

# THE HISTORY OF SIGMA IOTA EPSILON



By

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*Although Sigma Iota Epsilon has become quite well known and respected in academic and professional circles during recent decades, few people know the history of this organization—why was it founded? where? by whom? for what purposes?*

*When an individual is invited to join SIE, whether he or she is a student, faculty member, or management practitioner, they become a continuation of a seven-decade tradition. This tradition not only focuses on honoring those people whose scholastic excellence or exceptional professional performance merit public recognition, it, moreover, serves as a vehicle to "bridge the gap" between the academics of the classroom and the practices of real-world organizations.*

*Many scholars may be surprised to know that SIE was a precursor of the Academy of Management. In addition, many of its founding founders were also instrumental in the founding of the Academy of Management.*

## Early History

Sigma Iota Epsilon (SIE) grew out of the belief in the beginning of the 1920s that industrial management was destined to become a field of increasing importance, and that students in this field of study should have an honorary and professional fraternity to provide incentive and recognition.

In 1926, Dr. Arthur G. Anderson, Professor of Industrial Management at the University of Illinois at Champaign-Urbana, began the work of organizing such a fraternity. With the enthusiastic cooperation of an undergraduate student, Arthur F. Merritt, Dr. Anderson sought to

provide incentive and recognition similar to Tau Beta Phi in the field of engineering and Phi Beta Kappa in the liberal arts.

The Greek letters Sigma, Iota, and Epsilon were selected as the name of the organization because of their association with the Greek words for earnestness (sproude), knowledge (idreia), and excellence (exoche). The ideals these words represent were considered important in cultivating a professional attitude toward the student's chosen field—industrial management. The scientific approach to the solution of business problems should be based upon "knowledge applied with enthusiasm, tempered by reason (earnestness), and with the goal of excellent achievement."

Dr. Anderson's next task was to design an emblem for the organization. Utilizing the gold key of standard design, the Greek letters ΣΙΕ were arranged diagonally across the face of the key from upper left to lower right. In the upper right hand corner of the key is replica of the old Slater Textile Mill at Pawtucket, Rhode Island, which was the first factory built in the United States. In the lower left-hand area is a representation of the functional organization as developed by Frederick W. Taylor, the founder of modern management thought. This chart, thus, is symbolic of management techniques and the beginnings of a scientific and professional approach to management.

The representation of the old Slater Textile Mill on the key symbolizes the first attempt to apply a new and creative system of production. Sigma Iota Epsilon is dedicated to the encouragement of production in the broadest sense of the development of resources—human, financial, and material—to ensure that new products, new services, new techniques, and new ideas may be

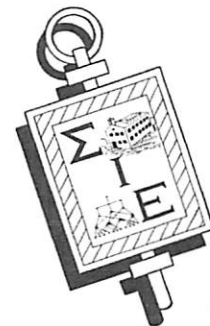


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created. The representation of the Taylor functional organization chart on our key is to remind the management community and SIE members of the early movement toward a science of management, from which modern management philosophy has evolved. Figure 1, below, is a depiction of the SIE key. It has remained the same for seventy years.

FIGURE 1:

The Sigma Iota Epsilon Key



The philosophy behind our key has evolved during past decades to embrace a richer, more comprehensive approach to the study of management and the

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practical implementation of its tenets. As managers serving society, we can never be satisfied with what has simply worked in the past. The complexities of our modern global economy constantly challenge us to develop and effect new ways of managing.

The Taylor chart reminds us that although many significant insights of management thought remain to be discovered and applied, we have come far toward developing realistic theories and practices to aid managers in guiding complex organizations. Whether the manager's problems concern the allocation of material resources, use of modern technology and processes, development of long-range strategic plans, or the direction of team efforts, modern organizational techniques significantly aid his or her managerial practices.

For those of you who wear your SIE key on a chain, that chain also has symbolic meaning. The manager cannot live and work alone. He or she, by necessity, is linked in a chain-like fashion with owners, employers, employees, and all of society in a creative and participatory process which serves human needs by helping to create products and services of the highest quality. All our efforts—individual, organizational, and societal—rest upon a foundation of cooperation and unity.

The concepts of development, theory and practice, and cooperation all work together synergistically to provide a societal service that managers render in many ways. When the professional manager conducts organizational affairs in an exemplary manner, he or she also serves as a trustee of society.

That is, individual employees, managers, owners, consumers, suppliers—indeed, all of society's members—are better off because their lives have been improved as a result of managers' dedication and adherence to the philosophies behind the SIE key. By applying the concepts of creative development, organization, cooperation, and service, we, as managers, take significant steps toward the attainment of one of our most cherished ideals—the creation of a society that simultaneously serves and unifies all people.

