduation from McMaster University has given his life to the education of students in these various colleges and universities. He has been at Princeton University and latterly at Western. We are delighted that Mr. Fox has chosen for his subject, "The University and Training for Business," and I know we are all anxious to hear him, and it gives me very great pleasure to introduce Dr. Fox, President of the University of Western Ontario.

DR. FOX:—Mr. Chairman and members of the Canadian Club of Toronto. For two things I wish to thank you, first the contribution this Canadian Club has made to a pet plan of mine, the *Lampman Memorial Cairn*, erected last autumn and dedicated in the month of September. The contribution of this club made it possible for us to erect a memorial that is completely worthy of one of Canada's great poets, Archibald Lampman. I also wish to thank you for the cordial welcome you have given me to my old home city. Technically I am not a native of Toronto. That is to say I was not actually born here. But I like to count myself a native of this city for I spent a great many years of my boyhood and young manhood here.

A cordial welcome of a return of the native always reminds me of a story that Stephen Leacock tells about himself. As everyone knows Leacock is an Englishman. Some years ago he lectured throughout England. One chairman introduced him in this way: "Ladies and gentlemen, for many years Great Britain has been sending out to her Dominions scholars, statesmen, merchants, criminals and manufacturers. And now, ladies and gentlemen, they are returning to us."

Now, to remove all possible misunderstanding as to my presence here today in presenting the topic I am to deal with, I must make an explanation. This topic I am to present was not exactly chosen by myself. I was asked to speak upon it. Naturally I had a hesitation in bringing coals to Newcastle, that is, in speaking upon a course of training for business which to a certain extent overlaps a course that is given in the great University of Toronto. I fully appreciate, Dr. Cody, the delicacy of the situation in coming here to speak on this topic of "Training for Business." However, I have, I think, a story to narrate. I shall introduce no comparisons. If any comparisons are provoked they will be made entirely in the minds of my hearers. My story will be unfurnished by adjectives. We do not term our course better or worse. But when we were casting about for a type of business course to introduce into the University we decided that there was definitely an opening for the particular type of course that we established, and at that we leave it. We believe there is room for a great many types of university training for business in the universities of this country. One course is as to another, much as woman is to man. Now we wise men now know woman is not inferior to man. She is only different. So we say that our course is not superior to any other course. It is simply different and we believe that a variety of courses, such as are given by the Universities of Canada, will together contribute to the upbuilding of our Canadian University life and to the training of University men for business.

Now, though I am not entirely innocent of advertising instinct, yet I can sincerely state that today in speaking to you I am not competing for students. For we have all the

students we can handle at the present time. Above all, deliberate platform advertising is one of the things that are not done among the universities. Moreover I cannot forget the case of the man who in an evening edition of the paper advertised for a watchman for his factory and the next morning found his factory plundered.

Now, in order to give you something upon which definitely to pin your thoughts, I must state at the outset that the course in our university is an adaptation of the business course of Harvard to Canadian conditions. Our course is, like the course in Commerce and Finance in the University of Toronto, a five year honor course. It leads not to the degree of Bachelor of Commerce, but to the degree of Bachelor of Arts. For there is such a large admixture of liberal studies in the course we feel that it should be so designated. This course was instituted ten or eleven years ago after a very careful study of various types of business courses had been made.

It was put up in charge of a Canadian graduate of Queen's who had had the Harvard training. That gentleman is seated at the head-table today, Mr. E. H. Marvin. He has withdrawn from our university to go back to business again. Unfortunately when we in the University secure men who are capable of conducting a business course, these men prove so attractive to business itself that we find it very difficult to keep them. At the present time all of the staff in this course are Harvard-trained men. In time we shall be able to mature a number of our own graduates so that our staff will be in large part at least men who are trained in the Harvard system as adapted to Canadian conditions. We shall then be able to continue at least the particular type of training that we wish to give in our university.

You will be interested to know that on October 11 last the Government of France opened a school in Paris that was based upon the Harvard type of school. The French Government for several years instituted an investigation into the different types of training for business that were given in the University world. At the end of the period of study the decision was reached that the Harvard type was best suited to the French business complex. At the

present time a group of men appointed by the University of London, England, sponsored to a certain extent by certain directors of the Bank of England, are investigating the possibility and advisability of establishing a Harvard type of school in connection with the University of London. But I believe as yet no decision has been reached.

Now before we can appreciate the distinctive features of the Harvard type of training we must have before us a brief survey of the whole attempt to relate university to business. After I set this forth I shall state certain details of our own course as applied to Canadian business. Now naturally this must be more than brief; it must be exceedingly compressed. In earlier years universities concerned themselves almost exclusively with those studies that are known commonly as the liberal arts, the purely professional schools were few in number. That is, there were schools of law and medicine and engineering, but generally doctors and lawyers in particular got their training through apprenticeship. That is, a doctor trained by doctoring and lawyers trained by the practice of law in law offices. Now, although nominally these liberal art studies were neutral, as far as training for the courses for the major professions was concerned, yet, gradually a certain slant was given to the liberal art studies that enabled students taking these studies to step rather easily into the major professions. Business then began to demand that liberal studies be given a slant toward business. There was an opinion prevailing in the public mind that somehow or other University men taking the liberal arts courses were unfitted for business. Business became conscious that it was becoming a profession and hence the demand that a business slant be introduced into the cultural courses. That was the first phase.

