

Profession and Innovation in the Experience of Historical and Contemporary Commercial Managers

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Short Abstract

This thesis explores the experience of the historical and contemporary commercial manager, its rise and fall as an expert occupation and its rise again as potentially a new organisational profession in the project-led organisation. Despite their importance in such organisations, commercial managers often report not seeing their work as a site for innovation and being viewed as being impediments to the experience of other functions in cross-functional teams. Their main association, the IACCM, intends to improve the status of commercial managers through 'professionalisation'. However, historically, the commercial manager was of considerable status, in the firms of the late Industrial Revolution. They have been lost to the principal histories of British management, until now. How was the status of the occupation lost? This thesis considers the historical structuring of the occupation through analysis and interpretation of historical employment archives and the novel use of historical actor's own situations wanted advertising to reconstruct the experience of the historical commercial manager.

The lived experience of contemporary commercial managers was investigated using Critical Incident Technique and phenomenological content analysis of first-person accounts of commercial managers successfully and unsuccessfully attempting to innovate within their routine work. The conflicts and scarcities of their position are key elements amongst the antecedents of insight that lead to commercial innovation. This thesis responds to Rickard's (2003) call for more realistic research into innovation and practical models of the actual practices of innovating people. Past and present are unified by an analysis of trait and ideological theories of professionalism. Through development of a framework for assessing progress in professional mobility projects, conditions for the fall of historical commercial managers are theorised and the status of modern commercial managers is analysed. Several key debates are also considered, such the rate of vertical integration in British firms.

The limitation of the study in both its historical and contemporary parts is the availability of data and interpretive approach taken to it. Although the method by which data types were elicited and analysed is clear and repeatable, there is a limitation in the degree to which the data is representative, in terms of the degree of participation of commercial managers and the physical limits of the archive; interpretation can only be carried out on the data that actually survives. Further work is proposed and recommendations are made for supporting the professional mobility of modern commercial managers. Once again, commercial managers find themselves as a response to the concerns of capital and enterprise, yet will their putative institution be able to create the kind of collective mobility that was impossible for their historical forebears?

Declaration

No portion of the work referred to in the thesis has been submitted in support of an application for another degree or qualification of this or any other university or other institute of learning.

Signed:

Date:

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List of Abbreviations

AT&T	American Telephone and Telegraph
CIOB	Chartered Institute of Builders
IACCM	International Association for Contract and Commercial Management
ICM	Institute of Commercial Management
OED	Oxford English Dictionary
PMBOK	Project Management Book of Knowledge
ICWA	Institute of Cost and Works Accountants
CIMA	Chartered Institute of Management Accountants
RICS	Royal Institution of Chartered Surveyors
WWI	World War One
WWII	World War Two

Introduction

This thesis explores the history of the commercial manager role and the experience of historical and contemporary commercial managers, so as to theorise the structures promoting and constraining the status of this organisational role throughout its descent from late Industrial Revolution firms into modern project-led organisations. The research was initiated by the observation that despite their importance in project-led organisations, commercial managers would often report not seeing their work as a site for innovation or being ‘outsiders’ to their organisational strategy, often feeling marginalised and unappreciated. Their main trade association, the IACCM¹ and research by Lowe et al. (2007) corroborated such claims. “Rather than displaying their credentials through professional status and achievement, those in the contracts field typically a) feel undervalued and b) resist sharing information and knowledge because they see that as their primary source of power.”² Yet at one point in history, according to Lowe (2006), “...[the] commercial manager could be found at the very top of companies and were typically responsible for acquiring new business and developing company strategies.” for example, Joseph Carlloz at the Commentry-Fourchambault steelworks; the second or third in command of an industrial operation of any size.

The question arises as to what could account for the apparent fall from this position into the peripheries of their organisations and obscurity in terms of management research? The history of the role correlates interestingly with the development of western capitalistic enterprise and the social and economic changes present; rising with the emergence of salaried and non-family managers and industrial organisation, falling with the end-point of these changes; the specialisation and rising status of certain functional management roles, the development of the M-form organisation and organisation for mass production,. Then, as these structures show their limitations, the commercial manager appears to rise again with the ascendancy of the project-based or project-led organisation.

¹ International Association for Contract and Commercial Management, founded 1999 with support from British Telecom, Hewlett-Packard, IBM, Lucent Technologies, Marconi Communications, and Siemens

² <http://www.iaccm.com/about/faq/?questionid=8>

Commercial Management is noted for its lack of professional representation and recognition and that professional bodies related to elements of the role, have not appealed to commercial managers (Lowe and Leiringer, 2006). Inability to attain professional status leads to a lack of status within organisations, also externally, which in turn can affect work outcomes. As Lowe (2006b) states, “the efficiency and success with which the tasks are undertaken are dependent on the level of importance accredited to them.” The power and status of occupations is influenced by the degree to which they can monopolise unique forms of expertise. Inability to monopolise a defined body of expertise allows other roles to claim elements of that body, as is currently happening with the PMBOK³ claiming that the work of commercial management is merely a subset of project management (Morris et al., 2006). Against this, the IACCM claim, “IACCM's role is to help our community... and equip our members to take on the leadership needed to become the unquestioned owners of contracting and negotiation processes⁴.”

A quote from a 2005 IACCM newsletter stated regarding commercial actors, that “...those charged with contracting and procurement activities are either seen as inhibitors or as offering little contribution to change and innovation.” Five years later in the IACCM 2010 Most Negotiated Terms Report, this was reiterated, in that they are seen as “obstacles to value creation and are viewed by many as an unfortunate pre-requisite to doing business.” Commercial managers comment on how they are frequently regarded as barriers by the sales or engineering elements of cross-functional projects, preventing those from selling or developing the solutions that they would like. An improvement in status could well increase commitment or at least compliance from other parties in cross-functional teams.

Historical appreciation of a role is fundamental in resisting its absorption and fundamental in any claim to professionalisation. Developing dynamic managerial theory requires a span of time to allow how the managerial role works best to be identified and to demonstrate how this is related to the growth of the firm and changes in the industrial

³ Project Management Book of Knowledge

⁴ <http://www.iaccm.com/about/faq/?questionid=6>

context (Wilson and Thomson, 2006). Identifying these things allows communities of interest to share best practices, ensure educational standards through membership evaluation and create professional 'closure'. In turn, this improves the status and bargaining power of the manager in relation to their superiors. Professional status is important symbolically and practically, but historical analysis suggests strong structural forces which prevented this for commercial managers in the past and which may still operate today.

Aim

Initiate the first authoritative history of the commercial manager role and propose ways in which the historical and contemporary experience of commercial managers is structured, determining the possibility of improving its status, using the discourse surrounding the professionalisation of organisational occupations.

Objectives

- Conduct a critical, historical literature review into key areas of thesis and identify principle theories in; British industrial organisation and business history, societal conditions, professionalisation, innovation, strategy and commercial management.
- Identify and examine historical, archive material regarding employment as a commercial manager, applying appropriate statistical and hermeneutic processing to reconstruct the experience of the historical commercial manager.
- Correlate findings from the archive material with the accepted history of British management and industrial organisation.
- Use trait and mobility theories of professionalisation processes based upon cost accounting to determine structuring forces in the non-professionalisation of historical commercial managers and the potential for contemporary commercial managers.
- Use Critical Incident Technique to elicit personal accounts of success and failure in innovation within the work of contemporary commercial managers.

- Analyse these accounts using phenomenological content analysis, identify the contemporary commercial manager's experience of innovation and the presence of any indicators of professionalisation.
- Propose the structural inhibitors which have prevented commercial managers from building up a stronger position in business organisations
- Identify limitations of the research and propose directions for future research and for the IACCM in their professionalisation project.

Central thesis

The central thesis argued in this research is that the commercial manager role emerged in the period of personal capitalism⁵, rose during personal-proprietorial, peaked in the phase of early managerial capitalism, fell with the decline of manufacturing and family owned firms and rose again in the work of the project-led organisation.

Identifying Commercial Management

As an introduction, it is appropriate to define commercial management, what little research exists in the area, which contemporary management theories have bearing on it, as well as postulate why the role might be missing from accounts of the development of British management as well as contemporary management research.

Establishing the precise role of the commercial manager is difficult. One problem is that the term 'commercial' has a much looser set of connotations today than when it emerged or was first used to identify a distinct managerial role in the mid 1800s. Lowe (2006) states that, "While the term commercial management and the title commercial manager are both widely used and accepted, there is presently no commonly recognised definition of either." Elsewhere, Lowe (2006) presents a definition of commercial management as managing "contractual and commercial issues relating to projects, from inception to

⁵ Using the periodisation of Wilson and Thomson (2006), as will be described later

completion.” This definition is accepted by the IACCM and ICM⁶, the main associations in the area of commercial management⁷. However, these statements raise the question as to what are the ‘commercial issues’ requiring management, which arise between the project inception and completion?

If the term is ‘widely used’, why is there little recognition of it in management literature, or popular culture, unlike other occupations? As will be discussed, it is utterly absent from the accepted histories of management despite being one of the earliest managerial designations and a prototype of the ‘organisational professional’. Lack of general awareness is further puzzling when it is seen how well paid they are and how many opportunities there are for them. Recruitment website Monster.co.uk on the 09/01/11, featured 2471 jobs under the title ‘commercial manager’ with typical starting salaries between £35-£100K.

Lowe & Leiringer (2006) found the tasks of a commercial manager to be; bidding, contract formulation, contract negotiation, risk management and dispute resolution and a support role for procurement strategy, pricing and proposal formulation. However, with marketing, supply chain management, innovation, strategy, R&D and business development there was only peripheral contact. There was also no mention of any role in business level strategy, or development of strategies, although arguably the functions listed were related to strategy in its implementation and embodiment in contracts for procurement and sales. Research by the IACCM revealed that the average commercial manager spent the majority of their time on contract development, bid support and negotiation. In the majority of cases, commercial managers belong to a group which provide commercial services to teams working on projects. In some cases their ultimate report is legal counsel, in others a range of functional management roles in sales, procurement or engineering. The IACCM conclude that, “Reporting line and organizational structure are not significantly impacted by industry, geography or company size. The reasons for variation appear to be more complex and rooted in issues

⁶ Institute of Commercial Management

⁷ In the U.S. the alternative term ‘commitment management’ is used, which the IACCM are keen to promote internationally.

of politics, personality, company culture and functional origins.” These aspects of the role are effects of the structures of their working environment, as in fig 1, as explained below.

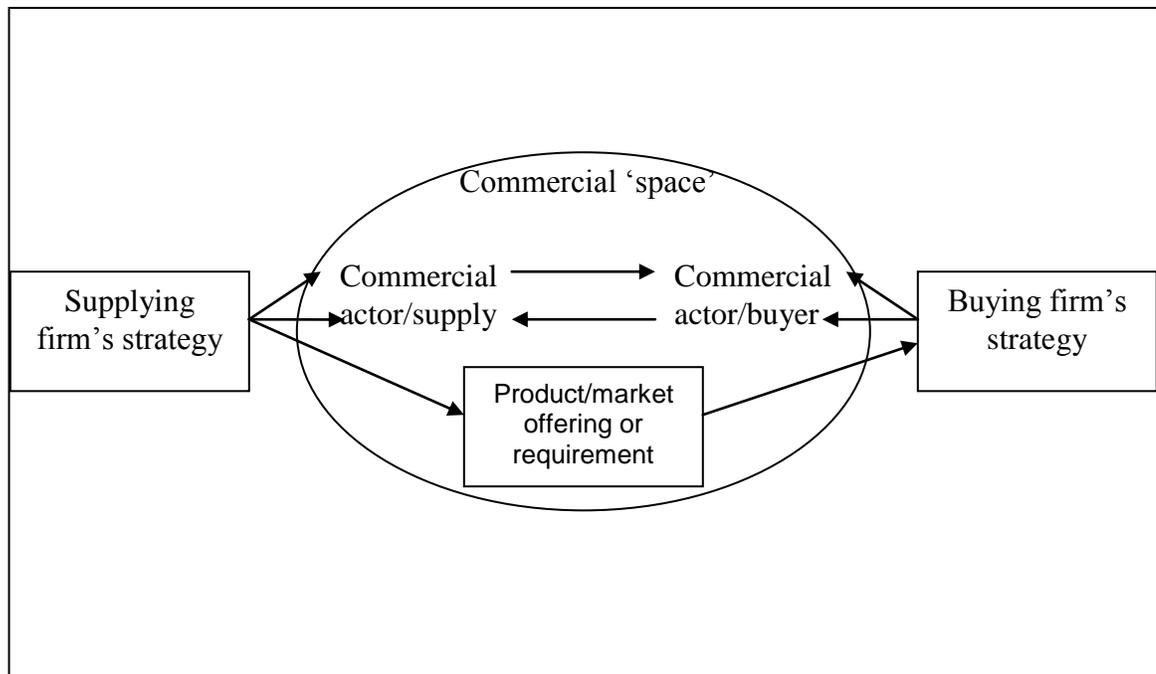


Figure 1 The Commercial 'Space'

Commercial managers are placed where they are as a consequence of their firm's strategy and support that strategy by contractually managing suppliers and obtaining factor inputs for the best value or by managing the value extended to buyers, embodied in contracts, for the best price. The buyers require the firm's product/service as a consequence of their own strategy requiring such inputs. The strategic relationships become represented by contracts, representing the intentions of the strategy. As both parties work to maintain their profits in the face of this necessary relationship, friction is caused through the functional conflict of needing to satisfy their own profit-maximising goal, yet still permit the trading partner to profit enough to remain in the game and exist as a continued source of supply or demand.

At this nexus of conflicting strategies, through skilful practice and innovation, Commercial actors resolve these conflicts, which are further complicated in multimarket

situations where the buyer in one project could be a competitor or supplier in another market that the firm faces. Therefore it is necessary to have people on project teams who understand not only the business of the project, but how it fits into the overall business of the firm across all of its markets. The commercial function in cross-project involvements provides this. Commercial Managers routine actions create the conditions and means of possibility for business strategy to be achieved where successful projects involve exchange with the organisation's environment.

Linkage with Management Theories

In many ways, the emergence of the commercial manager draws from the same historical wellspring of 'managers' in general. Therefore theories such as Urwick & Brech (1949), Chandler (1977), Pollard (1965) or Wilson and Thomson (2006) apply equally; that changes in processes of production, material flows, market size and telecommunications required new forms of industrial organisation. This forced the craft-based and family-owned enterprise to seek assistance in control of the associated responses, evolving into the industrial organisation required for mass production, eventually creating the requirement for professional managers. The emergence of the commercial manager coincides with Wilson and Thomson's (2006) theoretical phases of personal and personal-proprietorial capitalism, also known as the late industrial revolution. When considering professionalisation, Wilson et al.'s, (2010) trait proposal is integrated with sociological/ideological perspectives on professions (i.e. Muzio et al., 2007; Evetts, 2003; Larson, 1977) to illustrate the structural elements of a professional 'collective mobility project', which will be used to analyse the structures affective upon the status and progress of both historical and contemporary commercial managers.

