

Excerpt from
A Century of Service: The Story of Rotary International
(Commissioned by Rotary International for the Rotary Centennial)

Chapter 13—Vocational Service

Business! Mankind was my business. The common welfare was my business;

charity, mercy, forbearance, and benevolence were all my business. The dealings of my trade were but a drop of water in the comprehensive ocean of my business!" So declares the ghost in Charles Dickens's "A Christmas Carol," a sentiment echoed in the RI theme for 2001-02. Business and professional life are the bedrock of the Rotary movement, and Vocational Service has always been a significant force in promoting honor, integrity, and trustworthiness in the business world.

Over the years, Rotarians have often struggled to succinctly define Vocational Service. They enjoyed the camaraderie of Club Service, the satisfaction in serving the needs of their communities, and the hope that their International Service promotes world peace. But Vocational Service is difficult to define. And so it is sometimes referred to as the "Forgotten Avenue of Service." One reason is Club, Community, and International Service activities usually involve groups of Rotarians; Vocational Service—the second Avenue of Service—is generally conducted by individual members. The foundation of Rotary is its classification system of membership. The fact that originally only one representative from each business or profession was invited to join a club distinguished Rotary from other organizations. Paul Harris suspected that if, for example, six insurance agents joined the club, they would either sit together and "talk shop" or compete against one another for other members' business.

One day in 1908, Ches Perry noticed a member, Charlie Newton, checking off names on the club roster. "As a Rotarian," Charlie explained, "I have been trying to find some way to be helpful to every member of our club, but Barney Arntzen the undertaker has me stymied." He later found a way to fulfill his personal mission. On his way to Rotary, he stopped to say hello to Barney and noticed a new ambulance parked outside. "The finest of its kind in Chicago," said Barney of his new vehicle. Charlie then visited another member, Doc Baxter, and asked if he ever needed an ambulance. "Certainly do. Why?" Then Charlie told him about Barney's new ambulance and suggested the two men talk about doing business together.¹

Chambers of commerce, networking clubs, and trade associations have long operated on the basis of business exchange. Even after Rotary eliminated trade-boosting activities, a University of Chicago study found: "The inhibitions of Rotarians about profits reflect no credit on Rotary. If the search for profits is 'selfish' and unworthy, then all of American civilization and the entire social and economic order of the western world are selfish and unworthy, for they have been created by business profits, developed by profits, and preserved by profits."²

"By the time the National Association of Rotary Clubs held its first convention in 1910, the networking emphasis had begun shifting. The majority of clubs told the new Civic Committee that Rotary should move from being a booster club to improving their communities. In 1910, Arthur Frederick "Rotary has reinforced this concept [of the Golden Rule], terming it Vocational Service; but long before Paul Harris founded our organization in 1905, most businessmen both large and small were trying to operate on the principle of 'he profits most who serves best.' They knew that the fly-by-night, chiseling, fraudulent operators were unfair

both to legitimate business and to the public. That is why they organized into trade groups and why they have taken the lead in creating protective legislation.”

J.C. Penney, Rotarian and U.S. businessman

Sheldon introduced “profit” in a new light when he told the first convention in Chicago: “He profits most who serves his fellows best.” A year later, he modified the statement to He Profits Most Who Serves Best. The delegates immediately adopted the phrase as Rotary’s slogan. After Minneapolis Rotarian Ben Collins introduced the phrase “Service, not Self,” Rotary slightly modified it to Service Above Self and added it to the Sheldon slogan. In 1912, Paul Harris struck “statistician” from the list of Rotary club officers, and Rotarians were no longer required to exchange business with one another. “Business should be a pleasure, and God pity the man who doesn’t love his business enough to get pleasure out of it,” said Cleveland Rotarian J.J. Wemple at the 1913 convention in Buffalo, New York. “The manufacturer’s first business is the making of men. Rotary’s business is to polish them after they are made.”³

Rotarians, who occupied positions of influence in their profession, were ideally placed to use their stature to make things happen. In 1909, the fledgling aviation industry turned to the Rotary Club of Los Angeles for help in promoting the new form of transportation. Predicted club president Dick Ferris: “A few years ago people said, ‘You couldn’t pay me to ride in one of those things’ when an automobile was mentioned, but now everybody wants a ride. That will be the case with flying. Inside of 10 years you will see equipment like Pullman trains going east through the air.”⁴

Los Angeles members spontaneously pledged their influence—and \$1,000 of their own money—to sponsor the Gordon Bennett Coupe Internationale d’Avion, America’s first aviation rally.

