



The management of change in four manufacturing organizations

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degree of Doctor of Philosophy

submitted by

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This research for this thesis began at a time when the Australian system of industrial relations was undergoing considerable change. The thesis offered the opportunity to build on my involvement in a number of research projects. My involvement in these projects continually raised questions about why particular courses of actions were taken by managers. I returned to the data in 1994, with the encouragement of my supervisor, Assoc. Prof Tom Sheridan. His encouragement and continuing conviction that I could complete the work, sustained me through to its completion. I remain wholly responsible for any errors, omissions that remain in the text.

ABSTRACT

This thesis is concerned with the process of change and adaptation in four Australian manufacturing companies in the period 1989 to 1996. The thesis seeks to explain the reaction of these companies to the pressures for change, and particularly for the adoption of 'best practice' management prescriptions in the organization of work and human resource management. The operating hypothesis adopted is that the pattern of changes undertaken by manufacturing organizations are shaped by a variety of factors both external to and within the company, but that management beliefs and orientations are a key element in understanding the pace and extent of change. The research is pursued through detailed case studies designed to explore at length pressures for change and continuity in corporate decision-making.

A wide range of theoretical literature is examined as a precursor to the case studies. This begins with an examination of theories focussed on the evolution of contemporary economies and their production systems. The views of Braverman (1974) and Kerr et. al. (1960) are mirrored in contemporary discussion over the forms of production and work organization in manufacturing. A second group of theories focussed on the influence of national social and economic institutions on the organization of work was found to be a better basis for understanding the forms of manufacturing work organization emerging in advanced economies. However, the agency for these changes was seen as residing in strategic decision-making processes within the firm. The notion of management culture, reflecting the historical and structural milieu of senior managers, was identified as an important element in determining continuity in such decisions.

The thesis was then pursued through a detailed examination of the development of work and employment systems in four manufacturing organizations. A range of factors was examined in each case including the structure and operation of the company, and their development over time. In each case the continuity of management behaviour was traced to a configuration of factors associated with the internal organization and management of the companies.

GLOSSARY OF ABBREVIATIONS

ABPDP	Australian Best Practice Program (A program unit within the (then) Commonwealth Department of Industrial Relations, 1990-1993)
ACAC	Australian Conciliation and Arbitration Commission
ACCI	Australian Chambers of Commerce & Industry
ACTU	Australian Council of Trade Unions
AEU	AMWU is the colloquial title used by a unions which has emerged from a series of amalgamations between 1973 and 1994 beginning with the Amalgamated Engineering Union (AEU, 1973); and progressing through, the Amalgamated Metal Workers and Shipwrights Union (AMWSU, 1976-83); the Amalgamated Metals, Foundry & Shipwrights Union (AMFSU, 1983-1985); the Amalgamated Metal Workers Union (AMWU, 1985-91); the Metals and Engineering Workers Union (MEWU, 1991-93); the Automotive Metals and Engineering Union (AMEU, 1993-4); and since 1994 the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union. The abbreviation AMWU is used throughout this text for simplicity.
AIA	Automobile Industry Authority
AIRC	Australian Industrial Relations Commission
AIGL	AIR International Group Ltd.
AMC	Australian Manufacturing Council
AWU/FIME	Australian Workers' Union and the Federation of Industrial and Manufacturing Workers Amalgamated Union (see ASE for background)

AMWU	Australian Manufacturing Workers' Union the description commonly applied to the union that grew out of the AEU through a series of amalgamations (see AEU for background).
ASE	The Australasian Society of Engineers (ASE) became, through a series of amalgamations the Federation of Industrial, Manufacturing & Engineering Employees (FIMEE, 1991-1993), the Australian Workers Union – Federation of Industrial Manufacturing & Engineering employees Amalgamated Union (AWU/FIME, 1993-1995), and in 1995 the Australian Workers Union (AWU).
BCA	Business Council of Australia
CAD	Computer Aided Design
CAI	Confederation of Australian Industry
CAM	Computer Aided Manufacturing
ETU	Electrical Trades Union
FAPM	Federation of Automotive Products Manufacturers
IAC	Industry Assistance Commission (formerly the Tariff Board until 1974)
IC	Industry Commission (formerly the Industry Assistance Commission)
IMVP	International Motor Vehicle Program (based at the Massachusetts Institute of Technology)
JIT	Just-in-Time supply of production components
MIT	Massachusetts Institute of Technology
NUW	National Union of Workers
SCU	The Steering Components production unit within Tubemakers Automotive

- SEP Structural Efficiency Principle (first introduced in the national wage decision of the Australian Industrial Relations Commission in 1988)
- SSA Steering Systems Australia (A business unit within AIR International Group Ltd.)