Hence, the key you so proudly wear from your chains, on your lapels, or on your dresses or jack-

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ets has a great deal of meaning behind it—historical, commercial, social, and ethical.

The very first SIE chapter, Alpha, was formally organized as a local organization on the Illinois campus in January, 1927. Mr. Merritt was assigned the honor of wearing SIE key no. 1 for his efforts in organizing the fraternity. In addition, he was the first president of the chapter.

On February 28, 1928, a meeting, sponsored by the American Management Association (AMA), was held at the Roosevelt Hotel in New York City to consider the founding of a national honorary scholastic fraternity in management. In addition to Dr. Anderson, other noted management scholars such as George Filipetti, Columbia University; John W. McNair, Georgia Institute of Technology; G. S. Miller, Joseph K. Bailey, Paul

S. Samuels, and W. E. Fischer, all of the University of Pennsylvania; E. M. Benedict, Syracuse University; and W. B. Cornell, New York University, were in attendance. It was decided at this meeting that a separate management organization, distinct from all others, be formed with the specific purposes of: stimulating interest and achievement in the field of management; stimulating scholarship in management through the development of the scientific approach to the solution of problems; gaining recognition in business of the value and contribution of scholastic achievement to business management; facilitating contacts between students and business executives; and recognizing contributors to the field of management. It was decided to call this new fraternal organization Alpha Mu Alpha.

Although no fraternity called Alpha Mu Alpha was ever formed as a result of this meeting, the

objectives set forth for the new organization were later adopted, *in toto*, by Sigma Iota Epsilon.

Shortly after the New York meeting, Dr. Chester F. Lay of the University of Texas corresponded with Dr. Charles M. Thompson, Dean of the School of Commerce at the University of Illinois. Dr. Lay had read about the formation of SIE at Illinois from the *Bulletin of the Taylor Society*, and wished to be put in contact with the individual in charge. Dr. Lay noted that "... the variety of work offered at the University of Texas in the field of management and control has increased to the point where considerable interest has been manifested in the organization of a professional and honorary fraternity of management on our campus" (Lay, 1928). Dr. Thompson, in turn, forwarded Dr. Lay's letter to Dr. Anderson.

Simultaneous with this correspondence, Dr. Anderson had been in contact with Dr. Maurice C. Cross of Syracuse University regarding the proposed national fraternity discussed at the New York meeting. Professor Cross was the faculty advisor for Pi Beta Sigma, a small local honorary organization that promoted business as a science.

According to later correspondence from Dr. Lay, he was the individual who proposed the merger of the three organizations (SIE at Illinois; Pi Beta Sigma at Syracuse; and the Taylor group at Texas) into one national organization—Sigma Iota Epsilon, with the charter chapters being Alpha at Illinois, Beta at Syracuse, and Gamma at Texas (Lay, 1964).

The need for such an organization to promote scientific thinking in industrial management is best described by the words of Mr. James George, a Dallas industrial engineer:

"The rule-of-thumb executive is still in the saddle and will probably stay there until the competition of more highly developed factories in the North and East drive him into farming or selling life insurance.

So long as this class is in power, any talk of science in management is going to be pooh-poohed. I was talking to a manager the other day who said that anyone was nothing less than crazy who said all businesses were alike in principle. He said his business was different from every other one in both principle and practice.

During our talk, he was interrupted constantly to pass on matters, some of which I could detect were of the most routine and recurring (sic) in nature. I offered to bet him that I could prepare an operational manual for his office that would save at least one-third of his time. But he was stiff-necked as well as ignorant and would not take my bet" (George, 1928).

Dr. Lay became National President of SIE in 1931 and was the prime mover in shaping the present organizational form of the fraternity. He was responsible for drafting the National Constitution and Ritual for the Initiation of New Members the same year. In a letter to Dr. Cross, Lay described his philosophy and goals for the organization.

"So the justification for the fraternal existence of SIE is its vision of and efforts toward the progressive development of management, both technically and in its relationship to society at large, until worthy and increasingly independent managers shall enjoy the respect granted to a distinguished profession. And by whatever test applied—public service, importance to society, qualifications

for the initiation of new Members.

Plans for expansion of SIE to other colleges and universities were suspended during the years of the Great Depression because of the limited financial resources available to college students as well as due to the decreasing enrollments at these institutions. Delta Chapter, formed at Northwestern University in 1935, was deactivated in 1939 and remains inactive to this day. SIE growth was further hindered from 1941 through 1945 because of World War II.

