

Birth Of The Rotary “Four Way Test”

. . . of the things we think, say or do.

(excerpts from a speech by Darrell Thompson with appreciation to Myron Taylor)

There are several ways to describe what Rotary is all about. One is the slogan that we use, "Service Above Self . . . He Profits Most Who Serves Best". That is certainly a high and noble ideal that has lifted many a man or woman out of themselves and set their vision on the heights.

Another ideal around the world is "The Four Way Test" and it is one of the most famous statements of our Century. Like most things worthwhile, it came into existence because of one man. Great things are not normally accomplished by a committee. Most things of value in this world have been done because of a special person. Great things are done by human beings, who are committed to a cause.

I want to tell you about The Four Way Test and Herbert J. Taylor, a man of action, faith, and high moral principle. Born in Michigan, he married in 1919 and moved to Oklahoma where he worked for the Sinclair Oil Company. After a year, he resigned and went into Insurance, Real Estate, and Oil Lease Brokerage. He was a mover, a doer, a consummate salesman, and a leader of men.

With some prosperous years behind him, Herb returned to Chicago in 1925 and began a swift rise within the old Jewel Tea Company. In line for the presidency of Jewel in 1932, he was asked to help revive the near-bankrupt Club Aluminum Company. The company owed \$400,000 more than its total assets and the operating capital was a \$6,100 loan from some reckless banker. He responded to the challenge and decided to cast his lot with this troubled firm.

Looking for a way to resuscitate the company, caught in the great depression, Herb prayed (he was a deeply religious man) for a short measuring stick of ethics, the staff could use. At that time he put together what ultimately became The Four Way Test. An

associate and member of the RC Westwood Village in Los Angeles, designed the first plaques of the test to be put on the desks of businessmen.

Herb had a little black book where he jotted down things he wanted to remember. As he thought about an ethical measuring stick for the company, he first wrote a statement of about 100 words and decided that was too long. He continued to work, reducing it to seven. Yes . . .the Four Way Test was once the Seven Way Test. It was still too long and he finally reduced it to the four searching questions, which comprise the test today.

Once the final test was formed, he checked it with his four department heads: a Roman Catholic, a Christian Scientist, an Orthodox Jew, and a Presbyterian. He referred to the points as principles rather than religious guidelines and they all agreed the test not only coincided with their religious beliefs, but provided a superb guide for personal and business life.

There was a man . . .Herbert J. Taylor . . .and now there was The Four Way Test.

***Is it the TRUTH?
Is it FAIR to all Concerned?
Will it build GOODWILL and BETTER
FRIENDSHIPS?
Will it be BENEFICIAL to all concerned?***

Simply written, yet it is as profound as it is simple. The words became the basis for decisions, large and small, at Club Aluminum.

But a Test must be put to the test. Would it work? Could business people really live by it? One lawyer said, "If I followed the Test explicitly, I would starve to death. Where business is concerned I think the Four Way Test is absolutely

impractical." The problem is understandable, when we talk about living the truth and measuring actions on the basis of benefits to others. It stirs bitter conflict within some, in a place where integrity and ambition lie side by side in uneasy suspension. Sizzling debates have been held in various parts of the world on the practicality of it as a way of living.

Truth, Fairness and Consideration provide a moral diet so rich it gives some people ethical indigestion. It calls for thoughtful examination of motives and terrible probing of life's goals. There are always some serious-minded Rotarians, not to mention skeptics and negative thinkers, who view The Four Way Test as a simplistic philosophy of dubious worth, contradictory meaning, and unrealistic aims. While one reacts in anger, another finds it to be an answer.

At Club Aluminum, everything was measured by the Four Way Test. First, they applied it to advertising. Words like Better, Best, Greatest or Finest were dropped and replaced by factual descriptions of the product. Adverse competitor comments were removed from advertising and literature. Employees were asked to memorize the Test and use it in their relations with others. It gradually became a guide for every aspect of the business, creating a climate of trust and goodwill among dealers, customers, and employees. It gradually and completely improved the Club Aluminum picture.