In terms of wider management theory, commercial managers equate well with Regnèr's (2003) depiction of 'peripheral actors' and 'middle managers' (Balogun and Johnson, 2004; Huy, 2001; Floyd & Woodridge, 1997). Peripheral managers are identified by Regnèr (2003) as a group of "lower and middle-level managers and entrepreneurs, outside top management and any strategic planning units... peripheral both in terms of hierarchical location and remoteness from dominant practices and beliefs." Commercial

managers are peripheral in that they act as interfaces between an organisations projects (or programmes) and their supply chains, clients, and internal departments. They are also peripheral in terms of being a support service in cross-functional projects, advising in bid management, contracting and associated processes. This also makes them peripheral in terms of distance from the corporate core; therefore their routine actions may be invisible to those in the corporate core who set the strategy of which their projects are an embodiment.

As middle managers are accorded a support role in most models of strategy implementation, their contribution seen in strictly operational terms, their potential for enhancing the quality of firm strategy is often discounted or ignored (Floyd & Wooldridge, 1993; Westley, 1990). Lowe et al. (2006) noted commercial manager's lack of participation in strategic management activities. In the course of this thesis, one commented that, "I had no concept that I could possibly contribute in any way to the formation of strategy in my company. As a matter of fact I don't think I have actually contributed in any of the companies I have worked for..."

Commercial managers are responsible for aspects of work where variation and cost must be minimised, a conservative role. If the work of projects in project-led organisations is considered line-of-business, routine, then much of work of commercial managers could also be considered routine. As one commercial manager commented "Someone has to buy the paperclips..." Opinion was divided amongst the research participants regarding the balance of what could be considered routine or non-routine about commercial manager work, a 70/30 split either way. As Feldman (2000) and Gersick and Hackman (1990) indicate, routines are rarely seen as a site for innovation or strategic change. This is corroborated a 2005 IACCM newsletter, that, "those charged with contracting and procurement activities are either seen as inhibitors or as offering little contribution to change and innovation."

The history of management research is dominated by highly abstract work in the largest of organisations, especially U.S. multidivisional firms. Most of the key questions in

academic research into strategy, innovation and management are developed from and mostly pertain to these kinds of organisation. If contemporary concerns dictate what of the past ‘survives’ and commercial managers in the historical record appear to be associated with the entrepreneur or family-owned firm, then it is not surprising that they have faded from the commonly accepted account of management development and are ignored within academic research or management history. The main historical debates which this work considers are; the slowness of professionalisation British management, the speed and scale of vertical integration for sales organisation, the professionalisation of cost accountants, the development of organisational professions and mobility projects.

Sources

The primary sources for this research have been commercial managers drawn from several organisations including British Telecom and Rolls-Royce. Other participants were drawn from the senior membership of the IACCM. Participation ranged from semi-structured interviews and discussions, some of which were in response to the presentation of several conference papers during the progress of this research, through to the use of Critical Incident Technique-based survey. Two commercial managers also participated in checking the outcomes of the analysis of the CIT-based study.

The predominant archive source used in the historical analysis of the commercial manager role was the archive of Guardian and Observer Newspapers from 1791-2003, available online through ProQuest (referred to from hereon as ‘the archive’). The Observer is the world’s oldest Sunday newspaper, purchased in the early 1990s by The Guardian. Both are considered politically leftist with historically a national, middle-class circulation. Two other archives used to validate some aspects of the analysis were The Economist historical archive 1843-2003 and the archive of historical trade directories 1750-1919 produced by the University of Leicester and available at www.historicaldirectories.org. Further historical research was carried out through communication with archivists at Royal Institution of Chartered Surveyors (RICS), Chartered Institute of Builders (CIOB), American Telephone and Telegraph (AT&T), John Rylands Library and the Southern Transportation and War Museum.

Literature search was carried out using the journals available in the following databases: ABI/INFORM, Business Source Premier, Emerald e-Journal Collection, SAGE Management & Organization Studies, Science Direct, SpringerLink, Wiley Interscience, ASSIA, Compendex, EconLit, INSPEC, JSTOR, PsycInfo, Scopus, Web of Science, ZETOC. There is an average of approximately 3000 titles per database. Despite several practitioner handbooks featuring the title commercial manager (i.e. Boyce and Lake, 2007; Walker and Wilkie, 2002), there appear to be few peer-reviewed sources. What peer-reviewed research there is can be found in Lowe & Leiringer (2006) and in the proceedings of the International Commercial Management Symposium, Manchester 2005; IACCM Academic Symposia, Ascot 2006 and London 2007. The discussion of professionalisation and the case of the cost accountants was aided by the work of the ‘Cardiff School’ of accounting historians, particularly Trevor Boyns who kindly provided some archive evidence of the career of one commercial manager via the board minutes of British Insulated Calendar’s Cables (BICC) up till 1968.

Key books and monographs used were:

- Chapman (1992) Merchant Enterprise in Britain
- Checkland (1964) The Rise of Industrial Society in England 1815-1885
- Coleman (1992) Myth, History and the Industrial Revolution
- Crossick (1977) The lower middle class in Britain 1870-1914
- Larson (1977) The Rise of Professionalism – a Sociological Analysis
- Lowe and Leiringer (2006) Commercial Management of Projects – Defining the Discipline
- Muzio et al. (2007) Redirections in the Study of Expert Labour
- Payne (1974) British Entrepreneurship in the Nineteenth Century
- Pollard (1965) The genesis of modern management; Pollard
- Pollard (1983) The Development of the British Economy 1914-1980
- Pollard (1989) Britain’s Prime and Britain’s Decline 1870 – 1914
- Schumpeter (1956) Capitalism, Socialism and Democracy

- Urwick and Brech (1949) *The Making of Scientific Management Volume II Management in British Industry*
- Wiener (1981) *English Culture and the Decline of the Industrial Spirit*
- Wilson (1995) *British Business History 1720-1994*
- Wilson and Thomson (2006) *The Making of Modern Management*

Philosophical Basis for this Thesis

The title of this thesis is ‘Profession and Innovation in the Experience of Historical and Contemporary Commercial Managers.’ Experience as defined by the OED can be viewed in two ways, the ongoing conscious aspect; *“The fact of being consciously the subject of a state or condition, or of being consciously affected by an event, an instance of this; a state or condition viewed subjectively; an event by which one is affected.”* Secondly, there is a historical aspect; *“What has been experienced; the events that have taken place within the knowledge of an individual, a community... Knowledge resulting from actual observation or from what one has undergone.”* Experience is therefore an individual’s ongoing subjective activity or their description of that activity, and an individual’s sum total of historical knowledge gained by that activity, or their description of that knowledge. Ongoing experience, according to the American Pragmatists, is something that an individual seeks to control leading to the success of their activity. The way in which they go about this and the subsequent consequences can be argued as reifications of historical experience, as this is where the expectation of control and the means to obtain it are drawn from.

Historical experience forms an antecedent condition for ongoing subjective experience and the consequences of this become the individual’s historical experience in a continuous cycle. Also involved are the histories of the objective tangible and intangible conditions of the ongoing experience; in the case of organisations this could be the team, the deal, the client or the profession. Between these subjective and objective elements are triggered the “institution of interactions which yield results in control of actual experiences of observed objects” (Dewey, 1929). The desire to uncover experience and

these interactions, thus to control them, leads to a search for an underpinning theory of action, intention, purpose and control and an approach that allows access to both contemporary and historical actors.

Praxeology - an Explanatory Theory of Human Action and Experience

This thesis consists mostly in interpreting the actions of historical and contemporary commercial managers, as represented by self-generated texts of different kinds. The reason for the collection and interpretation of qualitative accounts of action is the belief that human actions generally reveal true statements about the intentions of actors, in terms of their situation and its objects, the antecedents and the consequences of their actions, the meanings they ascribe to them. Quite simply the entire phenomena as available to the reflective actor, who based upon their first-person, subjective appreciation of the phenomena, commit their beliefs regarding their actions to paper.

The study of action is called praxeology, derived from the Greek praxis; acts, deeds or practices. In academic use it is primarily identified with the work of Austrian economist Ludwig Von Mises. The central tenet of this approach to economics is that the individual actor is the true unit of analysis in socioeconomic phenomena. The Praxeological axiom presented by Rothbard (1973) is:

“Individual human beings exist. Moreover, they do not simply “move,” as do unmotivated atoms or molecules; they act, that is, they have goals and they make choices of means to attain their goals. They order their values or ends in a hierarchy according to whether they attribute greater or lesser importance to them; and they have what they believe is technological knowledge to achieve their goals. All of this action must also take place through time and in a certain space.”

Action is not totally free; it is helped or hindered by inter-subjective rules. There are causative factors of which people are not always directly aware at the time of acting. This demonstrates that a phenomenon cannot be entirely subjective as it contains aspects beyond the ideas and intentions of the actor, such as unintended consequences (Runde, 2001) or causal antecedents. For Von Mises, at the level of day-to-day experience for a human, there were only two principles necessary for a mental grasp of reality; teleology

and causality, “An event not open to an interpretation by one of these two principles is for man inconceivable and mysterious.” Therefore behind every action is design and purpose, even at a subconscious level, along with a presupposition that certain actions will cause certain outcomes. Interpretation of action can only begin with knowing the goals of the actor.

In mainstream economics man contends with a single conflict; scarcity. If means to achieve ends are not rare, then the ends would already be attainable, there would be no need for action. Resources that are superabundant no longer function as means or ends; therefore they are no longer objects of action (Rothbard, 1977). If satisfaction essentially negates action, then the reverse must be true; where a required thing is not abundant - time, resources or employment, it becomes an object of action. For the praxeologist this is true but insufficient. Scarcity turns the mind towards action as it bears the potential for the actor to suffer loss and eventual elimination, but it is not the motivating thought or the preliminary sensation. Things other than scarcity can create for the actor a dissonance between what they expect of a situation and what they currently have; the outcome of their actions vs. their intentions, or even bad imaginary outcomes of a situation weighted more probable than beneficial imaginary outcomes. In praxeology, unlike utilitarianism, the actor is not passively responding to stimuli of pain or pleasure, the actor is continually reviewing their situation or having comparison thrust upon them.

In the conscious realm, the sensation that turns thought to action is referred to by praxeologists as being ‘discontented’ (Von Mises, 1996), and in a similar way by pragmatists as ‘uncertainty’, ‘doubt’ (McCarthy, 1996), ‘doubt and insecurity’ (Heelan and Schulkin, 1998), “failure of established, habitual activities to ensure success” (Aram and Salipante, 2003), by phenomenologists as ‘uneasiness’ being ‘concerned’, feeling ‘care’ or ‘awareness of [ones] fate in an alien world’ (Lavery, 2003). To this list could be added fear. These sensations turn thought to action, the goal of which is to restore happiness or at least neutrality, by negating the loss feared. This is logical – if the present is satisfying, then there is no need to act until that satisfaction is threatened by dissonance identified by the actor or identified for them by some third party, unless acting itself is

pleasant. Ultimately, actions are judged beforehand against criteria that are often uniquely personal and action then taken that seems to be the most useful in achieving the desired ends. Physical limitations mean that only a limited set of ends can be attended to any one time, meaning that something else important may go ignored or denied priority. Arendt (1946) pointed out that this creates guilt, which drives the actor to act again in a perpetual motion of self-correcting the imbalances between priorities, things that could have or should have been done.

To the praxeologist, acting requires and presupposes the existence of causality and a world existing independently of the mind. People can act because of the ability to discover causal relations which determine change through the appearance of regularity, a belief, whether rightly or wrongly held that these are the means by which they can achieve certain ends (Rothbard, 1997). “The category means and ends presupposes the category cause and effect. In a world without causality and regularity of phenomena there... would be a chaos in which man would be at a loss to find any orientation and guidance” (Von Mises, 1996). The causal chain is proven to the actor with the achievement of the desired outcome. However, action often presents actors with surprises; unexpected outcomes evidencing a dissonance between what was intended or expected and what was actually achieved, of a positive or negative nature.

Knowledge to act is limited by something universal to the conscious experience of all people; the inability to hold the temporal and the spatial totality of things. Humans are inherently local to their place in space and time; indeed, this is necessary and universal for human experience giving it order. These two limitations are impossible to overcome, the true complexity of the moment that the actor is in cannot be known due to their spatially local knowledge of the totality of objects which make up the context of the action and the limit of time to extend search beyond these. This limitation then extends in time into the future; due to temporal locality the consequences of action cannot be accurately known as every possible interaction between objects from the point of acting creates an exponential rate of possible interactions creating deviance from the initial intentions of acting. The temporal locality limitation also extends into the past; preventing

the actor from being fully aware of the history of the context in which they act and the objects within it, which will invisibly permit some intended interactions, prevent others.

The interactions of human action with a reality which can only be partially known, creates the consequences observable at the level of conscious experience. Where the intended outcome of action appears to be achieved, there is for the actor the excitement of success and the perception of control over reality. Where intention is not achieved there are unrealised outcomes (Lloyd, 1989); the feeling of being thwarted or badly treated, the recognition of the fallibilistic nature of human knowledge or excuses, the “auto-therapeutic attitude of the unsuccessful many” (Schumpeter, 1956). There is also the situation of other unplanned for but useful outcomes, which may arise from success or failure, termed as serendipity or pseudo-serendipity (Roberts, 1989) or the rationalisations of luck and fate at work (Ma, 2002).

Uncertainty as to scarcity and the potential for elimination from economic and even actual life creates fear of the unpredictable, the subconscious awareness of the high probability of which makes success such a pleasure. Every technology that humans conceive is to deal with the spatiotemporal limitation and is a reflection of awareness of the reality of this limitation, so as to exert control over an entirely unknowable future. In this theory, the pursuit of happiness is really the escape from fear, the actors pursuit of a stable supply of desired ends, sustained through time by the attempted control of the objects of experience and the therefore the least amount of deviance from an intended future which in no way intentionally includes, but ultimately will; death. The universality of humans perpetually unbalanced, acting to regain a knowable, predictable future, suggests a racial memory of some secure world, now lost.

A Pragmatic Realism

In various aspects, praxeological-like theories of action and its interpretation are central to epistemological systems such as American Pragmatism and Utilitarianism, methodologies such as phenomenology, phenomenography and especially when accounts of experience are textual; hermeneutics. Austrian arguments accord with the critical

realist ontology (Runde, 2001). Discussion of action, structures, technologies, reflective actors who can compare their actions to their intentions and the actions and consequences of other similar actors, space and time as universal and prior to human understanding, all implicitly suggest and indeed require the existence of a mind independent, external world.