After the war, through the leadership of its presidents, Maurice C. Cross (1938-49); Merten J. Mandeville (1949-56); Keith Davis (1956-61); and Joseph K. Bailey (1961-66), SIE experienced steady growth, having

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required, development of literature embodying a growing technique, and an ethical code of self-control—the beginnings of a profession are in sight" (Lay, 1931).

In 1933, Dr. B. J. Lay began publication of *The Key*, the fraternity's academic and professional journal (the name was changed to *The Manager's Key* in 1936). During the following year, he conducted a management audit of all chapters to obtain the thinking of the membership about major policy and organizational matters. As a result of this audit, SIE was able to codify its eligibility requirements for both undergraduate and graduate students, establish policies for conducting initiation ceremonies and programs, and obtain final approval of the Ritual

increased to seventeen chapters by 1966. These new chapters were formed almost exclusively through the efforts of SIE members who had accepted teaching positions at institutions willing and able to support a chapter.

#### Modern History

The modern era of SIE began during the tenure of President Joseph K. Bailey in 1964 when SIE affiliated with the prestigious Academy of Management as its Student Division. Under this affiliation, SIE maintained an autonomous relationship with the Academy, similar to the present relationships between the regional divisions and the parent Academy. It was visualized that SIE would acquaint students with the purposes of the Academy and

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encourage them to become full members after graduation should they meet the membership requirements. Conversely, the direct interest of faculty members of the Academy, as a result of this affiliation, would encourage the founding of additional SIE chapters.

Dr. Keith Davis of Arizona State University, past President of SIE as well as the then-President of the Academy, wrote enthusiastically of this affiliation:

"As a result of the several roles I have played in both Sigma Iota Epsilon and the Academy of Management, the advantages of affiliation have been evident. Since Sigma Iota Epsilon members are top academic people, many of them will choose the profession of university teaching, or will, as managers, make significant contributions to management, and affiliation will help give these students a long-run perspective of the contributions they can make to the management profession after graduation. Through affiliation, students should be able to develop more contact and community of interest with faculty in management. Further, this affiliation ensures that Sigma Iota Epsilon is the leading honorary and professional student group in management, because it has the support of management faculty through their Academy of Management.

Generally, this affiliation builds a more cohesive community of interest among people interested in the growth and development of management and managers. In this way, it should build greater student scholarship and dedication to the management profession. Students will know that management faculty have

their interests at heart and are pulling with them to improve management and its image" (Davis, 1964).

SIE experienced a rapid period of growth during the tenure of President Wilmar F. Bernthal (1966-71) from the University of Colorado at Boulder, with sixteen new chapters having been founded during this period. Moreover, in 1971, SIE's thirty chapters were divided into regional divisions parallel to the regional groupings of the Academy of Management. The purpose of this regional differentiation was to encourage joint planning of SIE activities and provide closer identification with the Academy's regional divisions.

From 1971-76, SIE was under the leadership of President R. Stansbury Stockton of Indiana University. Five new chapters were added to the rolls during this period; however, the publication of *The Manager's Key* was suspended due to the financial expense and lack of chapter and administrative support.

When SIE moved to Florida State University in 1976 upon the election of Dr. B. J. Hodge as National President, the fraternity's leaders dedicated themselves to reinvigorating and expanding the organization. For the first time in its history, a National Administrator was hired to carry out the policies of the leadership and execute concomitant day-to-day operations. A quarterly *SIE Newsletter* was published and distributed to all chapters, alumni for whom permanent addresses were on file, selected members of the Academy of Management, and to management department chairs at schools that had not yet founded a chapter.

Additionally, *The Manager's Key* was republished, with the goal of gearing its contents to the needs and interests of university students in a management curriculum. Both undergraduate and graduate student members were urged to submit their own papers for publication, and the guidelines for faculty and practitioner submissions directed that papers be geared for student needs and interests. As with the *SIE Newsletter*, copies were sent to members of the Academy, alumni, and faculty members at non-SIE institutions.

From 1976 to the present, SIE experienced an unparalleled rate of growth, with sixty-three active chapters on the rolls as of September 1, 1996. Coincidental with this growth has been an increase in the quality and quantity of chapters' professional and academic programming efforts. To motivate scholarship among its members, the SIE National Office began a scholarship competition in 1979. As of June, 1996, over \$60,000 in cash scholarships have been awarded to undergraduate and graduate student members as a means of publicly recognizing and rewarding their exceptional academic, professional, and SIE achievements.

