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# Excellence – The Goal of the Texas Council

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I AM pleased and honored to be on your program to discuss the expectations of the world of business with respect to graduates of today's colleges and universities, particularly its expectations with respect to graduates of the church-related colleges. It is a splendid and, no doubt, well-rewarded idea for your fine organization, the Texas Council of Church-Related Colleges, to meet as you are doing today. I understand this is your nineteenth meeting to discuss your aims and to evaluate progress in promoting excellence in education.

Very often businessmen are so preoccupied with the daily demands upon their time, which are manifestly different and sometimes, perhaps, more pressing than those encountered in the academic field, that a tendency toward narrowness of viewpoint may seem evident, with an apparent reluctance to give timely consideration to the broader academic problems which are so important. There is, however, a growing awareness of the need for greater intellectual vigor in the ranks of junior management, which must comprise a reservoir to withstand the competitive impact of a newer and rapidly developing concept of business leadership. The tangible evidences of this awareness can readily be seen in the form of industry-supported scholarships, fellowships, and awards for excellence in selected fields; and in the form of participation by representatives of business in career-day programs and the holding of employment interviews for graduating students, and the like.

The two general areas which I consider important, and should like to discuss with you today, include, first, the new concept of management, which we shall call "professional management," and second, recent and gratifying indications of the increased consciousness of religion in business.

## PROFESSIONAL MANAGEMENT

Business generally, and also the professions, are gradually demanding more of the college graduate.

There is a positive, growing opinion in business that the future management candidate must have more training in the liberal arts. The medical and legal professions have recognized this for many years. My own profession, that of accountancy, which has its primary responsibility to the public, has recognized this for some time, and although the requisite has not yet been established, it will come. It is the belief of the leaders in accountancy that technical training and competence are essential, but the profession is gradually accepting the idea that, in addition, academic training in the broad cultural areas is important to the development of an individual. Flexibility of mind, independence of thought, and moral integrity, which may be developed by these methods, are needed in assuming the responsibilities inseparable from public accounting engagements today.

With greater emphasis on liberal arts preparation, the liberal arts colleges will become of greater importance to the business world.

Of course, to be of greatest value to business and to himself, the liberal arts graduate should acquire also, either concurrently or in graduate work, some professional or technical specialization which will be of specific value to business. This is even more true now than in the past, owing to changes taking place in the methods of management.

I am certain we are all aware of the rapidity of change in our everyday existence. Vast sums are being expended for research in all fields of endeavor, bringing new problems of staggering proportions. This is the day of bigger and bigger business with its very large and continuing expansion of productivity. It is the day of bigness and change in things material.

With the more widespread bigness in business there is going to be, without question, a decided change in business management. What will business management of the future be? Will it be man or machine? What effect will it have on education for business?

Within the last five years the business world has been the object of several new techniques known by such names as "scientific management," "management by exception," "operations research," "control reporting." To a degree, these techniques overlap, and it is best to consider them as one general package of tools available to management.

Interest in these management tools was stimulated by a number of factors, such as increased cost of labor and machines, greater competition, shortages of skilled labor, and increased complexity of products and production processes. Further impetus was supplied by the

development of high-speed data-processing and calculating equipment, such as the "electronic brain." This equipment makes it possible to store data and to develop information that was not practicably available a few years ago, and timely availability of information is often the key to application of these new management techniques. Informed business decisions which are required to be made quickly in many instances can now be made because the necessary information is at hand, thereby reducing the cost of judgment errors by management, which in many cases have become too high to tolerate; and, as a matter of fact, with the almost immediate availability of certain information the need for a decision often becomes evident earlier.

The "professional manager" for business, trained to work with the many interrelated variables of decision-making, is beginning to appear. This "manager" can no longer be selected from the relatively narrow confines of a vocational background, but must be specifically trained to understand and to use the interrelationships of all segments of the business.

Consider for a moment the probable impact of these new techniques, electronic computers, and professional managers upon the business. The production worker (meaning the employee such as the accountant with responsibility for producing figures, or the factory man with responsibility for the product) may find his job requirements quite different in the future. Instead of performing a series of related tasks which produce a tangible product in which he can take some personal pride of accomplishment, he will very likely find himself simply required to prepare material for machine consumption. The bulk of the manipulation, control, and decisions will be programmed into the machine. The production worker, then, may be effectively reduced to very little more than a human servo-mechanism who will generate added problems in personnel management—problems which fundamentally concern human relations.

The rôle of the business manager is due for greater change than that of the production worker. Rather than reduced in influence as the production worker is likely to be, the manager's position has to be upgraded. His rôle as an intuitive decision-maker is likely to give way to the rôle of the planner and the analyst. Because of the increased cost of labor, material, and machines, their utilization must be more effectively planned, and deviations from these plans must be detected, analyzed, and compensated for rapidly. This planning and analysis will be the heart of the work of the professional manager.

What do these changes in the pattern of the business world mean to colleges?