The human mind accepts this; acting upon things which cannot be immediately accessed through the senses or which become apparent through effects upon the objects that are perceived directly through the senses, indicating to Rothbard (1973), citing Hayek, “what of social complexes is directly known to us are only the parts... the whole is never directly perceived but always reconstructed by an effort of our imagination.” Even when their effects are not actualised and empirically unobserved, their existence cannot be ruled out. Social structures pre-exist, endure through time, but become apparent only in action, through material causality. Social structures are the enduring product and also the means of motivated human action, which humans in acting generate, reproduce and transform (Martin, 2009; Lloyd, 1989; House, 1991). Human beings and social structure are the two prime objects of knowledge for social science in explaining action (Contu and Willmott, 2005; Reed, 2005). Social structures are discovered through action.

This suggests a transcendental aspect to reality (House, 1991), which is the Critical Realist ontology, associated mostly with the philosopher Roy Bhaskar, that of a world of real entities, existing independently of humans observing, knowing and constructing it (Fleetwood, 2005). In the critical realist view, human beings can influence their own destinies (Bernstein, 1992). The use of knowledge to control action, in an end-oriented way, as a technology to create and assess the opportunities, is resonant with the epistemic philosophy of Pragmatism. Pragmatism is mostly associated with the American philosophers C.S. Peirce, William James and John Dewey. Epistemology is the study of what can be known, where knowledge is and how it increases (Cunningham and Fitzgerald, 1996) therefore a pragmatic epistemology would be based around action and how the results of action and what has worked in achieving those, create knowledge, in turn how knowledge acts as a basis for further action. To have knowledge is to have a fallible tool to anticipate the consequences of manipulating things in the world (Cunningham and Fitzgerald, 1996; Bernstein, 1992).

For the pragmatic realist and praxeologist the test of knowledge is experience in what Schutz (1970) called “the lifeworld”, of everyday things and events (Hildebrand, 2003), structured by ideas and tested by actions, and aimed functionally at broadening horizons by informing them with new ideas (Heelan and Schulkin, 1998). Knowledge is warranted or proven true in a cycle that begins with retrodution from experience and then moves to testing in experience, wherein it “makes a difference” (James, 1904). Retrodution, also known as ‘inference to the best explanation,’ aims at tracing back every phenomenon to its probabilistic or statistical cause (Von Mises, 1996). It begins with the simple question “What accounts for this?” Niiniluoto (1999) and then infers structures and mechanisms from the observation of ‘surface’ events and regularities (Reed, 2005; Contu and Willmott, 2005; Bhaskar 1986).

However, contemporary interpretive studies have come to be informed, not by the mentalities of the actors themselves, but philosophy described as relativistic, cultural, linguistic, poststructural and postmodern; “the ontological claim that discourse, language or some other conceptual or cognitive activity literally, constructs... entities” (Fleetwood, 2005; Franklin, 1998). This would be incompatible with praxeology which holds that the real world is being engaged with and is ontologically central to any human action. Such a perspective fails to account for the everyday experience of social actors, including the fallibility of knowledge (Kwan and Tsang, 2001). One common experience is failure in action, the realisation of an “obdurate reality” (McCarthy, 1996) beyond individual’s control, of surprise and serendipity. It is difficult to conceive why a person’s imagination would willingly create an experience of failure or loss, or how surprise can be if the surprising situation is a product of imagination.

Human science uncovers a reality that goes from complexity, not to simplicity, but discovers that even seemingly atomistic elements decompose and interrelate in complex ways not immediately apparent, human reasoning alone cannot account for it. There is a natural limit to the amount of different interpretations available to describe a situation, for example, “whether penicillin cures bacterial infections is a matter of fact, regardless of

how related events are embedded in social practices” (Seymour, 2006). Finally there is the ultimate loss, of individual death, a thing which can only happen to the individual but the evidence of which is universal to all. Can this effect reasonably be supplied and sustained by the human imagination, which itself is extinguished at death? To believe that the human mind alone creates these for us alone to perceive, “accords quite ludicrous powers to human thought” (Robson, 2002) and leads to unproductive solipsism. In the words of Popper (1975): “Denying realism amounts to megalomania (the most widespread occupational disease of the professional philosopher).” It is hard to see how the beliefs that there is no reality beyond a human’s ability to express it, is any less anthropocentric, or egocentric or tending to solipsism than the positivistic science requirement that reality needs a human mind to measure and order it.

Application of the Concepts to the Thesis

Historical and contemporary commercial managers, their employers, their putative institutions are all kinds of actor engaged in ameliorating fears and securing scarce resources. Actions such as advertising oneself as a type of manager, the choice of details to reveal about ones past and abilities, the action of searching for employees, the action of forming or joining an institution, the action of status-seeking, the action of innovating, all of these can be unpackaged and examined using praxeological theory with a pragmatic realist underpinning. They are all instances of individual actors ameliorating concerns or fears. Professionalisation is another case of seeking to secure a source of ends. Where there is strong similarity between the individual experiences of types of actor, then the argument can be made that the sum total of these and consistent patterns within it constitute a general ‘experience’ of that class or type of actor.

The antecedents and consequences of action are all or will become social structures which will permit some actions and prevent others. Human actors such as commercial managers in the late industrial revolution and today will find themselves both knowing and in ignorance of these structures, yet affected all the same. To be able to retroduce to these structures from the consequences of action, alternatively, to be able to theorise the possibilities of action based upon known structures, can create not only explanations of

past events but create the possibility of forecasting the consequences of future actions. Resultant theories can act as a guide for the work of commercial managers and their institutions, for the control and improvement of their 'experience'.

Principal Conclusions of the Thesis

- Through content analysis and hermeneutic interpretation of employment archives to reconstruct the experience of the historical commercial manager it was found that a commercial manager role approximate to that of today emerged from market conditions of the late industrial revolution and was solidified by the 1930s. However, it then declined from late 1950s onward; caught between the declines of family-owned manufacturing firms and the specialisation of key elements of the role, allowing it to fall to the peripheries of organisations or in some industries disappear entirely.
- The contemporary commercial manager's experience of innovation was captured using critical incident technique and phenomenological content analysis. In analysing their experience of innovation, the conflicts and scarcities of their peripheral position are key elements amongst the antecedents that lead to the action of innovation in the commercial 'space'.
- Analysing the experience of historical and contemporary commercial managers through trait and ideological theories of profession evidences that professionalisation was not possible for historical commercial managers, nor would it have prevented the decline of the occupation. Contemporary commercial managers may wish to achieve professional status, but there exists a range of powerful barriers to their return to the strategic core. Their principal association, the IACCM is missing several elements required for a successful collective mobility project.

Conclusion

This section has introduced the aims, objectives and key issues of the thesis, along with the sources used, main debates and limitations of the research. The philosophical basis of the research has also been introduced in which people act based on a desire for control of their ongoing experience, driven by fear or concerns of the future, which may be embodied in a variety of ways. This awareness arises from experience, subjectively developed over time, becoming knowledge, which also forms a technology for control of that experience. This research will uncover the experience of the historical and contemporary commercial manager and using discussions of professionalisation and innovation, uncover the structures that promote and restrain their status as individuals and as an organisational occupation, the forces that control but can also act as controls for improvement of their experience.

Chapter 1

British Business and Management History at the Emergence of the Commercial Manager

Introduction

In many ways, the emergence of the commercial manager draws from the same historical wellspring of ‘managers’ in general. Therefore analyses such as Wilson and Thomson (2006), Wilson (1995), Chandler (1977), Pollard (1965), Urwick & Brech (1949), would apply equally; that changes in processes of production, material flows, market size, telecommunications and international competition required new forms of business organisation, forcing the evolution and growth of the craft-based and family-owned enterprise into the organisation required for efficient production. This created the requirement for managers to assist the owners. The principle area of difference in these accounts is the rate and extent to which this evolution is claimed to have occurred. In Chandlers account, it would seem that technical exigencies ‘call forth’ required people from an otherwise undifferentiated mass of humanity. His techno-centric interpretation of the conditions of the emergence of management and the evolution of industrial organisation is socially mute.

Writing on the emergence of management tends to focus on heroic entrepreneurs of “supernormal ability” (Schumpeter, 1956). Of managers of what could be considered ‘normal’ ambition, working in the small companies which made up the bulk of UK firms, very little is known. Where were these managers coming from? How were these managers educated, when such education would not have been of daily use? Such skill would not have been acquired through apprenticeship, so how was it developed? What were their family structures, their financial status, personal motivations, childhood, religious affiliations or previous work experience? To an extent, commercial managers could indeed be classified as simply a kind of manager, an early salaried caretaker of the entrepreneurial enterprise, an agent of the entrepreneur; therefore their title was insignificant. However, in the use of the term ‘commercial’, there is something suggestive

of the meaning and significance of this type of management at the time of its emergence, that marks them out as different from other contemporary classes of manager; works manager, foremen or what might be considered a generalist 'business manager'.

The intention of this chapter is to use literature review to reconstruct aspects of the historical context of the commercial manager. Specifically; the emergence and development of management within industrial operations and responses to change in the environment of the late industrial revolution, social attitudes towards industry and commerce and the type of education seen as necessary for such activities and the debate over the internalisation of sales organisation. These aspects exert structuring forces, affective upon the emergence and progress of the commercial manager role, for the actions of entrepreneurs in employing commercial managers as agents and men identifying themselves as commercial managers.

Business Management in Britain in the Nineteenth and Early Twentieth Centuries

According to the OED, the words associated with 'manager' derive from the Italian 'maneggiare' to handle, use skilfully, direct or exercise a horse, ideas related to its derivation from classical Latin 'manus' or 'hand'. When it comes to the direction of people, management as an activity is claimed to be as old as human civilisation itself (Wilson and Thomson, 2006; Pindur et al., 1995; Pollard, 1965). Yet the discourse on *business* management appears to emerge only from the mid 1800s onwards. Although businesses were clearly being 'managed' before then, the entrepreneur essentially being his own manager (Pollard, 1965), it was not until the late industrial revolution that the emergence of more complex industrial works, the need for control of labour and its combination with raw materials to make a saleable product, moved beyond the ability of any one man to oversee. This in turn created a demand for assistants to the owner/entrepreneur – *managers* and also for appropriate techniques and behaviours for controlling these growing organisations and dealing with competition from similar – *management*. At its time of emergence in industrial operations, the concept of salaried 'manager' had no fixed label; managers were also known as supervisors or

superintendents, 'viewer' or 'captain' in mining, 'clerk' was equivalent to manager in silk throwing (Wilson, 1995). Also at that time, 'commercial functions' were impossible to precisely define (Chapman, 1992), essentially anything to do with the operation of the business which the entrepreneur chose not to oversee themselves directly.

There are different opinions as to *where* the discourse of business management emerged. Some (Wilson and Thomson, 2006; Pindur et al., 1995; Wilson, 1995; Pollard, 1965) identify the British Industrial Revolution, where in operations such as the Soho Works, Boulton and Watt developed market research, production planning and worker welfare and from which early industries, major insights such as division of labour and functional specialisation arose. Alternatively, others (Macve et al., 2006; Samson et al., 1999; Hoskin and Macve, 1994; Englehart, 1994) cite the U.S. military/railroads combine as the source of modern management techniques. Still others (Parker and Ritson, 2005) promote the work of Henri Fayol and his management roles of forecasting and planning, organising, commanding, coordinating and controlling, derived from reflection on his work at the Commentry-Forchambault mine works.

Specifically to Britain, Wilson and Thomson's (2006) authoritative study of management history divides the evolution of management into four phases. Prior to 1870 was the era of 'personal' capitalism where business was based on family ownership and management. From 1870-1945 was the era of 'personal-proprietorial' capitalism, starting in the late industrial revolution. This was still family-based, but with greater levels of external influence through mergers, holding companies and professional managers. Thirdly, from 1945-1985 the era of 'Managerial' capitalism, where there was an extensive divide between control and ownership and the adoption of the multidivisional form by large firms. Finally, from 1985 there is the era of 'Financial' capitalism, where outsiders through the firm's dependence on investment exert significant control. As their central question, Wilson and Thomson ask why in Britain managerial capitalism - the movement towards control by employed managers, was so slow to emerge when compared to other advanced nations; that this stymied the development of 'professional' management. Traditionally, Chandler's (1977) explanation was taken as definitive, that there were three

key investments to be made in developing modern industry which the UK failed to do, hence the lack of a professional managerial class; high volume production, marketing and distribution and finally in management to administer and coordinate these functional activities. With mass production, vertical integration and divisionalisation, transaction costs were internalised and made more efficient resulting the in the visible hand of management replacing the invisible hand of the market in providing business functions for the entrepreneur.

Wilson, in Wilson and Thomson, (2006) and Toms and Wilson (2003) extensively criticises Chandler's theory, primarily on the basis of its generalisability outside its American context, its determinism and the implication that to not follow the American model was somehow irrational on the part of British business owners. Instead, Wilson argues that the 'slowness' of the British situation was not some quirk on the part of British industrialists but an 'underpinning logic' for dealing with the market-cum-technological environment. This however, as noted by Chapman (1992) does not invalidate Chandler's conclusion, that the UK was slow in developing a managerial cadre. This issue is relevant to the emergence of commercial managers, in that this designation was amongst the first managerial designations to appear in the archive, towards the end of Wilson's phase of 'personal' capitalism. Whatever features of the market-cum-technological environment that promoted or restricted the emergence of salaried managers would also have been affective upon commercial managers.

Toms and Wilson (2003) argue that the main determinants of strategy are exploitation of scale and scope economies and level of accountability to external stakeholders. Wilson argues that personal capitalism in the industries that predominated in the British industrial revolution; textiles, coal, heavy engineering and chemicals, preferred external economies of easily accessible market resources particularly in terms of labour and sales/distribution rather than investing in integration, bringing these 'in-house'. Especially when working in an urbanised industrial cluster where highly developed distribution and mercantile networks for domestic and international trade were also present. A corollary of this was that the indirect relationships to market due to the merchant system also reduced available

information about the market, which precluded a safe move towards greater scale of production, making small-scale operations and specialisation a rational response. The British context created reliance on external scale and scope economies, which also externalised the associated managerial functions and set a path-deterministic course for the development of later industries and their organisation, damping the demand for firms to develop layers of management. This combined with lasting ‘clique based control’ (Church, 2000) explains why hierarchies of professional managers did not emerge widely in British industry before the 1950s.

However, Wilson’s arguments are challenged by Lloyd-Jones and Lewis (2007), Booth (2007) and Church (2000), in that his analysis omits small to medium businesses, the service sector and the public sector (all large employers of commercial managers from the late industrial revolution onwards) and is still fundamentally dependent on Chandler’s transaction cost basis. As Pollard (1989) and Nicholas (1983) show, throughout Wilson’s personal-proprietorial time, many British firms vertically integrated and outperformed US and German rivals despite competing abroad in heavily protected markets demonstrating that entrepreneurs were not necessarily locked into the constraints of personal capitalism, therefore not locked into exogenously determined standards of accountability, scale and scope. Wilson’s theory also ignores the Schumpeterian potential for new firms to have idiosyncratic capabilities in terms of accountability methods, market orientation and routines. Competitive advantage requires distinctive combinations of features not held by others, but ‘declinist’ analysis such as Wilson’s (as described by Booth (2007)) tends to subsume contradicting data.