The second phase may be seen in the way in which this demand was received. It was received with a chorus of voices, one voice stating business positively could not be taught, and that was asserted dogmatically. Another voice, in reply, said, "Well, that is what the professions used to say; the doctors used to say medicine could not be taught; and the lawyers used to say law could not be taught. But they were mistaken. Business may be mistaken too. Let

us ask business to open its "mind." Then there was another voice said, "In a strict sense, nothing at all can be taught. It all depends on what you mean by teaching. Experience shows that if one hasn't an exaggerated idea of teaching you can teach almost anything." And the upshot of the whole debate was the Universities and business got together and said, "Let us make an effort conjointly to try to introduce some business training for business into the universities.

There are two phases of the attempt. In the first place was the introduction of a number of so-called commercial subjects into the curriculum, first options. Then these courses were separated from the liberal studies and courses of commerce were established. Now at first these courses were exceedingly popular but people gradually came to realize that they were too academic and were lacking in practicality. The second step was taken when several schools began to look for a way in which to apply business to the university or to apply university studies to business. One type of school looked to, say the engineering department of the University of Cincinnati, for a model. In that engineering school the students worked in the factory or shop as the case may be for a few weeks or months and then spent equal time in the University, went back to the shop, and then back to the University. They filled their university term with an alternation of attendance at shop and university. Now the other type of school, namely the Harvard type, looked to the law school of Harvard for its model. The law school of Harvard has been very successful over a period of years in what is known as the Case system of teaching law, and the people who founded the Harvard business school said let us endeavor to teach business in our new school of business by the Case system. In March 1908 a school was founded. It was endorsed by business of the city of Boston and the rest of the state of Massachusetts and endowed by Mr. Packard, the car manufacturer to the extent of five million dollars. That endowment has increased very materially since the founding of the school and the school has proved to be a very great success.

Now the first step our students, following the Case sys-

tem, take, is the study of certain assigned cases of business selected from a compilation of business problems that have actually arisen and been solved in recent Canadian business. Now this compilation with which we work is similar to the Harvard system of collected records, only the Harvard records comprise cases of American business. Here are the five divisions used in stating and discussing the problems:—

State the essential facts in a given situation.

Analyse these facts.

Set forth the reasoning followed in reaching a conclusion.

Record the actual decision made.

Sum up the significant features of the case.

Now each student grapples with his problem as well as he can, endeavoring to reproduce the original conditions under which the executive, whose problem this was, himself worked the problem. The student then works his way to a conclusion and presents a reasoned statement of why he reaches that conclusion. Not until the student has reached his own conclusion, is he furnished with the action actually reached by the business executive in the original case. Not until then, either, does he see the reasons why the executive came to a particular conclusion. Now, having thus made the acquaintance of business methods and procedure, the student is presented by some business man or men with certain problems the solutions of which are still in the lap of the gods. The business men themselves in these cases do not know the solution of their problems. Business men come to our classes sometimes and lay these problems before the classes. Sometimes students go to the business houses and get these problems. In various ways the problems are conveyed to the classes. Factories, offices, warehouses, are thrown wide open to the students in order that they may work as closely as possible under the original conditions under which the executive himself worked.

Now these problems are really tests. In the first place they are excellent sifters. Very early in the student's career members of the staff, or the business men with whom the staff consults frequently, come to know those students who have no business aptitude. We often advise them either to

drop university altogether or go into some course to which they are suited. On the other hand those students that show a special aptitude for business are given special attention and special types of problems. So you see very early in the course we can separate the sheep from the goats. Something else happens. The business men who visit the University have an opportunity in meeting the classes, to come in touch with very promising material. Some men spot students who are still in their freshmen years as very promising material that would ultimately fit into their own business. These business men are not blind at all to the value to them of these contacts.

Now what does the student gain from this study? He is taught to think in terms of real and not imaginary problems, and to think straight. The method compels him to observe keenly, to discriminate intelligently, to use his imagination profitably and under control, to weigh evidence accurately, and to acquire the habit of concentration on any work which he may be undertaking. On the other hand there is a by-product of these students, namely a very valuable body of reports on Canadian business, just as Harvard reports are typical of United States business. Moreover these reports are written on a very wide range of Canadian business and as such are to a certain extent at least authentic business precedents. Now at the present time these reports are filled only in typewritten form. We hope to reach the point some day where we can print them, as Harvard prints its reports. We are quite well aware that while in a sense every business situation is a new one yet we also know that it is not wholly unprecedented. The more one knows what has happened before in business, the better can one understand what is happening now.

