

Work Organisation and World Class Management: A Critical Guide

review

by Chris Lloyd (Red Earth and SA Labour Bulletin, 1994)

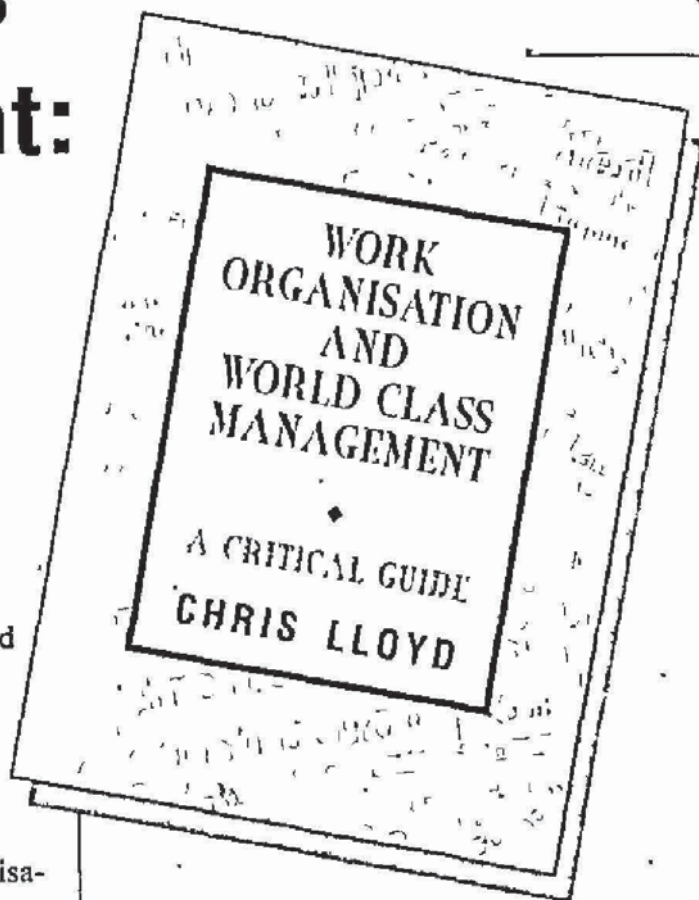
Reviewed by Sakhela Buhlungu*

Chris Lloyd, a trade unionist with experience in Australia, Europe and as a NUMSA official in South Africa, has produced a concise handbook which should be invaluable to every South African manager and unionist as well as consultants, academics and others involved in debates around work re-organisation and workplace change.

Lloyd's objective in writing the book was "to highlight some of the key issues for trade unionists and managers" and he has done this remarkably well. He gives a critical analysis of the concepts 'world class manufacturing' or 'international best practice'. In addition, he shares the wealth of his experience in Australia and Western Europe, highlighting what could become an alternative paradigm to the ideas which underline 'lean production' and international best practice.

The book argues that a key problem is the uncritical way in which management strategies, "developed within countries with substantially different histories and political and social circumstances, are imported as holistic solutions for industrial restructuring" in South Africa.

Lloyd deals with 'world class manage-



ment' under three broad headings. The first section, on work organisation and teams, discusses the origins, theory and practice of 'lean production', team working and related concepts. It concludes that, while their implementation leads to greater efficiency (pp13-16 and p33), their impact on trade unionism and the quality of working life is extremely negative. This section also looks at the spread of lean production and the Toyota Production System through Japanese car transplants in America, Northern England and Australia.

The second section deals with international best practice or world class management techniques developed by the Americans in their quest for competitiveness at a time when their manufacturing industries were facing serious decline. The book reveals similarities between international best practice and lean production, but points out that the former puts more emphasis on issues such as

* Sakhela Buhlungu works in the Sociology Department at Wits. He is also involved in the Sociology of Work Unit (SWOP)

particularly cost cutting, labour costs and organisational and workforce flexibility.

Lloyd's critique of international best practice points out that competitiveness demands more than 'workplace change'. It also demands a national training framework, availability of long-term investment, a government industrial policy and moves to deal with poor management.

In the last section of the book, Lloyd presents an alternative paradigm, what he calls "intelligent production". He argues for a two-tier bargaining system (industry and plant), a national education and training system, co-determination, employment security and plant-based consultation structures. But education and training is the linchpin of the framework proposed in the book.

Debates about work re-organisation and workplace change are a challenge to both management and unions in South Africa. South Africans must learn from other experiences rather than stick to old stereotypes or import nice-sounding ideas from other countries, without considering their relevance to our conditions. Lloyd's proposed framework of intelligent production is an attempt to get the debate on these issues rolling.

However, the book does have some weaknesses. It contains little on the South African companies accused of applying foreign concepts uncritically. Claims about workplace issues in this country are unsubstantiated. We are assured that the book has a South African flavour, but it is very hard to get a taste of that flavour, particularly in sections 1 and 2, which should have included such evidence. Section 3 contains useful ideas for an alternative model for South Africa, but it proposes a solution to problems identified in other countries, not this country. A related criticism is that, out of many references in the book, only two are on South Africa.

A lack of clear evidence means that Lloyd reaches certain conclusions without clearly demonstrating why his conclusions are correct. In one instance he challenges the view that teams and team work in general could be used to introduce elements of democratisation on the shopfloor. His reason is that this has not worked in Japan, a country which, by his own admission, has a weak

trade union movement. Yet, later in the book, he recommends co-determination, which he says has been adopted in Germany and Sweden with some elements of 'group work', but without the negative elements of the Japanese model. From what we know and from what Lloyd describes, it is the trade union movement which has made the difference in these two systems.

In Germany and Sweden, a strong trade union movement has turned team work to its advantage, something which the weaker Japanese trade unions have been unable to do.

Lloyd lambasts those, particularly trade unionists, who question the efficiency of the lean production paradigm and refers to their approach as "intellectually dishonest". But nowhere does he demonstrate how and why lean production is unquestionably efficient.

All the above, together with other generalisations in the book, make one suspect that little research was done on South African companies which have introduced new management techniques and workplace change. One such generalisation appears in a section which deals with the spread of 'best practice' to this country: "In South Africa it began to make its appearance in the mid-1980s, particularly in the paper and packaging industries. The motivations expressed for these developments are various but the methodology broadly the same". (p33).

The paper and packaging industries did not start introducing best practice in any of their companies or plants in the mid-1980s. Lloyd should have told us which companies in which industry started best practice in the mid-1980s. His failure to explore the 'motivations' for the introduction of best practice in these companies is also unfortunate.

Elsewhere in the book, Lloyd motivates the need for education for workers to participate in teams by quoting a figure of "somewhere between 50 and 70% of production numbers are functionally illiterate". His source for this is unclear.

Finally, the book is very badly bound. By the time this review was completed, the book had split up into ten separate pieces. This is something that should be rectified if the book is reprinted. ☆