British decline during the ‘personal-proprietorial’ phase and to what extent business leaders of the time contributed to that has been a long running debate (Tomlinson, 2009; Coleman, 1992; Pollard, 1989; McCloskey, 1970; Aldcroft, 1964). Writing on the industrial revolution began with A. Toynbee and his 1884 Lectures on the Industrial Revolution in England (Cannadine, 1984). From this point, it is argued, a concern with the decline of British economic performance began with the Victorians themselves. For example, in the Contemporary Review in 1900, William Clarke (cited in Supple, 1994)

said regarding England, "...the giant is visibly exhausted, and is slackening speed... Nations, like men, have their exits and their entrances. England was the first to develop the 'great industry', she will be the first to lose it."

Others (i.e. Tomlinson, 2009; Raven, 1989; Payne, 1974) argue that the economy of Britain was successful in terms of both output and productivity growth throughout the Victorian era and into the early 20th century, with continuing rapid industrialisation and that invoking late-Victorian failure due to lack of entrepreneurial spirit and enterprise-adverse culture was a ploy of 1980s right-wing politicians seeking an explanatory narrative for stagnancy of the economy at that time. Although growth was slower relative to Germany or the U.S, the UK fell to mediocrity rather than failure. That said there was a "great intellectual gulf" between Watt, Boulton, et al., the "isolated pioneers struggling against ignorance, prejudice and apathy" of Urwick and Brech (1949) and the "small, imitative factory masters" that made up the bulk of the economy referred to by Coleman (1992). The average businessman was more likely to be small-scale and inept than large-scale and successful (Cannadine, 1984).

As can be seen in tables 1, 2 and 3, Pollard (1989) interweaves several statistical sources to demonstrate that not only was UK industrial growth decreasing relative to Germany and the U.S.A., but there was increasing competition in export markets with a declining share for the UK and in table 2 a decline of 56% in global share of output between 1870 and 1913.

Table 1 Annual industrial growth rates (%)

	Hilgerdt Manufacturing Production			Barioch Total Industrial Potential			Lewis Industrial Production		
	UK	USA	Germany	UK	USA	Germany	UK	USA	Germany
1860-1880	2.1	5.5	2.9	2.5	5.5	4.6	2.3	5.7	2.6
1880-1890	1.9	5.4	5.5	1.6	5.1	4.9	2.1	3.1	2.3
1900-1913	2.1	5.2	3.9	1.9	6.7	5.2	2.1	5.4	3.3

Table 2 Shares of world manufactured exports (%)

	Hilgerdt			Lewis/Phelps Brown			
	UK	USA	Germany		UK	USA	Germany
1881	45.4	4.9	21.2	1883	37.1	3.4	17.2
1891	40.7	5.5	21.6	1890	35.8	3.9	17.2
1901	32.8	9.0	22.4	1899	28.4	9.8	19.5
1913	30.9	11.0	24.6	1913	25.4	11.0	23.0

Table 3 UK share in world output 1860-1913 (%)

	Hilgerdt Manufacturing Product
1870	31.8
1881	22.9
1900	19.5
1906	14.7
1913	14.0

The phase of personal-proprietorial capitalism was marked by the emergence of extensive foreign competition and expansion of domestic demand, fuelled by growth in real wages during the price depression of 1873-1896 and later the removal of German competition after 1918. As will be detailed later, new retailing empires backwardly integrated to control supply of adequate quality and quantity. Manufacturers of branded and packaged goods responded with developing their own sales and marketing efforts and mass production, as did the ‘new’ high growth industries of glass, rubber, dynamite, electrical products, synthetic alkali and textiles (Toms and Wilson, 2003). At this time some larger traditional firms experimented with sales organisation (Wilson, 1995). The new industries presented new organisational forms and management structures of functional specialists including management accountants (Wilson and Thomson, 2006; Boyns and Edwards, 1997a, 1997b; Melling, 1980). Horizontal mergers peaked during 1890-1939, trade associations also proliferated. However a strong culture of individualism (Mutch, 2006; Aldcroft, 1967) meant that these were defensive moves to maintain price control in response to foreign competition, allowing former owners to remain in control (Wilson, 1995), rather than innovations to develop managerial structures such as the American multidivisional form. With these responses came further demand for salaried managers, leading to Wilson and Thomson’s (2006) phase of managerial capitalism. The proportion

of manufacturing employees classified as ‘administrative, technical and clerical’ rose from 8% in 1907 to 15% in 1935 (Wilson, 1995), but this was strengthening centralised, functionally differentiated management rather than deepening of management hierarchies.

The emergence of modern management from the mid 1700s to 1800s demonstrates a highly differentiated, fragmented group “that had a poorly developed sense of its distinctive identity and existence as a separate class, profession or even occupation” (Reed and Anthony, 1992). The development of a rational, common body of knowledge was impossible where each considered only their own experience valid for their particular industry, with nothing linking them to managers in other industries (Pollard, 1965) with general unwillingness to apply new concepts and methods in practice. The early view that managers were born and not made, that experience of each company was unique, achieved through innate knowledge and ability (Wilson and Thomson, 2006) persisted long beyond its Industrial Revolution roots and well into the 20th Century. It is also worth noting that British management, insofar as it was rationally developed, relied on a model of ‘status’ rather than ‘occupational’, professionalism (Reed and Anthony, 1992), The British managers sought to legitimise themselves vis-à-vis the workforce through relationships with the business leaders (Wilson and Thomson, 2006) and intra-occupational specialisation and division of expert labour. This led to occupational entry and mobility in only specific functional areas (Child et al., 1983), rather than a general ideology of professional managerialism. Striation and status between and within managerial specialisms thenceforth marked the development of British management (Armstrong, 1985; Child, 1969; Reed and Anthony, 1992).

During personal and personal-proprietorial capitalism, the role of the family owners in the management of the firm was significant. The owner-manager established managerial elites based on personal ties and was concerned with familiar continuity (Reed and Anthony, 1992). Pollard (1965) demonstrates from writings as early as the 1730s, the role of ‘outside’ managers was initially viewed with suspicion by the owner of the family firm, for example in the words of Lindsay regarding his ironworks; “The proprietor of these works by residing on the spot and being up to the business in all its subordinate

detail may make a livelihood... but it would never, I say, never, answer conducted by a Manager.” Later, as families ceased to be a source of appropriate leadership, still, a clubby, ‘gentlemanly’ approach to managerial appointment and development persisted (Gourvish, 1987) as opposed to rational development of professional hierarchies which would have represented a threat to the requirements for trust and loyalty to work within a family-owned firm (Church, 2000b).

With trust being such an issue, functional managers were generally ‘trained from the ranks’ with a high premium on loyalty and long service (Church, 2000b; Pollard, 1965). The knowledge base of such managers was experiential or instinctive. Generally, there was a certain amount of training compartmentalised for specific tasks, which prioritised technical knowledge and ‘character’ required for the throughput of trusted men into the senior ranks. An alternative route to management was via the counting house, where business and financial acumen and relationship of trust to the employer were common. ‘Professional’ managers whose knowledge base was developed explicitly and institutionally and therefore not dependent on functional skill or organisational position for legitimacy and authority were a development towards the end of the personal-proprietorial phase (Wilson and Thomson, 2006).

Wilson (1995) comments that despite the tendency to promote from within, there were a few ways in which an outsider could seek employment as a manager; offering scarce experience perhaps as a failed entrepreneur or perhaps payment of a security. Promotion to senior levels with the family was a possibility, but the family remained in control. Directors involved themselves in the daily running of their firms. Gourvish (1987) in his study of early 20th Century British businesses noted that corporate change in the time of mergers and growth was more legal and financial than managerial with retention of control by family groups. For example, Courtalds retained family members on the board up till 1939 and apart from a small advisory group of commercial and accounting staff there was no clear managerial hierarchy, leaving it run as an autocratic family business. At Colvilles, there was a clear means for the most promising young managers to get onto the board (in 1916, John Craig, the son of an iron puddler emerged as chairman and MD),

token shareholding was also used to maintain the loyalty of young managers, but again, this system tended to preclude outside influence contra the interests of the family. Therefore, family control by selection, supervision or reward severely limited latitude for managerial discretion and the development of independent, professional management.

Reasons for resisting the growth and change with which managers were associated are often portrayed as irrational, based upon defective worldviews or personality traits. For example, Coleman (1987) implicates the persistence of ‘industrial revolution values’; “aggressive and often pig-headed individualism, a deep suspicion of science, a complacent belief that tried methods were the right methods... an affection for machines...” Such irrational attitudes would work against collaboration, technological innovation, or market-orientation. Yet, these methods had proved successful in the past. British industrialists had dominated world markets by skill and experience and therefore a disinclination to contemplate doing things differently, even to the point of being contemptuous towards ‘book learning’ and formal training (Pollard, 1989) whilst seemingly irrational, may seem less so when based upon a worldview in which up till that time Britain was the sole supplier of goods to an expanding empire and within which, aggressive independence secured success (Payne, 1974).

The rationality behind resistance to growth can be examined by considering what the entrepreneur’s firm was *for*. The answer has to be not for the good of the national economy but for a mix of personal economic and non-economic needs the rationale behind which is simply conveyed by Bentham’s maxim regarding man’s ‘sovereign masters’. Firstly, Hobsbawm (cited Wiener, 1985) stated that, “In a capitalist economy (at all events in its nineteenth century versions) businessmen will be dynamic only in so far as this is rational by the criterion of the individual firm, which is to maximise gains, minimise unit losses, or possibly merely to maintain what it regards as a satisfactory long term rate of profit.” Hence, if pleasures, or profits, were considered adequate and Chandler’s (1977) three-pronged investment seemed initially costly, then why take on the pains of innovations that seemed to introduce higher risk? Although British labour may have been more expensive, it may have been more productive. In such a situation,

increased exploitation of the workforce, suppressing “potentially inflammatory” implementation of automation and new machinery (Childs, 1990) would have been the primary interest.

Secondly, the balance of pleasure against pain weighed against growth in the proprietors disinclination to be involved in the management of more complex enterprises. Growth would require reorganisation. This, combined with natural antagonism and individualism of proprietors (Aldcroft, 1967) and resistance towards perceived loss of control through mergers or partnerships so as to remain small enough to permit supervision and control by the family (Payne, 1974), led to the persistence of small, inefficient, independent works, unlike Germany or America (Orsagh, 1961). In these, design (Brown, 2000) and diversity of ranges (Aldcroft, 1964) seemed more important, even a point of pride, than efficiency, mechanisation, or mass production (Coleman, 1986). Simplicity required self-financing from profits, family or partnerships and craft-based functional orientation (Pollard, 1989). These persisted long after legal obstacles to the growth of firms were removed in the mid 1850s and limited liability status and centralisation of the banking industry enabled raising of extensive capital beyond the family’s traditional means of supply (Michie, 2001).

Thirdly, as the entrepreneur succeeded, better social positions could be accessed through material riches to the point where little extra literal pleasure could be gained, therefore there was little incentive to expand production or maintain leadership status. This effect was then concentrated as the children of such ones were allowed to distance themselves from their industrial roots of their families. Elderly ‘players’ made sure that their children behaved like gentlemen rather than the innovators that they themselves once were (Quail, 1998; Coleman, 1992). Entrepreneurial ability was bred out, leading to the ‘third generation syndrome’ or “Three generations from overalls to overalls” (Schumpeter, 1947). Firms would fail unless able to appoint professional managers acceptable to the family (Wilson, 1965). The entrepreneur whether growth oriented or not, would need help which was not likely to come from the family.

Finally of note, was the ‘rationalisation movement’ of the 1920s, following the influence of the state in industry during WWI, attempting to link scientific development with organisation of production, with a concomitant expansion of British management literature, notably Lyndall Urwick and E. T. Elbourne. Urwick promoted both Fayol and the Scientific Management of Fredrick Taylor which had had a huge impact in American industry. From the late 1920s to the late 1940s, Urwick spent much of his time trying to weave together the threads of contemporary management ideas, including those of Taylor and Fayol, in order to develop a rational set of management principles (Wilson and Thomson, 2006; Smith and Boyns, 2005; Child, 1969). Rationalisation and Scientific Management were incompatible with the British culture of ‘industrial paternalism’ (Wilson, 1995). Such efforts continued and met with poor response into the post WW2 industrial exchanges under the Marshall Plan (Tiratsoo and Tomlinson, 1997). The general conclusion from the literature is that despite some exceptions, British industrialists, despite recognising a need for managers, were resistant to development of impersonal professional management and rational management techniques.

The praxeological question in this context is what was experienced at the level of the individual self-declared commercial manager, what would he have heard or been aware of? What were his motivating fears? A simplistic view would be that a time of decline would be a time of fewer opportunities for employment yet this is the time that marks the growth of the commercial manager role. Although causative factors behind the UK’s historical performance are debated as well as to what extent these could be linked into a singular historical narrative, it can be agreed that the late Victorian/late industrial revolution era was a time of challenge to established industrial practices. The experience of the businessman or policy maker according to Cannadine (1984) was that, “Prices were falling, profits were correspondingly reduced, and foreign competition was growing: faith in unlimited economic progress was greatly diminished.”

The Meaning of ‘Commercial’ – Differentiating Commerce from Business in the Late 1800s

Now that an understanding of ‘manager’ and its British historical past has been developed, attention turns to the ‘commercial’ aspect. What did ‘commercial’ mean to those identifying themselves as commercial managers and to what extent there was a definite conception of what was entailed by ‘commerce’ and ‘commercial’ such that it could be understood what someone was taking on when they identified themselves as a commercial manager and how this could be differentiated from other types of business manager? What was the role of ‘commercial’ in business? If the terms commerce and business were as interchangeable historically as they are today, the implication is that the archive of ‘commercial managers’ contains nothing but an undifferentiated mass of men wanting jobs in business and business management jobs being offered. To avoid the ‘fallacy of presentism’ (Fischer, 1971), it is necessary to consider the etymology and context of the terms.

The OED states that most early occurrences of the term ‘business’ were ‘nonce-words’, words coined for immediate use, but not considered to be a part of regular language. Business was frequently pronounced trisyllabically – bus-in-ness, or bus-y-ness; simply, being busy. Hence James I in 1432 could refer to, “The lytill squerell, full of besynesse.” The OED further states that it was shortened to a disyllable when it ceased to be a noun of state. When this occurred is not clear. ‘Business’ had been attached to all manner of activities about which a person could be busy and eventually amongst these were commercial and industrial dealings.