One day, the Sales Manager announced a possible order for 50,000 utensils. Sales were low and they were still in a bankrupt condition. They certainly needed and wanted that sale, but there was a hitch. After thinking about The Four Way Test, the Sales Manager said his potential customer intended to sell the products at cut rate prices. "That wouldn't be fair to our regular dealers who have been advertising and promoting our product consistently," he said. The order was turned down and was probably one of the most difficult decisions the Company made in

those years. There was no question this transaction would have made a mockery out of The Four Way Test they professed to live by.

By 1937, the indebtedness was paid off and in the next 15 years, the Company distributed more than a million dollars in dividends. Its net worth climbed to over \$1,750,000. The Four Way Test was born in the rough and tumble world of business. It was put to the acid test of experience in one of the toughest times that the business community has ever known. The Four Way Test survived in the arena of practical business life.

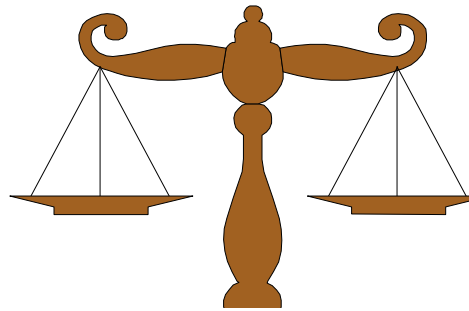
In 1942, Richard Vernor, then a Director of Rotary International, suggested that Rotary adopt the Test and the board approved this in January of 1943. It was worked into the Vocational Service program,

though today it is considered a vital element in all four Avenues of Service. It has since been translated into all principal languages. Herb Taylor transferred property rites in the Test to Rotary International when he served as Rotary's

International President in 1954-55, during Rotary's Golden Anniversary.

Has the Test lost its usefulness in modern society? Is it "sophisticated" enough to guide business and professional men and women in these fast-paced times? PDG Elmer R. Jordan wrote: "It is Vocational Service where you and I earn our daily bread, and are judged as Rotarians. The way in which we conduct our business and profession is what really matters. How we reconcile our desire for profit with our willingness to render honest service will exemplify the dignity of our occupation in doing business in our community.

Now, after 55 years, when the population of our country has doubled and great social, economic, and lifestyle changes have taken place...Can The 4-Way Test still work?"



"Is it the TRUTH?"

There is a timelessness in truth which is unchangeable. Truth cannot exist without justice.

Is it FAIR to all concerned?

The substitution of fairness for the harsh principles of doing business at arm's length has improved rather than hurt business relationships.

Will it build GOODWILL and BETTER FRIENDSHIPS?

Man is by nature a cooperative animal and it is his natural instinct to express love.

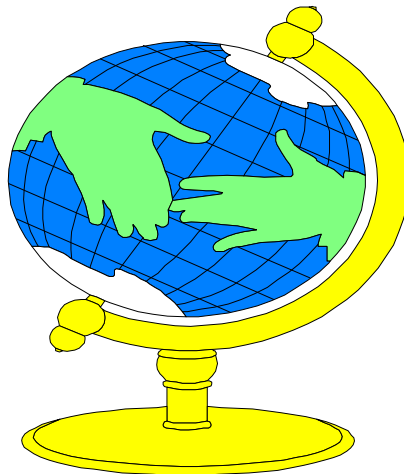
Will it be BENEFICIAL to all concerned?

This question eliminates the dog-eat-dog and substitutes the idea of constructive and creative competition.

The 4-Way Test is international. It transcends national boundaries and language barriers. It knows no politics, dogma, or creed. It is not merely a code of ethics, it has all the ingredients for a successful life in every way. **The 4-Way Test Can and Will Work in Today's Society.**

The Four Way Test has been translated into the languages of more than 100 different countries. Japan has led the world in practical uses of the Test. In 1954, the Osaka Rotary Club became the first to place it on the club banner. Some years ago, a Rotary Club in Japan initiated a project, which provided loan umbrellas for railroad passengers caught in unexpected showers. One member wondered whether the commuters would return the umbrellas. Another suggested printing The Four Way Test on the underside of the umbrellas. Months later the umbrellas had been used widely without the loss of a single one.

High Schools and Colleges in more than 25 countries display The Four Way Test for the inspiration of their young people. To encourage sportsmanship, Rotarians in Indiana installed a Test sign in a school gym.



