Introduction: management and the productivity drive

The productivity agencies consistently drew attention to the importance of management in increasing productivity in Western Europe and the UK. Naturally the first criticisms came from the AACP. The *Management Accounting* productivity team report stressed the importance of management; after, ‘...very careful consideration, the greatest single factor in American industrial supremacy is the effectiveness of its management at all levels’ and, ‘Good management is a fundamental requirement of efficient business’ (AACP 1950a: 6, 64). The AACP team on education for management also stressed the importance of good management. In Appendix I of their report they quoted from 25 AACP productivity team reports which all emphasised the role that American executives and managers played in the quest for a higher productivity growth rate. The Report stated that virtually all productivity teams up to that point in time had claimed that productivity per labour year was higher than in the UK. Two principal reasons were cited, first the climate of opinion which regarded maximum effort by all workers as a prerequisite to a good material standard of living and secondly the quality of management (AACP 1951a: app. I, 1).

In 1954 an EPA report gave the opinions of over 40 American managers who had toured Western Europe, studying its management. The American managers took the view that the single most important problem confronting European management was a required change in attitude. More specifically they made five detailed criticisms concerning ‘top’ management. These were that ‘top’ management resisted constructive change; they failed to realise their primary function was to plan, the ability to plan was something that as we saw in Chapter 6 Locke considers...
integral to the function of management; top managers concerned themselves too much with day-to-day operations of the firm; they failed to delegate responsibilities to their subordinates; finally, they failed to give their subordinates adequate authority to carry out such responsibilities as were delegated. Other criticisms included the need for European managers to explain much more to their workers the reasons behind the decisions their firms took (EPA 1954: 14, 39). Strong evidence that management was seen as the principal obstacle to production reform during the productivity drive comes from the fact that after its first year of operation the ECA switched from targeting organised labour to management as the organisation that most needed to be reformed. The ECA noted in one report that, ‘The problem of increasing productivity is getting management to take action…’ (McGlade 1995: 405).

R. W. Mann, the Managing Director of Victor Products Ltd and Chairman of Tyneside LPC voiced the same opinion at a BPC meeting in 1958; at which he had been asked to talk about the problems of introducing ‘productivity’ to an industrial area. Mann should be in a good position to know as his LPC had run over 20 Circuit Schemes. He complained that ‘top’ management thought increasing productivity could be talked into being rather than actually taking active steps to achieve rising productivity. Chairs of other productivity associations felt the same way. Hodgetts, chairman of the Action Committee of the Birmingham LPA said the feeling there was that top management had to be convinced of the need for productivity (Carew 1991). The BPC thought that ideas about productivity were slow to penetrate medium and small firms because of managerial resistance for various reasons. Tiratsoo and Tomlinson have said the War revealed that many ‘…small capitalists were indifferent to technical innovation…’ (Tiratsoo and Tomlinson 1993: 46, 62).

These views gain strength and resonance from other evidence. Individuals unconnected with the productivity agencies such as the experienced works manager A. P. Young concluded, ‘For a given set of conditions, however, the productivity depends largely on the quality of the management, especially that of works management.’ He also observed, ‘…some of the best organised establishments in Britain compare favourably with the best in the United States’. In 1952 C. A. Peachey a works manager of Northern Electric Canada toured a number of telephone manufacturing plants in France, Belgium, and England and wrote to Kipping at the FBI. He observed that little had changed in British plants since the last time he visited them in 1939,