Unlike ‘business’, ‘commerce’ was etymologically distinct with roots in Latin *Comm*- and French *merci-* or *merx*, literally, ‘to merchandise together’. The OED defines it as a noun; “Exchange between men of the products of nature or art; buying and selling together; trading; exchange of merchandise, esp. as conducted on a large scale between different countries or districts; including the whole of the transactions, arrangements, etc., therein involved, Mercantile dealings, The company of merchants, the commercial body.” The earliest usage in the OED is Abraham Fleming in 1587, “So hath the same mutuall

and naturall concourse and commerce beene without interruption to the singular great benefit and enriching of their people.” The idea of an enriching, value-generating exchange was further emphasised by economists of the Enlightenment, who selected the term ‘commerce’ to describe the exchange between the excess of agriculture for the products of industry.

English economists of the enlightenment/early industrial revolution had divided the economy into two sectors, agriculture and manufacturing; “The bulk of every state may be divided into husbandmen and manufacturers” (Hume, 1752; Spence, 1808). Agriculture fed industry and industry produced things desired by those in agriculture who worked to create sufficient ‘superfluity’ to afford (Eagly, 1961). It was commerce that converted the excess production of agriculture by the exchange for products of manufacture, termed luxuries. Without the profit of the commercial exchange, there would be no motivation for either side to produce beyond subsistence. Therefore, to maintain the exchange it was necessary to “animate [men] with a spirit of avarice and industry, art and luxury” (Hume, 1752). Steuart made clear that the trader, or those controlling the exchange could have an effect, “The traders will, therefore, be very fond of falling upon every method and contrivance to inspire this people (which only aspires to the level of subsistence) with a taste of refinement and delicacy.... to captivate their desires by every possible means...” As the industrial revolution came to fruition, commerce, which had been considered a mere interface between industry and agriculture, became a category of economic growth in its own right with its own economic impact, particularly in the relationship between nations.

At the time of the emergence of the commercial manager in the archive, 1867, the idea of wealth creating exchange was firmly within the definition of commerce, as in Bouvier (1865), “The exchange of commodities for commodities; considered in a legal point of view, it consists in the various agreements which have for their object to facilitate the exchange of the products of the earth or industry of man, with an intent to realize a profit.” Here was presented the idea of not merely exchanging desired commodities, but setting up of facilitative agreements and realising a profit from the nature of those

agreements, hence the implication that by applying ones mental and physical energies to those agreements, greater profit could be realised.

How and when commerce became synonymous with business is difficult to determine. In the archive, 'business' appears from 1792 as a matter of activity, "the business of the assassination of the king of Sweden" and as the description of an enterprise, for example, "To be disposed of, the business of a Surgeon and Apothecary." It is notable that the use is not related to commerce. Earlier, Wright (1786) in 'The Complete Tradesman' said "let the capital tradesman avoid trading tyrannically; let him strive to live in his business without being a hindrance to others, or prejudicing commerce in any respect and to preserve the title of a just and generous trader." Clearly, commerce was the businesses of a tradesman and as commerce was perfected, his business, or activity, would be improved. However, Wright also spoke of "the principles of methods of business or commerce, in order to carry it on for himself with success" suggesting by 'it' that either the business of the trader was commerce or that the two were possibly synonymous in the context of the trader. In the mid 1800s, Charles Dickens in his writings introduced ideas such as business people, business hours, business tables, business cards. By 1880 in the archive, under 'Commercial Notes' the correspondent speaks of "steady business" in Bradford and the "business establishments" of Leicester being quiet as "manufacturers and merchants are busily engaged in balancing accounts."

Later, Bryce (1899) discussed, "...the extreme variety of the kinds of work which are summed up and covered by the general term of Business or Commerce." By the time of Bryce the use of business to denote the organisation required for commercial activity was fixed, hence he could discuss the opinions and education of business men in an article entitled 'Commercial Education'. When higher education developed to serve the interests of business of the late industrial revolution economies of Europe and North America, the term for this was 'commerce' and the associated degree the Bachelor of Commerce, not 'business'. By the early 1900s, business was embedded in popular consciousness alongside commerce. 'Business' could be argued as a more flexible word, playing true to its pragmatic etymology; a serious pursuit, employment, a place of work, therefore in a

world shaped increasingly by urbanised and industrial work, it naturally becomes more ubiquitous than commerce, commerce becomes merely another aspect of business.

What does this mean for the self-identified ‘commercial manager’? Despite the synonymy appearing in the mid to late 1800s, commerce was the term used to describe the operations of merchants and factory owners. When Engels and Marx wrote their texts (based entirely upon England in the first instance), Marx featured the work of the ‘commercial’ as a type of labour, further emphasising that at the time, this was a distinct category of occupation. Therefore, it is possible that the concept of commerce could have been uncontaminated at the level of the late 1800s common man who when assessing their own skills and experience or when looking for someone of the requisite skills and experience for their enterprise, particularly where that required exchanges with the marketplace in terms of buying or selling and facilitative arrangements, would naturally use the word ‘commercial’ to describe themselves or that person, rather than the more diffuse and generic ‘business’. If this were to be their distinct responsibility within a firm then ‘commercial manager’ would not be an unreasonable title. It was a distinct aspect of business, specifically, the value-generating exchange, as different to manufacture or works management or other aspects of an organisations operation, its business.

The Social Context of Commerce and Management

As industry was the first employer of commercial managers in the archive, it is useful to determine some socio-cultural features of that context. Cultural reasons as causative on British industrial decline (i.e. Wiener, 1985) have been severely criticised (Wilson, 1995; Chapman, 1992), but it is still relevant to ask what day-to-day attitudes towards industry and commerce were and to those associated with it, as these would form part of the experience of being a commercial manager. Attitudes towards commerce in the personal to personal-proprietorial phases have to be taken in context with the general disapproval directed towards innovation, profit-seeking and generally changing ones socioeconomic situation intentionally. Economists recognition of its utility, said nothing of societal attitudes in England towards acquisitive practice, innovation and seeking of personal profits, in particular when connected to some form of industry.

Mention of avarice, contrivance, sophistication by Steuart (Eagly, 1961) in order to change ones 'worldly condition' associated commerce with less desirable traits from the point of view of the social elites. As Griswold (1983) stated, "Innovation, calculation, and the seizure of profitable opportunities... had long been condemned by the Church as damnable and regarded by the English elite as contemptible." However, Toms (2008), argues that the Protestant churches enabled the mercantile classes, especially by legitimating usury. There were acceptable routes to wealth, as Schumpeter (1956) pointed out, "The main avenues to advancement and large gain were the church... to which we may add the chanceries of the great territorial magnates and the hierarchy of warrior lords." Social class determined routes into these. Agriculture was available to lower classes, the problem with this was seen in the thirty-fourth essay of Bacon (1625), "The Improuement of the Ground, is the most Naturall Obtaining of Riches;..But it is slow." As Schumpeter (1956) continues, "It was only when capitalist enterprise... unfolded its possibilities that supernormal ability and ambition began to turn to business as a third avenue."

Supernormal ability was not the possession of any one social class and its consequences became visibly apparent. Industrial entrepreneurs were spending their rewards, making displays of opulence reserved for the upper classes, which was troubling to many and was satirised by contemporary writers such as Trollope and Oliphant (Michie, 2001). On the subject of commerce, Wiener (1985) cites Trollope, in *Dr. Thorne*, "Merchants as such are not the first men among us, though it perhaps be open, barely open, to a merchant to become one of them. Buying and selling is good and necessary... but it cannot be the noblest work of man; and let us hope that it may not in our time be esteemed the noblest work of an Englishman." In line with this it is interesting to note the earliest use of the term 'commercial manager' recorded in the OED is Planché (1879) who was referring to an earlier article of Boucicault (1877) wherein one having the title 'commercial manager' is described thus; "This person in most instances received his education in a bar-room, possibly on the far side of the counter, the more respectable of them may have been gamblers."

The gentleman was by definition above the mercenary ‘money-grubbing pursuits of the commercial classes’ (Michie, 2001) and even amongst industrialists, non-technical matters were viewed as, “properly belonging to a less noble segment of society - the ‘commercial men’” (Urwick and Brech, 1949). “Dealing in small quantities, being in intimate contact with and even touching the goods themselves and directly receiving payments from hand to hand, constituted the trinity of shameful acts” (Checkland, 1964). The social division was recognised by men of commerce, Wright (1786) advising them ultimately to stick to their own, “A tradesman may on occasion, keep company with gentlemen, as with other people; nor is a trading man, if he is a man of sense, unsuitable or unprofitable for a gentleman to converse with...[but] let not then the tradesman himself disdain to accompany persons of his own class.” The gap between the commercial man and the gentleman was a clear part of the natural order, recognised by all parties.

Similar social opprobrium was reserved for industrial entrepreneurs. This was further compounded by the negative consequences of industrial success. The 1880s were marked by, “guilt-ridden, fearful recognition that poverty and squalor were not the product of individual shortcomings, but were endemic in a system which created so much want in the midst of so much plenty... What made this especially dreadful were the ‘evils of unrestricted and unregulated capitalism’” (Cannadine, 1984). Middle class guilt identified the industrial entrepreneur as if not the source, then the conduit of this evil. Criticism of those who had become successful by manipulating the free market arose from both sides of the political spectrum, “The top-hatted capitalist of Radical polemic was the same vulgar arriviste despised and feared by aristocratic and landed society” (Raven, 1989).

However, amongst accounts of entrepreneurs and industrialists of those times, it is hard to find evidence of such discomfort. A few decades earlier, Engels (1844) stated, “The relation of the manufacturer to his operatives has nothing human in it; it is purely economic... Money determines the worth of the man; he is ‘worth ten thousand pounds’. He who has money is of ‘the better sort of people’, is ‘influential’, and what he does counts for something in his social circle. The huckstering spirit penetrates the whole

language, all relations are expressed in business terms... Supply and demand are the formulas according to which the logic of the English bourgeois judges all human life... and what brings no money is nonsense, unpractical, idealistic bosh.” Although Engels in the appendix to the 1892 American version of his text discusses changes in the attitudes of industrialists, it seems unlikely that such attitudes would have disappeared in a matter of a few years.

The changes to society wrought by the industrial revolution created, “a two tier middle class; a professional level with governing qualities but no idea of science and a business class cut off from the aristocracy and professions” (Wiener, 1985). Even those who transformed their social status through exactly those means were quick to dispel them as soon as they could. Quail (1998), put forward the idea that the revolutionaries, instead of creating dynasties of businessmen as was the case in America, sought access to the social elite, especially for their children and that this is was a condition of industrial decline in the late 19th century. In such a situation, leadership from those that understood the work, the workers and the goals they were being directed towards were not likely to be supplied by the professional classes, requiring instead the ‘practical man’ (Coleman, 1992).

Another area for examining the attitudes of society towards commerce and industry is in the education deemed as necessary to be successful within them. The Industrial Revolution created new materials, processes and power sources. It also created requirements for human abilities beyond those of agriculture, such as reading instructions and taking measurements; which the majority of the potential labour force did not possess. Until the mid 1800s, industry had been largely responsible for the education and skill of its own labour force, through systems of indentured apprenticeships or journeymen (Childs, 1990). The changes of the late industrial revolution and the moves towards greater complexity of products, mechanisation, division of labour and scale of production rendered those methods slow, unnecessarily holistic and unpredictable. An industrial worker was now only required to know a small element of the operation of which they were a part.

There was also a change in the composition of the workforce. The Education Act of 1870 created compulsory universal education for children aged 5-12, simultaneously ending child labour for the most part, but creating a new demand for boy labour, those aged 15-20. This group suffered lower wages, but demand allowed greater opportunities for accessing skills, through changing jobs, often for slightly higher pay. Not being indentured, the more capable took responsibility for their own improvement and accessed more immediate financial rewards than those in apprenticeships, being able to afford night schools, for example.

UK public schools were indifferent to the demands of Victorian industrialists, being dominated by the anti-industrial values of the British educated classes (Divall, 1994), as were universities, with the effect that in Britain, a separate tradition of education and training for these needs was institutionalised between the 1820s and the early 1900s, in the form of a system of Mechanics Institutes, Schools of Arts, Colleges of Commerce, evening continuation classes and local government/employer co-operation, undertaken on a voluntary basis. The immediate control of men and operations was traditionally the task of those who had risen from the ranks of labour and these responsibilities, even in their new 'managerial' form, tended to retain the connotations of their working and lower-middle class origins, therefore, it was the technical colleges that were seen as the appropriate place for education in day-to-day management. As Ashworth (1985) pointed out, British technical colleges were not "haunts of privilege," they were set up for the self-motivated worker who, rather than a liberal education, needed the means to do jobs that society suddenly required.

The idea of university education in commerce was treated with "...indifference, or even with scorn... The phrase 'commercial education'... in practice it was understood, in England at least, to mean something 'cheap and nasty' an illiberal education, an education below the level of the conventional gentleman" (Bryce, 1899). Daub and Buchan (2000) presented three reasons for resistance; class-based - it was seen to be allowing a, "trade school mentality" to enter, "training students for traffic" and that vocational spirit should be, "eradicated as speedily as possible"; ethical - it was feared that the distancing of

economic theory from moral or political theory would lead to “the dangers of a crudely acquisitive society” and pedagogic – J. MacDowell argued in *Queen’s Quarterly* that business studies “circumscribed that latitude of the mind which is the real spirit of learning.” It would be merely ‘making clerks’, rather than leaders of commerce (Nolan, 1992).

The UK attitude contrasted strongly with the situation in France and North America. In ‘The Rise of a new social actor – the Commercial Manager⁸’ Le More (1984) discusses the emergence of the petit-bourgeois professional and the university set up to support this, the *École des Hautes Études Commerciales* (HEC) and the economic changes creating possibilities for this class of man. Le More identifies the coordination of increasingly complex systems of production as antecedents of professional management and identifies the problems of traditional family-based transmission of business knowledge in supplying men of the required abilities for French industry. A method was required for men to acquire that experience, rather than await its transmission, which might not be open to them. The training on offer was based on a curriculum of technology and applied chemistry, economic geography, law, commercial work, taxation, bookkeeping, accountancy and languages.

In North America, the University of Toronto in 1901, at the behest of the Canadian manufacturers association and the Toronto board of trade, developed a course in commerce within their Department of Political Economy, deliberately distinguished from technical or business college curricula by the inclusion of modern industrial history and banking. Similar to the HEC, students studied modern languages, mathematics applied to commerce, inorganic chemistry and physics. Later known as its B.Com, the program drew on Economists in the Department of Political Economy for courses such as Transportation, Labour Economics, and Managerial Economics. McGill University differentiated their commerce course by making it a preparation for certain professions, especially accounting (Sawyer, 1998).