“I am encouraged by the current awakening of business firms and the professions to their social responsibilities. Rotarians ... in business and industry have been leaders in helping train the unskilled, providing employment for the so-called unemployables, creating opportunities for recent graduates ... developing markets, and generally helping to lift the standard of living. This is Rotary action in the finest sense.”

Kiyoshi Togasaki, Tokyo, Japan RI president, 1968-69

In 1940, Rotary International defined the Object of Vocational Service this way: “To encourage and foster: High ethical standards in business and professions; The recognition of the worthiness of all useful occupations; The dignifying by each Rotarian of his occupation as an opportunity to serve society.”⁵

Rotarians in Buffalo, New York, USA, sponsored weekly 15-minute radio broadcasts called “Choosing Your Career” and distributed thousands of career counseling pamphlets to young people. Members in Portland, Oregon, exposed and publicized local graft schemes. In St. Paul, Minnesota, the Rotary club staged Home Products Week, which urged townspeople to buy locally made products. The new Rotary Club of Singapore helped form the Singapore Manufacturers Association to promote the city as a Southeast Asian commercial center, and that association is still doing business today. In Ghana, Rotary clubs from the Netherlands and United States helped local Rotarians establish a 52-acre (21-hectare) model farm on which 120 students were taught the latest techniques in food production and preservation. The Rotary Club of Semarang Kunthi, Indonesia, trained villagers on Atauro, a tiny island in Timor, to improve their productivity and increase their income through fish marketing and preservation training. Clubs in Buenaventura, Colombia, and Salvadore, Brazil, encouraged their members to bring employees to their Rotary meetings to introduce them to the organization’s ideals of service and integrity. In 1989, after communism collapsed in Eastern Europe, Texas Rotarians sent business leaders to Hungary and Poland to teach those emerging democracies free enterprise business concepts.

The Code of Ethics

When Philadelphia's Glenn Mead succeeded Paul Harris as president of the International Association of Rotary Clubs in 1912, he continued to push the organization in its new direction. "Rotary is a solid and substantial bridge from the old order of the business world to the new," he said. He recommended that Rotary contribute to "the advancement of business morality" by formulating a code of business ethics.⁷

Fraudulent and deceptive business practices were so ubiquitous then that both Mead and his successor, Russell Greiner of Kansas City, urged Rotary to help restore the public trust in business. There were no consumer protection laws, no truth-in-advertising statutes—the unwritten law was caveat emptor, "Let the buyer beware." Rotary's early leaders often cited the Golden Rule—"Do unto others as you would have them do unto you"—as the guiding principle of Rotary's Vocational Service.

In September 1913, Greiner appointed a committee headed by Rotarian Robert Hunt of Sioux City, Iowa, USA, to draft a code of ethics for presentation to the 1914 Rotary Convention in Houston. Months passed and the committee had completed nothing. Two weeks before the convention, Hunt admitted that the draft wasn't ready and persuaded fellow club member Jacob R. Perkins to compose the code. As the train left Iowa for Texas, Perkins and six of his club mates put pen to paper. Throughout the night as the train rumbled across America's heartland, they tried to condense Hunt's 5,000-word research notes into a concise document. As they pulled into the Houston station, they finished their job: a 100-word preamble followed by 11 simple articles. Not one member of the committee appointed to draft the code was present. The delegates at the convention unanimously approved it, as did the delegates to the 1915 San Francisco convention. With the adoption of the Rotary Code of Ethics, Rotarians became ambassadors of improved business conduct from the clubs to their trades and professions. Philadelphia's Guy Gundaker, who became Rotary's 13th president in 1923, used it as the blueprint for the National Restaurant Association's ethical business code. "At least 145 national industrial codes of correct practice which have been adopted since 1922 [were] directly a result of the influence of Rotarians," reported the University of Chicago researchers in the book *Rotary?* aE.M. Statler, a Chicago Rotarian and owner of the Statler Hotel, was moved to compose the Statler Service Codes, which he instructed all employees to adopt. One excerpt read: "Life is service. The one who progresses is the one who gives his fellow a little more—a little better SERVICE."⁹