Also, in 1979, an amendment to the SIE National Constitution was passed by the membership to allow for a Professional Membership class. This was suggested by many local chapters that wished to initiate several distinguished practitioners per year in order to build a closer and more practical relationship between the academic and professional management worlds.

Recognizing that one of the primary objectives of the SIE National Office is to support the chapter's academic and professional programs, we began sponsoring two new programs beginning in 1985. The first, the Chapter-of-the-Year Award, presents a handsome recognition plaque and \$500 cash award to



the "best" SIE chapter of any given academic year. The recipient of the Award is selected by the SIE National President and SIE National Administrator. The selection is based upon the submitting chapter's academic programs, professional programs, size of membership, individual member honors and recognitions, and written plans for the upcoming academic year. Some of the chapters winning this prestigious Award more than once are Sigma Psi, Penn State University at University Park; Mu, University of Colorado at Boulder; and Iota Upsilon, University of Rhode Island. In 1993, two chapters—Sigma Theta at the University of Georgia and Epsilon Zeta at the University of New Orleans—were both declared Chapter-of-the-Year, with each receiving a plaque and \$500 cash grant.

The second program, the SIE National Office Chapter Grant Program, awards \$500 cash grants to local chapters to reinforce their academic and professional programming efforts. To date, over \$10,000 has been awarded for diverse activities such as: honoraria for guest speakers; initiation banquets; local scholarships; A/V and computer equipment; field trips to local business and governmental headquarters; internships; management colloquia; and a host of other activities that help ensure our chapters accomplish our mission.

Recruitment efforts to gain additional membership and new chapters were significantly increased as the National President, National Administrator, and members of the National Executive Board traveled to both regional and national meetings of the Academy of Management in order to "sell" SIE at formal functions at these meetings. In addition, schools currently without chapters are selected and formal visits set up between SIE National Office officials and management faculty.

Although *The Manager's Key* ceased publication after 1982 because of a lack of chapter support

and student submissions, National President Paul L. Wilkens, in 1994, took a proactive approach toward developing and publishing a new magazine, *Management Futures*. Unlike its predecessor, the responsibility for compiling and publishing *Management Futures* rests with the National Office staff, so continuity and centrality of control are maintained. And although the most significant aspect of this new publication remains the articles submitted by our members, news articles and photos highlighting the activities of both the National Office and local chapters are published. Thus, our new journal combines the best elements of the former journal and newsletters. Also, the appearance and size of *Management Futures* were deliberately made significantly different from those of the old *Manager's Key*.

One of the continuing problems that faced the SIE National Office during previous adminis-

for expanded operations. Similarly, the Board, which was comprised of past SIE National Presidents, had difficulties in accomplishing its role as past Presidents retired and no mechanism existed to replace them if and when the current National President was reelected.

One of the most significant factors enhancing the vitality of the SIE national organization during the past two decades has been the support provided by Florida State University, the host institution of the SIE National Office. The University administration, specifically the Office of the Vice President for Finance and Administration, is a strong believer and supporter of SIE. This is well evidenced by its supplying, at little or no cost, a great deal of the overhead required for successful SIE National Office operations.

Better interaction between SIE and the Academy of Management

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trations was the lack of continuity and control that were inherent in a system in which the National Presidency, location of the National Office, and composition of the SIE National Executive Board constantly changed. Constitutional amendments passed in 1981 and 1984 permitted the National President to be re-elected and distinguished SIE faculty advisors to serve on the Board for recurring five-year terms. Until these amendments were passed by the national membership, the National Presidency and location of the SIE National Office were required to be changed every five years. Because of the different levels of support that the host institutions provided to the National Office, it was most difficult to maintain consistency of operations or plan

has been another important initiative on the part of the current SIE National President and staff. SIE makes a presentation every year to the members of the Academy Board of Governors to acquaint them with our operations and solicit their support in expanding our operations and membership. Currently, SIE and the Management Education and Development Division within the Academy are formulating plans to include student members at future national meetings. Ostensibly, students will provide inputs as this Division meets in formal sessions to discuss ways in which management teaching, curricula, and professional liaisons can be improved. In addition, SIE student members' presence and participation at meetings of the Academy of Management should set the foun-

dation for expanded regional and national meetings of our fraternity and its membership.

At present, the SIE national organization is the strongest it has been in its seventy-year history. Its future strength and worth depend upon how well the SIE National Office and local chapters respond to the opportunities of the present and challenges of the future. As we face the twenty-first century, Sigma Iota Epsilon looks forward to continued growth, increased ties with the Academy of Management, and the enhancement of the management profession and discipline.

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