⁸ The author gratefully acknowledges Tony Steven’s translation of Le More (1984) from the original French

The idea of what constituted the commercial aspects of engineering was quite well defined by the end of the 19th/early 20th century. Elbourne (1914) noted that the management of a firm involved the organisation of ‘commercial’ functions of selling, distribution, and the raising of finance from external sources, “concerned not so much with the methods of production as with the methods of distribution, that is to say, with the processes of sale and purchase” (Bryce, 1899). But, similar to the ‘cult of the practical man’ in engineering, the argument against commercial education was that commerce could be learned “...only in an office or a warehouse, all previous training being thrown away, because such training is given before the concrete facts of commerce have become familiar” (Bryce, 1899).

By the mid 20th Century such education included introduction to business, business arithmetic, office practice, bookkeeping or accounting, commercial law, typewriting, shorthand/stenography, transcription, secretarial practice, business English, salesmanship, retailing, the materials of merchandise, advertising, use of computational machinery, marketing and consumer education (Osborne, 1944; Orleans, 1941; Blackstone, 1934). Analysis of students taking business courses at the start of the 20th century by Nolan (1992) show that although students came from a broadening mix of backgrounds, there were virtually none from the upper and lower ends of the social spectrum, predominantly students were of a lower middle class background.

Elbourne (1914) commented on the limitations of ‘fitting in’ education around working hours, “Modern specialisation makes all-round training difficult if not impossible. Long hours and late work prevent students who are otherwise willing from attending classes to supplement the daily training in the workshop or in the commercial house.” Therefore, a British man who sought such education was going to have to be single-minded, doing it in his own time, self motivated and dedicated and of a section of society which could understand the transformative power of a pragmatic education and would seek it without shame. This was also the conclusion of Marx (1894), “The commercial worker, in the strict sense of the term, belongs to the better-paid class of wage-workers — to those whose labour is classed as skilled and stands above average labour... The universality of

public education enables capitalists to recruit such labourers from classes that formerly had no access to such trades and were accustomed to a lower standard of living.”

On the subject of conditions of the industrial entrepreneur, Wilson (1965) and Payne (1974) comment that the point of an industry was not to perform ‘statistical feats’ for later historians, or for things unrelated to what the owners actually wanted. What were the wants of the late Victorian entrepreneur and their managers? Engels (1844) despised mercenary accumulator of wealth, the aspiring entrepreneur of Quail (1998) and Wiener (1981) keen to propel themselves and their families into the upper classes, Coleman’s (1992) aspiring ‘practical man’ becoming a ‘player’ as he rose through the ranks of the firm and onto the board (a prospect offered to some commercial managers), were unified by one desire. Which was an improvement of status on their Own Terms and the opportunity to gain ‘respectability’ (Crossick, 1977), by the application of natural abilities or whatever education had been obtained.

Checkland (1964) identifies the 1870s as the time when business leaders emerged from “quite humble origin” grew rapidly as a class. As owner managers yielded place to directors elected by shareholders, trusted men from within the firm could find themselves in new positions of power and responsibility. Socially, these people were not from an upper or middle class professional background, therefore not university educated. They were happy with money and pursuit thereof so therefore from a part of society needing to work to keep a roof over their head and from which work, social improvement, ‘respectability’, could be a desired and possible outcome.

Though not professionals, as ‘practical men’, they were also not from disenfranchised sections of society with no means to obtain required education or experience of managing men. They could be safely identified as part of the new ‘white-collar’ upper working class or lower middle class, what the French would describe as petit-bourgeois. According to Crossick (1977), “White-collar workers were notorious for their aspirations for mobility.” The praxeological motivator for the lower middle class manager; their ‘aspirant ideology’ created a conscious need for improvement and to be separated from working class; their

fears of falling below them into the unskilled and casual, or ‘the residuum’ (Hosgood, 1994) was, “the obsession that vied in lower middle class minds in the late Victorian economy with the prospect of success” (Crossick, 1977).

Owner-Proprietors - “Buying Brains” for Vertical Integration?

In Oliphant’s (1876) ‘Phoebe, Junior’ the successful industrial entrepreneur Mr. Copperhead, on discussing his search for managerial talent in lieu of his educated, parliament-bound but intellectually incapable and commercially useless son, stated,

“Money is money [...] but brains is brains, all the same - we can’t get on without ‘em- and when you want to make a figure in the world, sir, buy a few brains if they fall in your way - that’s my style. I’ve done with stupid ones up till now; but when I see there’s a want of a clever one, I ain’t such a fool as to shut my eyes to it. They cost dear, but I’m thankful to say I can afford that, ay, and a good deal more.”

Critics received Oliphant’s creation as horrific and embodying all that the upper classes loathed about such men (Michie, 2001).

As demonstrated by Engels (1844), it was an identifiable type in Victorian society, who as in Copperhead’s case was dealing with a historically proven problem, finding appropriate help in business survival and growth, realising that this might not necessarily be supplied by the family. As has been established, what ‘appropriate’ meant has to be understood from the point of view of the entrepreneur and their subjective rationality; survival in a changing competitive environment was desired, but at the time of personal and personal-proprietorial capitalism, “Growth did not constitute a major desideratum of the majority of British firms” (Payne, 1974). The area of organisational growth considered here is that of the commercial aspects of business, in particular the sales and marketing functions connecting the firm to the consumer or buyer and the type of management that would be required.

The point at which the growth-oriented entrepreneur developed the need for in-house commercial function was identified by the eyewitness Marx (1894), who gives a succinct

description of what were considered ‘commercial’ functions, “It is clear that as the scale of production is extended, commercial operations required in order to sell the product existing as commodity-capital, to reconvert the money so received into means of production, and to keep account of the whole process, multiply accordingly. Calculation of prices, book-keeping, managing funds, correspondence — all belong under this head. This necessitates the employment of commercial wage-workers... The capitalist increases the number of these labourers whenever he has more value and profits to realise.” According to Urwick and Breh (1949), initially, a ‘competent clerk’ provided the engineering/manufacturing entrepreneur with all that he needed in terms of commercial support, which was how the earliest situations vacant for commercial managers were described, as clerk positions.

Wright (1786) gives a significant insight into the industrial and market organisation of England of the industrial revolution and the various groups involved in commerce between manufacturers and their markets. Manufacturers were either very small, such as cobblers, whose factories had a shop for direct connection to the market, or large, making products to be sold on by merchants. These latter required the tradesmen, to take the product of the factory to the merchants, from where it would be exported. Merchants also required traders to take imported products and sell to the manufacturer or retailer. Wright describes these interactions as commerce. Commerce, the marketplace exchange, was initially not the concern of the large manufacturer. The manufacturer focused on making a superior product and relied on the tradesman for the exchange as well as information regarding the exchange and for stimulating demand from retailers and merchants. A significant debate revolves around how long this system persisted as an intermediary between manufacturers and their markets. Its persistence would reduce the need for firms to incorporate commercial functions into their organisation, relying instead on the market to provide these services.

As has been considered, the late-Victorian context created several specific, interrelated opportunities and threats for the entrepreneur requiring managerial assistance. There were also some specific to commerce. The period 1870-1914 featured growth of the consumer

market by 50% due to the purchasing power of the working and lower middle class urban worker, creating new consumer behaviours, which overwhelmed the aristocratic bias against the display and handling of wares (Checkland, 1964). This created new forms of retail organisation; co-ops, multiple and department stores with advertising and market orientation and the emergence of fast-moving consumer goods (FMCG) industries (Michie, 2001; Supple, 1994). By the start of WWI, these accounted for 20% of all retail sales (Crossick, 1977) which made advertising, branding and market information more important for the manufactures in their supply chains (Wilson and Thomson, 2006).

The urban population expected rising standards of living and consumers and businesses alike were enjoying choice created by increased international competition in staple trades (Wilson and Thomson, 2006). More cost-effective production methods arising in part from state influence in industry during WWI (Wilson and Thomson, 2006; Wilson, 1965; Aldcroft, 1967) created a capacity for the production of surplus goods (Church, 2000) which when combined, drove down prices and profits unless sufficient scale in production and associated demand could be maintained, or specialist, highly differentiated service created.

Despite Britain being the dominant trading nation throughout the 1800s, foreign competition was strengthening at home and abroad (Botticelli, 1997) which demanded “larger units enjoying lower unit costs and marketing arrangements more sensitive than those that were an inevitable corollary of the small scale firm” (Payne, 1974). One response was to trade into the empire, but empire was declining (Chapman, 1992). Export prices remained high and supply to the new post-colonial markets remained constrained by British firm’s antagonism preventing obtaining of scale in those markets. Market forces threatened increased costs of supply and reduced prices for sale, however, a wider scope of competition increased opportunities to find cheaper sources and customers willing to pay premium prices. These issues would then inform production methods, selection of materials and the bargaining position with suppliers. These possibilities necessitated increased information regarding markets which the merchant system was not helpful in supplying.

Payne (1974) pointed out that agents or merchants would rarely act as the sole distributor of a firm, the firms being so small, which inhibited promotion of specific products. If the agent intended to maximise his own profitability, there would be little motive for him not to promote lines for his own benefit rather than that of his clients. There was also little financial incentive for feedback to the producer; if a product was selling badly it would simply not be requested, if the product sold well, there was the chance that the agent could be replaced by a salesman employed by the client. In either case, the manufacturer would not know if or how their products were performing vis-à-vis those of competitors, how customers were reacting to them, or how causal the methods of the trader were on the situation. Conflicts tended to develop between agent and principal over stock holdings, promotional effort, discretionary pricing, and levels of service.

Allowing third-parties to carry out distribution could lower transaction costs, but so could an increase in transaction frequency. However, Popp (2002) claims that the greatest reductions come from reduced information costs in monitoring competitors and forecasting market demand enabling innovation in business strategy, creating scope for entrepreneurship, “a factor not always prominent in conventional transaction cost analysis.” Uncertainty and change, the desire to control input and output prices, as well as the need to keep the knowledge of how to deal in such situations ‘in-house’ are all drivers for vertical integration (Desai and Mukherji, 2001), backwards into supply and forwards towards the buyer or consumer. If the entrepreneur was growth-oriented, then a priority was finding new markets in which to increase transactions and creating the right form of organisation for growth and finding the right kind of people to assist in this. If not growth-oriented, then defending ones share in existing markets was the priority, maintaining family control of the enterprise and finding the right kind of people to assist them in identifying and making the minimum changes required. Either way, to cope with the challenges of late Victorian commerce, innovation in sales and marketing arrangements would be required.

Chandler's (1977) hypothesis was that the move away from market-coordinated supply and sales and bringing of those commercial functions 'in house' was driven by the mass production of more complex goods – the corollary of which was organisational growth. This would be in terms of the people required to support the commercial functions and the consequences of success of the commercial function; increased demand, sales and margins available for reinvestment in funding further growth as well as higher quality information about competition and change within the marketplace. This also required an integrated purchasing function for scheduling of the flows of inputs to production and the finished products to mass markets, which to be most efficient and profitable required they be the sole priority of the sales or supply organisation, which a multiple line merchant could not assure. Where markets were more specialised, there was the requirement for specialised distribution facilities and after sales service beyond the resources of a general merchant.

At the same time, Chapman (1992) evidences that merchants associated with the cotton industry were becoming more specialised, agglomerating and forming joint stock companies to become banks, financiers, insurers and transportation companies, with an increasing emphasis on international trade and less on local, home trade. Merchants were also pursuing differentiation, specialising in one or two lines or a single function, sometimes backwardly integrating to become manufacturers. Therefore, merchants were becoming less available to entrepreneurs in their traditional role. Britain participated early in this change as the financial centre of the world and many of the early merchant banks and insurers were based around Anglo-American trade. Increasing complexity of commercial arrangements and a need to bring these 'in-house' would seem a logical reason for the sudden emergence and growth of a commercial manager role.

However, Wilson and Thomson (2006) reject the applications of Chandler's hypotheses to the British context. As has already been mentioned, they claim that until the 1930s, externalisation economies mitigated against internalisation and integration of sales and marketing. Also, that production orientation in personal capitalism meant focussing on technical, human and supply constraints, distribution was a secondary concern. For most

manufacturers the merchant was the primary or only source of orders. The mercantile system provided vital services for small manufacturers for whom the transaction costs of organising their own sales and distribution would have been prohibitive. This set up a path dependency which 'blocked' the institutional innovation of extensive forward integration until after WW2 (Popp, 2002). Developing a strong firm-specific reputation and relationships were difficult due to the disintegrated marketing system, though Payne (1967) only goes as far as WWI for this being a problem. Unmediated relationships with domestic customers may have given more trouble than those with merchants particularly in extracting payment (Popp, 2002). Also, backwards integration, or supply organisation, which Chandler claimed was a consequence of forward integration, had already happened in the British staple industries (e.g. Edwards et al., 2002; Checkland, 1964) without the presence of forward integration.

Yet, just as Wilson criticises the generalisability of Chandler, Wilson's work has also been similarly challenged. Wilson himself notes that his analysis concerned manufacturing rather than consumer goods and large, established firms rather than innovative start-ups. Much of the argument regarding the dominance of the merchant system relies heavily on Chapman's (1992) definitive work on the British merchant system. However, this is almost entirely dedicated to the textile trade (Popp, 2002). British textiles indeed resisted vertical integration as raw materials were plentiful and colonial markets were captive (Desai and Mukherji, 2001). However, Prat's (2009) analysis suggests that the cotton industry might not be the most representative of British industrial models, referring to it as "the paradigm of vertical specialisation." Further, that "when Alfred Marshall defined the concepts of industrial district and external economies of scale (fundamental to Wilson and Thomson, 2006) the model he had in mind was Lancashire, the world's largest cotton district until the first third of the twentieth century." and that in districts that were not as large as Lancashire the manufacturer had greater commercial involvement. Textiles employed two thirds of all workers in industry in 1851 but by 1881 it was little more than half (Checkland, 1964). By the time of the end of the late industrial revolution it could only have been less. This leads to the question of

whether an externalisation theory based on textile manufacture can be universal to the whole of British industry.

Church (2008; 2000a; 2000b; 1999), challenges Wilson's analysis directly, arguing that the British business system was competitive and British entrepreneurs as responding strongly to their challenging environment and that marketing and sales integration was not stalled by path dependent relationships with merchant and wholesalers. Church (1999) notes that there have always been firms seeking new ways to, "sell, promote, advertise, modify and improve products in pursuit of market transactions." Church (2008) agrees that British developments in integration cannot be explained by Chandlerian growth in mass production. In his sample, management remained in the hands of first generation entrepreneurs or family; none of the firms possessed the extensive multi-unit structures exploiting the advantages of scale and scope and yet they innovated in sales methods, sales management, and advertising. Church proposes a consumer-led theory based on product characteristics and consumer behaviour forcing a change in production-driven business, which spilled over from consumer goods and their manufacturing supply chains to involve all industry. Ultimately, innovative approaches to the market did not require scale and offered a route to growth and larger scale as a consequence, which is the reverse of the Chandlerian model.