Now perhaps a concrete instance from our experience will be an enlightening commentary on what we are endeavoring to do. I submit it as an illustration. To be sure it is an extreme case and we would be the last people on earth to argue that every problem is handled as successfully as this. Nevertheless it illustrates our method. I quote word for word from a report dictated by the head of our department concerning one case. He says:—

"Not long ago there was laid before the students a problem concerning the co-ordination of various parts of a certain business. We asked the man from whom we obtained the problem if he would come to the school and lead a discussion on it. He consented. He began in a way that betrayed his belief in the futility of his effort. For several of his associates had told him when he had said he was going to leave this problem to a University class, "Why that problem is the very guts of our business. We have all been trying to find an answer to it for some years, and unsuccessfully. It is folly to expect a group of students to discuss it even intelligently." Nevertheless he came.

Now it is our custom after such presentations to require the pupils to write reports in which they state how they think the particular problem under investigation should be handled. We then ask the business man to read some of these reports so he may get an idea of the way in which the student mind operates in such situations. And then he comes back in another hour and discusses his own ideas with them. In this particular case the visitor said he would read no more than four of the reports. He received them on Friday morning and took them home that evening. Next morning he met the class just before noon. He addressed the class something like this: "Gentlemen, I told your professor I had time to read only four of your reports. I have taken time to read all of them, and furthermore I am going to take time to write a personal note to the author of each report, telling him exactly what I think of his manner of dealing with the problem. I don't know how one of the young men in particular whose report I read got the material for it. I could not possibly have believed that anyone who had not spent twenty-five years in my business could possibly have made any promising approach to a solution of the problem. We have ourselves been working on it for some time. It is the major problem of our business. The continuation of this business depends on its proper solution. My own organization has spent this morning discussing among themselves the solution presented by one of the papers to which I have referred and we are united in feeling that we have in this solution an answer."

Now what happened here is: the business man in this particular case had not gone outside his own business in the study of method and procedure. The students, on the other hand, possessing compilations of reports on a great many types of business had been able to gather up material which they applied to this particular business. Now I hope you do not think this is an unfair illustration. It is an extreme case as I said before. Yet I believe that it is a good instance of the method that we are employing.

I would like to give you a brief outline of certain other features. For example all students of the third year are supposed to make a special study of cost accounting. They go into various industrial firms in London whose doors are opened to them and they study the systems practised in those firms. They are allowed to make suggestions in regard to improvement. And sometimes the firms are very grateful for constructive suggestions that come even from students. Now I can name off hand a dozen firms who have thanked the University for help they have received in the reconstruction of their cost accounting systems. Students in the course in sales similarly go into certain firms in London and vicinity and study the sales systems there. In one particular case that I could cite, a case of a big firm, one of the students suggested a very important and valuable change in the sales system.

The students of the junior year every spring take a trip in the company of the head of the department which involves visits to the big firms of, say, Woodstock, Brantford, Hamilton and Toronto. In every case the officers of these companies think the visits of these bodies of students are so important that they assign some of their senior officers as directors of the tour. When the students return home they are expected to prepare reports upon the things they have seen. These reports are examined carefully by the members of the staff and are submitted to certain officers in the firms that have been visited. Seniors have to prepare these. Now thesis, I know, is an academic term. As a matter of fact the thesis in this course in business administration is a really big business problem. It differs from the problems that the students have had earlier in their course in that it

is a basic problem. At the present time we have a graduate who has been given leave of absence for a year by his employers to investigate a certain problem on which the future of his employers' business depends.

I cannot take the time to go any further into details concerning this course. I have to leave the other details to your imagination. However, will you let me summarize the various features that seem to command this method of instruction we are employing. It develops an appreciation of the problem involved in the various departments of a business; it develops the executive point of view; it teaches a method of approach to business problems; it develops an interest in the current business problems and fundamental business conditions; it develops ability in students to express themselves both orally and in writing; it provides the students with opportunity to become acquainted with the existing business organizations; it brings about contact in the class room between business executives and students; it gives students an opportunity for research study; it also is of great assistance in vocational guidance.

Before I sit down I wish to make this remark. In our courses that lead to business we have not forgotten the women. I believe our university is unique in Canada in having established a course of secretarial science for women. It is a four year course. The young ladies get, in addition to their quota of liberal arts studies, training in stenography and typewriting. They are also acquainted with the fundamentals of accounting so that immediately upon their graduation they can take business positions. At the present time in the city of Toronto we have a great many graduates of this course occupying important posts.

My last word is a request that I will make of the business men on behalf of the University graduate. And that is: we wish you to accept at its face value our statement that we academicians are not approaching this matter of business training in a spirit which says, "We are going to show you something." We ask and we receive your counsel and your co-operation. At the University of Western Ontario we feel that the co-operation we have had from business up to the present has made our course a success. If we can

secure a continuation of this co-operation we feel, as the other universities will feel, that we can improve our courses and make a great contribution not only to Canadian business life but to the life of our entire citizenship. If we can train our young men to go out into their business lives after graduation, with no superiority complex on the ground that they are university graduates, with open minds ready to learn from their employers and from experience, and with the will to labor hard from the lower rungs of the business ladder to the upper rungs, then I believe we in the University can accomplish a great deal for Canadian business. We believe if we turn out any people like that then Canadian business will seek our Canadian university graduates.