It sits on the desk of more than a half million business and professional men and women in the US alone. Countless poems have celebrated the Test. A Texas attorney, Rotarian O. M. Stubblefield, put it to music with lyrics built around the four questions. In 1970, Rotarian Joseph Jennings of Maryland wrote his Master's Degree thesis at George Washington University on "The Four Way Test - A Viable Philosophy For Contemporary Managers".

Circuit Judge Arnold Cave of Wisconsin displayed the Test in his chambers. "Often, during some heated discussions between counsel at pre-trial conferences in chambers, I have directed the attention of counsel to the Test with good results," he said.

In 1955, a Chamber of Commerce called Herb Taylor and said, "We have a situation here, . . . a bad situation. There are about 400 motels that constantly fight with each other and refuse to cooperate. Do you think we could use The Four Way Test to work this out?" "Absolutely," answered Herb, and he offered precise recommendations on how the community could implement the program. The project got started with a local pharmacist, spearheading the effort.

Ministers announced it from their pulpits, plaques were set up in prominent places, and a full-page newspaper advertisement heralded the start of the campaign. Billboards along the roads spotlighted the town's espousal of The Four Way Test and soon the atmosphere of the community began to change. Motel owners agreed to cooperate and form a central clearing house. After a year of promotion and education, even traffic accidents decreased over 5%, and injuries declined 20%.

During that year 355 young people were placed in juvenile homes. After twelve months of trying The Four Way Test, there was a decrease of over 50%, with only 184 being sent to detention homes. Fifteen years later, "The Four Way Test had created an entirely new moral climate and was still being practiced in the business community.

The Four Way Test has inspired safe driving programs, fire prevention campaigns, crime reduction activities, has been written into labor contracts, chiseled in granite, and has been the subject of countless essays. Its message has been shouted by billboards, enshrined in bronze plaques, painted on the back of moving vans, and promoted over radio and television. But it was really intended to be taken to heart and to be expressed in life, in action, in relationships, in business transactions. Its purpose is to teach us how to think right in order that we can begin to act right.

The final test is in the doing. William James, the noted psychologist, once said, "The ultimate test of what a truth means is the conduct it dictates or inspires." I like Herbert J. Taylor's definition of Rotary: "Rotary is a maker of friendships, a builder of men and women and communities, and a creator of goodwill and friendships between the peoples of the world." At the heart of Rotary today is The Four Way Test - a call to moral excellence. Human beings can grow together. Modern business can be honest and trustworthy. People can be led to believe in one another. And in all of these areas the philosophy of The Four Way Test can help.

Years ago, John W. Gardner, a former US Secretary of Health, Education and Welfare said, "The society which scorns excellence in plumbing, because plumbing is a humble activity, and tolerates shabbiness in philosophy because it is an exalted activity, will have neither good plumbing nor good philosophy. Neither its pipes nor its theories will hold water."

Few things are needed more in our

society than moral integrity. The Four Way Test will guide those who dare to use it for worthy objectives: choosing, winning, and keeping friends; getting along well with others; insuring a happy home life; developing high ethical and moral standards; becoming successful in a chosen business or profession; becoming a better citizen; and becoming a better example for the young people of the coming generation.

At a Rotary Convention in San Francisco, James S. Fish said, "To endure, the competitive enterprise system must be practiced within the framework of a strict moral code. Indeed, the whole fabric of the capitalistic system rests to a large degree on trust . . . on the confidence that businessmen and women will deal fairly and honestly, not only with each other, but also with the general public, with the consumer, the stockholder, and the employee."

"The ethical standards of his or her company are the responsibility of the top man or woman and he or she must insist that those standards not be diluted as they are relayed, layer by layer, down through the corporate structure."

Eloquently simple, stunning in its power, undeniable in its results, The Four Way Test offers a fresh and positive vision in the midst of a world full of tension, confusion, and uncertainty.

**Is it the TRUTH?
Is it FAIR to all concerned?
Will it build GOODWILL and BETTER
FRIENDSHIPS?
Will it be BENEFICIAL to all concerned?**

Well, there it is fellow Rotarians - our Four Way Test. And here we are at the threshold of it taking us into a new century. ●

*(Edited for the ROTI Institute by
Douglas W. Vincent, Chairman)*

*For more information contact the:
4-Way Test Association Inc
4211 Carmichael Rd, Montgomery, AL 36106
Phone: (334) 277-6390*