Botticelli's (1997) study of industrial and trade publications from the late Industrial Revolution era evidences Church's point, with writers giving encouragement to take on a market focus, new methods, abandon presumptions of historical success. From the 'Automobile and Carriage Builders Journal' of 1904, "We must supply what the buyers really require, and not perpetuate the old folly of attempting to force upon them what we think they ought to want. That idea has been played out long ago." From 'British Industries' 1903, "The dominant feature of today is that men are seeking by every device in their power to overthrow or control that principle of competition which formerly was deemed the lifeblood of industry and commerce ... the whole process from the extraction of the raw materials to the delivery of the product is under the direction of a single will." In his 1907 Gartside Report 'American Business Enterprise', Prof. D. Knoop concluded

that for Britain, “It seems essential that a producer should undertake commercial functions in addition to those of manufacturing, as in no other way can he hope to sell his product.” Further, Chapman (1992) cites a 1903 article in *The Statist* as saying, “the great merchant of former times has become unnecessary, and therefore is rapidly ceasing to exist.”

None of the above is evidence that such urgings were responded to en masse and Church’s sample is as much a limited part of the population as Chapman or Wilson’s. Yet clearly, some in late industrial revolution Britain recognised the need to combat new competition and capitalise on new market behaviours with greater commercial awareness in business, stronger and more responsive customer relationships and vertical integration. Marx witness of the growth of ‘commercial wage workers’ within the late 1800s British firms he observed is confirmed, by Crossick (1977) and Church (2008), who in table 4 presents general evidence of the growth of job roles related to integrated commercial processes which demonstrates their growth against warehousemen, a role associated with the merchant system. Directly employed travelling salesmen and clerks are strong evidence of firms creating sales organisation and taking responsibility for marketplace transactions. Agency was also strong which whilst still a marketplace solution to the overheads and direct costs of direct sales offered the firm more control of the agents efforts as they were paid by commission only. Though Church notes that the process was protracted during the 19th century, clearly change was accelerating by its end.

Table 4 Selected sales occupations in England and Wales, 1871–1911

	Commercial travellers	Agents and factors	Commercial clerks	Warehousemen
1871	20,730	23,853	104,969	49,562
1881	40,271	34,512	208,116	35,198
1891	49,868	40,531	284,097	32,220
1901	74,964	46,819	402,184	19,983
1911	98,428	49,255	546,939	13,834

Source: Census of England and Wales, 1871–1911 (Church, 2008)

Checkland (1964) identifies the 1870s as the beginning of the decline of the British merchant system in regular marketplace commerce. Chapman (1992) describes the 19th century as “a transitional period in which as it proved less and less necessary to hold large stocks of goods, the initiative shifted to those who could satisfy demands without tying up resources in warehouses and idle inventory capital.” Growth of goods that were complex, innovative or perishable and buyer/consumer demands for faster, predictable satisfaction required closer contact between producer and consumer, the growth of this in world trade limited the scope of the traditional merchant. The concept that sales and marketing organisation did not really exist until the 1950s is related to the ‘periodisation’ argument of industrial development which according to Enright (2002) is itself derived from Keith’s (1960) single case of American company, Pilsbury.

In contrast, French’s (2005) study of McVitie and Coats, Church’s (2008) of Isaac Reckitt & Sons, Lever Brothers, and Burroughs Wellcome, Corley’s (1988) of several British companies, all from the mid to late 1800s, demonstrate how integrated marketing and sales organisation was producing information on rival pricecutters for pricing and discounting policies and the effectiveness of advertising and new products. Lloyd Jones and Lewis (1994) identify Herbert & Co.’s direct selling of machine tools and Sheffield steel masters direct selling handtools and cutlery internationally by the turn of the 20th century. Popp (2002) presents the example of pottery firm Cork, Edge & Malkin's, that in the 1860s, the firm traded directly with the retail and wholesale trade in glass, china and other fancy goods, yet the firm's export trade used merchants, acceptance houses and commission agents, all the elements of disintegrated market relationships a la Chapman. These accounts also show that large retail concerns were interested in backwards integration, cutting out the merchants and wholesalers and going straight to manufacturer. Even amongst the textiles industry, manufacturers who made differentiated products, more influenced by design and fashion, were more likely to vertically integrate their commercial structures (Prat, 2009). Merchants themselves had also been evolving throughout this period from treading in commodities to dealing in finance, establishing merchant banks (Chapman, 1992) so being less available in their traditional role. Church (2000b) asks, “If retailers were innovating during this period, it seems logical to ask

whether manufacturers waited until the period between 1875 and 1914 to adapt their marketing strategies?”

Conclusion

This chapter has identified the social, economic and cultural context of the emergence of British management, and the structuring forces which enabled and constrained the emergence of the role and the ability of suitable men to take it up. Whether their employer was growth oriented or not, recruiting management was necessary. With changes in the commercial environment and requirements for evolution in organisation in response, it can be hypothesised that at their emergence, the commercial manager was a means to cope with changes in marketplaces for sale and supply in the Western economies. Chandler identified the point at which industrial organisations would need to bring the management of commercial exchanges in-house in America. For various reasons, this process was uneven in Britain, although there were innovative firms looking to deal with growth through increasing the work of functional management and forward and backward integration into markets for sale and supply. Marx identified the initial content of commercial work, when those processes were bought in house.

If commercial managers were representative of the type ‘manager’ in late-Victorian society, then they were someone with ability but possibly average schooling, no connections, but considerable work experience and drive, who was offering the entrepreneur a solution to his fears of sustainability whilst in turn the entrepreneur offered the commercial manager a solution to his fears of not achieving the social standing and economic rewards that were his by merit rather than birth. By remaining loyal to the entrepreneur or owning family, they would remain with the firm as it grew into a limited company, if that was the wish of the entrepreneur, which if the board members and principal shareholders were family members, would be exactly what would happen. Thus the commercial manager would access one of Crossick’s (1977) three routes to lower middle-class respectability.

Chapter 2

Professionalisation and Collective Mobility Projects

Introduction

Principal elements of the socioeconomic, historical context of British industry and management have been identified. It has been established that there were significant forces against professionalisation of management, yet certain occupations with managerial status which emerged during the late Industrial Revolution were able to professionalise and elevate their status to become part of the fabric of senior management by the time of the Wilson and Thomson (2006) phase of ‘managerial capitalism’. Could failure to professionalise or perhaps the successful professionalisation of other managerial roles create conditions for the decline of the commercial manager? Professionalisation is indicated in the ‘rise’ of many occupations, from podiatrists (Borthwick, 1997) to Chartered Surveyors (Male, 1990; 1984). Therefore, an analysis of the ‘professionalisation’ debate, which has been ongoing in the subject of modern organisations since the work of Talcott Parsons in the 1930s, is significant in the consideration of the rise and fall theory of the commercial manager.

The example of the cost accountants will be considered, because it was an occupation contemporary with commercial management and cost accountants carried out a successful ‘collective mobility project’, achieving professional status within five decades of the emergence of their main institution. Issues of professionalisation are also relevant to the experience of modern day commercial managers, not only in terms of the IACCM’s desire to improve the status of commercial managers in organisations but for possibly explaining aspects of the day to day experience of modern commercial managers and ultimately acting as framework for evaluating their possibilities of achieving professional status today.

Theories of Profession

Professionalisation is recognised by the IACCM as symbolically desirable, so as to legitimate their institution and for the career interests of commercial managers.

“Occupations that are trying to rise in the world very much want to possess it” (Wilson et al., 2010). ‘Professionalism’ has become synonymous with work conditions such as exclusive ownership of an area of expertise and knowledge, the power to define the nature of problems in that area, the control of access to solutions, collegial work relations of mutual assistance (Evetts, 2006; 2003) and the ability to shape the terms of ones employment rather than have those shaped by the employer or labour market.

Professional status also confers protection from competition in the labour market (Wilson et al., 2010). Professionalism has become a ‘rallying cry’ (Evetts, 2003) for accountants (Edwards, 2010; Armstrong, 1985), school teachers (Furlong, 2008; John, 2008) podiatrists (Borthwick, 1997), political campaigners (Grossmann, 2009), nurses and occupational therapists (Evertsson and Lindqvist, 2005), management consultants (McKenna, 2007), project managers (Cicmil, 2009; Hodgson, 2007), public relations (L’Etang, 2001) and quantity surveyors (Male, 1990; 1984). A central debate in professionalism according to Larson (1977) is how and why practices that evolved for control of medicine, law and the church should be enthusiastically pursued by such unrelated, modern occupations.

‘Profession’ derives from a middle-ages term for the vow taken upon entering a religious order; the promise taken setting the professor apart from other kinds of people, its Latin etymology suggests the explication of secretive texts and dogma to laymen by authorised experts (Brante, 1990). Unsurprisingly, it is from the work of the church that the earliest, ‘classical’ professions of law, medicine and theology are derived. A separation, a ‘legitimised inequality’ (Larson, 1977) marks occupations today regarded as professions. People seeking entry usually follow a period of tertiary education and vocational training and experience so as to obtain the ‘symbols’ and ‘cultural credentials’ of the profession (Collins, 1990) followed by subscription to a relevant independent governing body. In Britain, the first modern professional organisation was the Institution of Civil Engineers in 1771 which obtained state validation through Royal Charter in 1828 (Wilson and Thomson, 2006). Professions are described by Evetts (2003) as, the structural,

occupational and institutional arrangements for dealing with expert and risk-laden work in societies with an advanced division of labour. Alternatively, Hodgson (2007) speaks of the term today denoting merely the ‘folk concept’ of profession, equivalent to ‘proper’ or being good at a task; hence a ‘professional’ window cleaner.

There are two main theoretical groupings in the study of professions. The earliest studies of professions in society originate in the work of Parsons (1954) who based his work on Weber’s ideas of legitimate authority and extended it to expert authority linking this with the work of professionals (John, 2008). This gave rise to the ‘functionalist’ (Hodgson, 2007), ‘ideal-typical’ (Freidson, 2001) or ‘trait’ (John, 2008) approach to identifying professions, essentially a checklist of characteristics. Eccles (2007) presents a typically ‘functionalist’ definition of a profession, that it is identified by a discreet body of knowledge, specialism, esoteric service and jurisdictional control of knowledge. For Freidson (2001) a profession requires an occupational division of labor, occupation-controlled career lines, a specialised training program, a body of applied knowledge, and an ideology that transcends economic interest. To this, Wilson et al. (2010) add identification by community and altruism. Barber (1963) adds a disinclination to self-interest; a high degree of self-control through codes of ethics and a system of monetary and honorary rewards. Hickson and Thomas (1969) and Wilensky (1964) develop the idea that value of such aspects is dictated by the social context of the occupation, which sometimes works against professionalisation. Therefore for an occupation to be considered a profession requires a combination of objective and subjective attributes that differentiate it from similar occupations or differentiate those within an occupation and structure its degree of ‘fit’ within its wider social and economic environment. Knowledge and thus the profession is shaped strictly by the requirements of practice (Brante, 1990).

When the elements of the functionalist perspective happen in sequence, this is a process of professionalisation. The correct alignment of these aspects transforms the occupation into a scarce resource through ‘social closure’, “the restriction of access to the profession by means of expensive or selective training, education and qualification, better still by the grant of a state monopoly” (Wilson and Thomson, 2006). Occupational closure has long been a feature of human society, religious orders, craft guild, castes (Collins, 1990). If

closure is achieved then one order of scarce resources – special knowledge and skills can be transformed into another – social and economic rewards (Larson, 1977). However, according to Larson (1977) ideal-typical approaches seldom take account of the historical conditions in which occupations attempt to establish a monopoly over their labour, focusing on what rather than how professionalism is achieved (Hodgson, 2007).

Functionalist, ‘trait’ models of professionalisation were unable to answer important questions regarding the performance of modern professions such as; exactly how do professions obtain monopoly and social esteem (Armstrong and Jones, 1992)? How does professionalism act as an ideological motivator for and facilitator of occupational change (Evetts, 2003)? How is it used as a rhetorical device and ideological resource to legitimate the claims made towards it (Reed and Anthony, 1992)? How can theory account for exploitative actions of status hungry professional monopolists at the expense of their clients (John, 2008)? The failure of some occupations to achieve social closure despite achieving all elements of the trait models (John, 2008; Freidson, 2001), led to questioning whether professionalisation was influenced by forces beyond the functional value of the knowledge that the profession controlled. Such questions led to the development of the sociological, ideological view of professions.

In contrast to the benign model of professions in functional theories, in the ideological view they are a tool (Brante, 1990), whether of the state, capitalistic enterprise or individuals, used to monopolise sectors of the labour market and to eliminate competition. For example, Collins (1990) takes a praxeological, conflict theory approach to modern professions, that actions in professionalisation can be reduced to the interests of individual actors in maximising their power, wealth and status by controlling or evading the threat of control of others in the organisation. Each successful group sets up resources which become targets for future struggles. The evolution of business initiatives destroys the function of some roles and creates opportunities for others (Checkland, 1964). Competition between rival groups also causes their emergence and decline, hence processes of continual churn, which marks the Weberian and Schumpeterian analysis of capitalistic economy.

How monopolisation is obtained is key to Larson's (1977) commonly cited 'collective mobility project' concept whereby a distinct occupational group actively seeks a monopoly in the market for its service and upward mobility so to pave the way for collective mobility and social advancement (Muzio et al., 2007). Although still with individualistic aims, this is in contrast with individual mobility, which tends to follow the pattern of patronage or competitive entrepreneurship. The most powerful group is able to control the labour services of other occupations through keeping them unmonopolised and subject to market pressures. This is most effectively done by being seen as the most effective in promoting the 'interests of capital.' Mobility projects that do this are the most acceptable (Collins, 1990).

Finally, there are critical perspectives on professionalism, which could loosely form a third grouping. These 'linguified' perspectives view profession as a discourse that is unique to Anglo-American contexts (Torstendahl, 2006) with the patron/client basis particular evidence of the English language in effect (Sciulli, 2005). Further, that differences between profession and expert occupation are irrelevant and the only real question of interest is how the discourse of professionalism is used to realise goals (Bourgeault, et al., 2009) and discipline members of the group (Fournier, 1999), its persistence in management field merely an appeal to a myth or ideology (Evetts, 2006).

Professionalism in Managerial Occupations

Historically, British management was oriented towards status rather than occupational professionalism, individualistic rather than collective mobility. As Barber (1963) identified, "Business [is] the vital centre of individualism both in creed and practice. The professions, by setting a pattern of more direct concern with the community interest, seemed to represent quite a different principle..." also, "Individual ambition at work was built centrally into the employment atmosphere of the salaried lower middle class" (Crossick, 1977). Amongst the social class from which early managers were drawn, mobility and success were due to the individual initiative.