- Professional managers will require talents and training which are not now likely to be found in the technician. They are less likely to be developed from the lower echelons of the business. The gaps between job levels—gaps that will be filled by machines—will be so great as virtually to preclude the progress of all but the most talented technicians. The present distinction between the managers and the managed will become more pronounced.
- Since these professional managers will not be coming up from the ranks they will have to be trained in the colleges to a greater extent than heretofore. Their college curriculum will have to insure that they not only acquire more knowledge of mathematics, logic, and the natural sciences, and an understanding of political philosophy, economics, social behavior, human relations and Christian doctrine, but also they must know more of the principles of management, management controls, and organization.
- Training in the fields of mathematics and the pure sciences will have to emphasize not only the basic knowledge of these disciplines but also the use of this knowledge in conjunction with the so-called “scientific method” of problem-solving. The disciplined thinking habits that are thus developed will carry over as an invaluable asset to the “professional manager.”
- The study of the social sciences and religion must imbue these potential managers with a sense of social responsibility of even greater consequence than today. They must understand and appreciate the far-reaching effects of their decisions, and give adequate weight to the social as well as to the monetary effect of their actions.

#### FUTURE MANAGER WILL BE A MAN

I have given you the answer that the professional business manager of the future will be a man—not a machine. While the machine will be a tremendous factor in business in years to come, it still does not have the human, God-given ability to “Think.” It is important to remember when dealing with these electronic machines—for example,

the all-purpose computer—that they do not do anything they are not told to do.

## RELIGION IN BUSINESS

There is a stronger feeling today that spirituality has a definite place in the world of business. Although it is not true of the entire business community, yet it is a known fact that sometimes the profit motive, which we all know is an essential in American business, dominates our thinking, with the result that sight is lost of responsibility for morality in matters of business.

For example, decisions affecting a product are sometimes based more upon an affirmative answer to the question, "Will it sell?", without sufficient regard's being given to whether the product is really good for the consumer. Similarly, advertising's concern for the truth often seems secondary to dynamic selling. All this overlooks a fact which should be evident in the first instance—that ethics in business is actually good business. This point is gaining in recognition day by day.

Ethics, or personal morality, is one of the most important ingredients supplied by religiously supervised education. More emphasis than in the past will be accorded its universal application in living, including areas of the business community. The interest of business men is amply shown by the eager and enthusiastic response to the many recent speeches and articles on the subject. For example, every issue of the *Harvard Business Review* over the last two years has contained at least one article dealing with ethical or moral problems. The demand for reprints of these articles has held its own with groups of articles on such timely topics as statistical decision-making, human relations, marketing, and executive development.

An additional and particularly cogent example of the nature and the strength of business' growing concern with spiritual values, was evident in the Harvard Business School Association's Fiftieth Anniversary Conference in September 1958, which had as its theme, "Management's Mission in a New Society." It is significant that every major speaker stressed the importance of more attention to spiritual values, and that no fewer than one-fourth of the panel discussions, set up to consider topics of major importance to the participants, were directly concerned with these issues.

In this program, Stanley F. Teele, Dean of the Harvard Business School, described the requirements for "The Businessmen of the

Future" as being "more rational, more responsible, more religious." He said, "Personally, I am troubled by our apparent continued emphasis on material progress alone as the measure of success or failure in this competition with the Soviet Union. We are falling into a trap of our own making; we have become so impressed by the world's reaction to our tremendous material progress that there is risk that we shall consider this the true measure of our greatness and the most important contribution which we have made and can make to the world. In our hearts we know better; we know that the demonstration of how 170 million people can live together in peace, with basic goals of human dignity, morality, and justice, is our real contribution."

#### HUMILITY IN A STUDENT IS DESIRABLE

The complexities of big business today are such that I cannot help but view the preparation for and entrance into the business field three decades ago as relatively simple. The responsibilities of those to whom are entrusted the guidance and education of youth today are tremendous. Specialization, of course, results in concentration of effort but does not obviate the necessity for attention to the many newly established areas of knowledge. Indeed, the job of identifying aptitudes and talents, and correlating them with individual desires, is a trying occupation. Compounding the problem is the paradox of more outside interests demanding more of the time and attention of students than ever before, at a time when greater scholastic efforts should be expended. The tasks of educators are certainly less than enviable.

Manifestly, the well-developed student personality must have a deep feeling of humility with respect to individual accomplishments viewed in the light of total human knowledge. Too often, in the past, graduates of colleges have approached prospective employers with an over-estimation of their own value. Whether this attitude is inculcated by the school or is inherent in the individual, the net effect nevertheless is bad for the graduate. A well-balanced estimation of one's own abilities, coupled with definite and first-hand knowledge of position classifications compatible with that knowledge, are essential to successful efforts and progress in business.

#### CONCLUSION

In closing, I should like to express my opinion that the religiously

supervised colleges and universities of this country have been in the past, and will continue to be in the future to a great degree, a most productive source of talent required for business and industry. I say this from observation of the experiences of others, and from my own personal experiences, gained in approximately thirty years of public accountancy practice and industrial financial management.