Beginning with the 1916 Cincinnati convention, "vocational sections" convened wherein Rotarians engaged in the same business or profession met to discuss how they could raise the ethical standards of their chosen trade. Delegates to that same convention also became the first U.S. organization to adopt a resolution calling for truth-in-advertising laws. Rotarians practiced what they preached. The new Employer-Employee Relations Committee reported to the 1919 Salt Lake City convention how employers could practice the Golden Rule of fairness and efficacy toward employees. The association urged clubs to form local employer-employee relations committees. Starting in 1917, The Rotarian published numerous articles, such as "Conflict between the Employer and Employee," "The Welfare of the Worker," and "The Employer's Service to Employees."

The Four-Way Test

When the Great Depression hit in 1930, many Rotarians faced the greatest challenge of their lives. There was no better time to test for ethical conduct than during such a dire economic crisis and the scramble to survive. Herbert J. Taylor, a member of the Rotary Club of Chicago, was asked to take over the near-bankrupt Club Aluminum Company in 1932. It was a last ditch effort to save the company, which had no money, low employee morale, and ruthless competition from other firms in similar straits. Taylor used his Rotary background to draft a 24-word code of conduct that he used to guide all his daily decisions. He found this ethical compass so helpful that he called all the department heads together and asked them to do the same. The code had four points, so Taylor called it The Four-Way Test:

“Of all the things we think, say or do:

1. Is it the TRUTH?
2. Is it FAIR to all concerned?
3. Will it build GOODWILL and BETTER FRIENDSHIPS?
4. Will it be BENEFICIAL to all concerned?”

Club Aluminum applied The Four-Way Test to its dealings with employees, customers, dealers, and suppliers. It deliberately walked away from business that, while profitable, would have failed one or more of its standards. The company’s fortunes turned around; it eliminated its debt, and over the next 15 years paid out \$1 million in dividends while building a net worth of \$2 million. Herb Taylor credited The Four-Way Test. The RI Board voted to officially adopt The Four-Way Test in 1943; and when Herb Taylor became RI president in 1954, he donated the copyright of the test to the organization. The test has been translated into the languages of more than 100 countries. A Japanese Rotary club printed The Four-Way Test on umbrellas for passengers at railway stations. The Rotary Club of Bayswater, Victoria, Australia, sponsored an essay and poster contest among the town’s 11- to 14-year-olds using as its theme “A man’s struggle with his conscience.” NASA astronaut Buzz Aldrin planted a Four-Way Test pin on the Moon’s surface. In Meerut, India, the Rotary club erected a stone pillar next to the highway, inscribed with The Four-Way Test, and similar monuments were built in public parks by Rotary clubs in Brazil, Japan, and the Philippines. It has appeared in gymnasiums, courtrooms, and labor contracts. Today, the test appears on highway billboards, in schoolrooms and halls of government, and on the walls of businesses the world over. Vocational Service remains at the heart of Rotary. In 1987-88, RI President Charles C. Keller reinvigorated the Avenue by appointing the first Vocational Service Committee in 50 years, chaired by William Sergeant of Tennessee, USA. The committee redefined how clubs could more effectively participate in Vocational Service and drafted the new Declaration of Rotarians in Businesses and Professions.

1 Chesley Perry to Hiram Smith, Fullerton, California, 15 February 1960.

2 University of Chicago, Social Science Committee, *Rotary? A University Group Looks at the Rotary Club of Chicago* (Chicago, IL: The University of Chicago Press, 1934), 209.

3 THE ROTARIAN IV, no. 1 (September 1913): 37.

4 Rotary Club of Los Angeles, *History of the Rotary Club of Los Angeles*, Vol. II (Los Angeles: RC Los Angeles, 1989), 9.

5 Guy Gundaker, *Vocational Service 'The Corner Stone of Rotary'* (Evanston, Illinois: Rotary International, October 1940), 2.

6 THE ROTARIAN, June 1974, 22.

7 THE ROTARIAN IV, no. 1 (September 1913): 20.

8 University of Chicago, 204.

9 THE ROTARIAN III, no. 7 (March 1913): 29.