As has been discussed, managers were functional specialists, with bodies of knowledge and esoteric specialism evolved through the experience of new types of work created by socioeconomic and technological change. Status-oriented professionalism facilitated and supported this expert division of labour into specific functional areas. Even within an occupational category, there was a high degree of work-related heterogeneity (Reed and Anthony, 1992; Armstrong, 1985; Child, 1969) the results of 'solo practice' (Wilensky, 1964) in specific work contexts. Management in Britain took place outside of social elites, with little formal higher education and often at the behest of families of owner-proprietors. British business elites were uncomfortable with the possibility of wider commitments to a professional body and the enhanced possibilities for labour market mobility outside corporate monitoring or family control (Reed and Anthony, 1992). The manager's continuing dependence upon employers for remuneration, status and authority reduced the degree of autonomy and discretion usually associated with professions (Crossick, 1977). Forces towards collective ideology were virtually zero and barriers towards it, significant.

Although the above was true throughout the phase of personal-proprietorial capitalism, during Wilson and Thomson's (2006) phase of managerial capitalism, demand for managers increased as did supply-side institutions, creating graduate managers with generic and formalised skill sets. At the same time, British enterprises were evolving towards a multidivisional and service orientation. Such knowledge-intensive, bureaucratic, distributed and hierarchical places of work demand expertise enmeshed in cooperative patterns of workplace relations owned entirely by the organisation rather than relying on the market or institutions for this (Muzio et al., 2007).

This created conditions in which a different type of professional status could be sought by occupations, relative to the elites of the organisation rather than society or institutions. Larson (1977) spoke of modern occupations obtaining status through their work, rather than patronage or institutional validation. These occupations have to appeal to a market-oriented rhetoric of entrepreneurship, competition and efficiency to account for the value of the services they provide (Muzio et al., 2007). Workers within these occupations

become more disciplined, trained and credentialised, obtaining an expanded organisational role if they can demonstrate the achievement of externally defined targets and the uniqueness of their specialist contribution (Reed and Anthony, 1992). If this is combined with a diverse knowledge base and task repertoire which resists complete codification, complex relationships and reflective understanding (Whitley, 1989), then there could be potential for a collective mobility project. Haga (1983) adds the idea of cruciality/mystique, that the occupation can make others suspend judgement on their solution to the client's crucial problem. Such functional occupations create new subgroups in the managerial grouping, besides the general 'managers' developed by the education system. As has been mentioned earlier, their mobility projects are accepted if they are seen to answer the concerns of capital. The functions and concerns of capital are not optional either at the level of the individual enterprise, "they are a structural underpinning for the status ordering of the tasks performed by the organisational professions-and thus for the ranking of the associated knowledges-independent of the political machinations of the professions themselves" (Armstrong and Jones, 1992).

However, these occupations are still subject to labour markets, their expertise can be bought or sold and their ability to practice is subject to the survival of their firm therefore they are oriented towards increasing the profits of the firm (Evetts, 2003). Because they do not have either professional credentials or independent sources of knowledge and only embryonic professional associations, they are unable to maintain occupational closure (Muzio et al., 2007). Therefore, they are never in complete control of their work, are often providing services to other groups and must accept the ultimate authority of non-professionals (Wilensky, 1964). These occupations are referred to as organisational professions (Evetts, 2003), professions of capital (Brante, 1990), expert labour, or entrepreneurial professions (Muzio et al., 2007). At the same time, organisational professions are undermined by 'nomenclature creep', the defining of lower status jobs as managerial with titles to satisfy personal aspirations (Wilson and Thomson, 2006), a mark of individual mobility.

Trait theories may not explain the process of change and development of professions as does the professional mobility project, but they do present well-established institutional markers (John, 2008) to identify how professionalised an occupation has become. Often, in the study of modern occupations, the two sets of concepts are used together (i.e. Grossmann, 2009; John, 2008; Evertsson and Lindqvist, 2005). Similarly, this section will now use Wilson et al.'s, (2010) trait proposal; obtaining control over work, coherence around knowledge, public acceptance and support to give a framework for identification of movements in the 'collective mobility project' *a la* Larson (1977) successfully conducted by cost accountants. Why is the cost accounting of special interest to the development of the commercial manager role? Cost accountants managed a successful 'professional mobility project', the account of which could shine light on the inability of historical commercial management to professionalise and the desires of contemporary commercial managers to do so. The following section is based upon an analysis of the rise of cost accounting in Britain based upon the 'Cardiff School' of historical analysis of the British accounting profession as well as others in Edwards (2010); Boyns (2009, 1998); Edwards et al. (2002); Boyns and Edwards (1997a, 1997b, 1997c, 1996); Matthews et al. (1997); Armstrong (1993,1985); Fleischman et al. (1992); Armstrong and Jones (1992).

Case Study - The Rise of Cost Accountants

The accountancy profession created itself in the third quarter of the nineteenth century. Accounting societies in England date from 1870 and after a Royal Charter was won in 1880, the Institute of Chartered Accountants of England and Wales (ICAEW) became the leading institution (Matthews et al., 1997). The status of professional, chartered accountants rose with the joint stock and merger waves of the 1880s requiring the revaluation of assets and general assessment of the possibilities of reorganisation (Matthews et al., 1997). Major frauds in railways and banks led to legislation that had already made an audit of the annual accounts of companies in these groups compulsory by 1880 (Matthews et al., 1997; Armstrong, 1985). The Companies Act 1900 also mandated standards for auditing and liquidation and a credible guarantor to prevent fraud, replacing the amateur efforts of shareholder auditors (Wilson and Thomson, 2006; Boyns and Edwards, 1997). Investors were also searching for reliable and impartial sources of

information. Professional accountants also became early management consultancies, giving advice on costing systems (Boyns and Edwards, 1997).

Although initially, chartered accountants worked in independent practice, they became seen as desirable as non-executive directors, investors preferring them over functionally experienced managers, or ‘resplendent names’ without any real business acumen (Checkland, 1964), becoming the most common profession in the board room (Boyns and Edwards, 1997). Accounting firms produced articled clerks that received training attractive to companies. Industry and commerce in their turn tapped this growing source of virtually the only independent, formal management training available in Britain (Matthews et al., 1997). From the 1950s, as Coleman’s (1992) gentlemen and players faded from British boardrooms, the professional accountant was best placed to succeed (Matthews et al., 1997). The number of professional accountants taking up full-time employment in business increased from 270 in 1911 to 18,500 in 1951 (Matthews et al., 1997). As demonstrated in table 5, the professional accountant moved strongly into the secretarial role from the 1950s, which given the mandate for company reporting is not surprising. After the 1950s, the majority of chartered accountants were embedded in businesses rather than independent practice.

Table 5 Analysis of the involvement of qualified accountants in company management, 1891-1991

	1891	1911	1931	1951	1971	1991
% of companies with an accountant director	4.0	7.6	19.1	39.1	65.8	81.2
% of managing directors who were accountants	0.0	2.2	2.6	4.8	13.8	19.3
% of company secretaries who were accountants	7.1	7.3	14.3	29.0	41.7	47.4
% of chairmen who were accountants	0.8	0.6	4.6	7.6	13.6	20.7
% of company directors who were accountants	0.8	1.7	3.8	9.4	15.2	22.0
% of accountant directors who were in ICAEW	92.7	75.8	74.6	75.1	77.1	80.1
% of directors in ICAEW who were in practice	100.0	100.0	66.0	53.0	22.0	13.1

Extracted from Matthews et al. (1997)

Financial accounting was a type of accounting that was mandated by the state, with state-legitimised institutions, imposed upon the owner-proprietors, later demanded by investors and boards. However, there was another type of accounting which was essential to the development of industrial enterprise, that of cost, later known as management accounting, initially represented by the Institute of Cost and Works Accountants (ICWA). This was an internal kind of accounting, required for management of operations and setting prices. The prestige and institutional strength of chartered accountants was such that they were able to block the ICWA from obtaining Royal Charter in 1919 stating that they ‘were not engaged in professional work, but are employed in the service of traders’ (Wilson and Thomson, 2006; Armstrong and Jones, 1992). Besides, as professional accountants became more available and willing to work within business, as Johnson and Kaplan (1991) put it, “Why have a ‘practical man’ do it when a professional was available?”

Fleischman et al. (1992) state that cost accounting evolved from the work of entrepreneurs themselves, rather than an institutional body whereas Boyns and Edwards, (1997) argue minimal interest from entrepreneurs with costing mostly driven by the movement of professional accountants into business management. Banerjee (2006) identifies farming accounts in the early 1600s, Garner (1947) small woollen manufacturers of Henry VII that broke away from organized guilds which controlled prices, Armstrong (1985), the book keeping techniques used by estate managers and merchants and Solomons (1952) putting-out manufacturers seeking to set wages and control stock. Urwick and Brech (1949) identify foreign competition as focusing attention on cost control and “the economics of engineering.” However, it is generally held that modern cost accounting began with the rise of the factory system in the Industrial Revolution, from 1875 (Banerjee, 2006; Solomons, 1952). Johnson and Kaplan (1991) comment that before the 19th Century when all industrial transactions took place in the market, measuring success was simple; the entrepreneur had to take more money from customers than was spent on production. Wide profit margins of the early industrial revolution era caused industrialists to be unconcerned about cost-cutting or impact of pricing (Fleischman et al., 1992; Armstrong, 1985; Pollard, 1965) leading to a lack of

interest in operational accounting procedures. The term 'bookkeeping' persisted (Wilson and Thomson, 2006) and costs were treated in an 'amateur spirit' (Solomons, 1952).

However, the late industrial revolution era of personal-proprietorial capitalism brought several new challenges, creating downward pressure on profit margins. The need for operational information systems to support strategic decision-making by management and control of the enterprise, to locate and contain costs, advanced the cause of cost accounting (Boyns and Edwards, 1996; Armstrong, 1985; Garner, 1947). Challenges grew as operations did. For example, measurement of; investment obtained for and depreciation calculated on heavy plant; labour costs in relation to final output and costs of alternative sources of supply (Fleischman et al., 1992); throughput of inventory; payroll; determining elasticity of prices in slack times and in the face of competition; efficiency of production processes from period to period (Johnson and Kaplan, 1991); the monitoring of new technology in productive processes (Fleischman et al., 1992); the problem of how overhead costs should be dealt with (Kaplan, 1984; Solomons, 1952). Then later, owners of distributed multiplant firms required means of comparison between them, communication of corporate directives (Garner, 1947) and material cost transfers between departments (Fleischman et al., 1992). WW1 cost-plus standard on government contracts required men who could price such (Banerjee, 2006). As production runs increased, budgetary control was necessary to fix selling prices long before production (Boyns, 1998). These remained drivers for innovation in accounting through to the end of the 20th century (Innes and Mitchell, 1990).

Developments in cost accounting were slow due to such systems being seen as proprietary, peculiar to a particular firm (Garner, 1947), cost information a source of advantage and competitively sensitive (Banerjee, 2006), as well as the reluctance of British businessmen and cost accountants to publish articles on their experiences and techniques (Boyns, 1998). Sudden government influence and cost-plus contracting in WWI and individualism in practice had caused manufacturers to respond haphazardly to the need for cost accounting. The ICWA was founded in 1919 based on the dissatisfaction with costing methods made apparent (Boyns and Edwards, 1997). It had 37 members, 372

by 1921, 1686 by 1945 and 3293 by 1951 (Matthews et al., 1997; Armstrong and Jones, 1992).

The ICWA ran conferences nationally and internationally, to disseminate new techniques and encourage networking, beginning with the annual National Costing Conference in 1922. Conferences featured the research of practitioners such as Perry-Keene, of Austin Motors, as well as ICWA commissioned research studies into budgetary control and standard costing (Boyns, 1998). However, until WWII membership uptake was slow. “Discussions within management accounting were replete with generalized lamentations about the lack of influence in management, these were notably short on specification of the benefits foregone” (Armstrong, 1993). Also in 1945, an increased interest in costing on the part of government and employers, brought members of the Chartered Accountants which already had a strong presence in the highest levels of British industry, into cost accounting (Armstrong and Jones, 1992), making this a critical point for the ICWA to defend its interests. Despite now good relationships between the two institutes, this carried an implicit threat. The ICWA had to promote not only cost accounting as a practice, but its own system of education and training as the best preparation for it (Armstrong and Jones, 1992).

Therefore, in the 1950s the ICWA began its professional ‘collective mobility project’ (Larson, 1977), which consisted of several strategic moves; some planned, some emergent, which played out over the ensuing three decades. Firstly, the ICWA began to promote the American term Management Accounting over Cost Accounting, which emerged from the ICWA ‘Productivity Report on Management Accounting’. Morrow (1992), a member of the writing team, described it as an arbitrary choice to connect Cost Accounting with management activity, promoting their ‘different but equal’ status to Chartered Accountants. Boyns and Edwards (1997b) present the 1954 definition of management accounting as, “any form of accounting which enables business to be conducted more efficiently can be regarded as management accounting... which is of direct assistance to the management in the formulation of policy and in the day-to-day control of a business” and then in 1955, “management accounting is not a specific

technique but the application of all techniques for the purposes of management... Its field is as wide as that of management itself.”⁹ The ICWA orchestrated ‘debates on its meaning’ (Armstrong and Jones, 1992), culminating in the renaming of its member’s journal from ‘The Cost Accountant’ to ‘Management Accounting’ in 1965, the renaming of the Institute to the Institute of Cost and Management Accountants (ICMA) prior to securing its Royal Charter in 1975 and then renaming again, as the Chartered Institute of Management Accountants (CIMA) in 1986.

The escalation in nomenclature was only possible because of underlying changes in the content and activity of the cost accountant role and qualification, including an effective ‘detaching’ of the Institute from its original knowledge base in industrial practicality. From the 1940s, the Institute actively promoted the idea that British industry and commerce would be benefited by an expansion of the managerial role of cost accounting, and that its qualifications were suitable for careers in senior management. This was reflected in the articles of their journal which sought to heighten the aspirations of their membership and demonstrate that members were able to achieve senior positions in management. Cost accounting was promoted as a contributory approach to various aspects of management, but the real goal was embodied in two main thrusts, towards business strategy and the concept of a ‘financial manager’ (Armstrong and Jones, 1992) converging both senior management and financial accounting. For example, the control of capital expenditures and assessment of the profitability of alternative investment proposals could be based upon interpretations of cost data, with the management accountant advising the executive management accordingly.

⁹ Boyns’ (2009) study of BICC, places emergence of the term ‘management accounting’ in the early 1950s and identifies it as symptomatic of the developments in the company and accounting at the time such as budgetary control and standard costing, both of which have themselves been linked to the development of the M-form, to which BICC moved, to a limited extent. Evidencing the route to elites accorded to the chartered accountant over the cost accountant, W.H. McFadzean, a chartered accountant by training, began to take on the roles of Chairman and Managing Director of the company after this reorganisation.

The initial plan to elevate the status of membership, to move away from the technicalities of cost management, had been to create a Fellowship-level examination. However, this suffered lack of uptake in part to do with the resistance to the idea of qualifications being necessary for senior management and that the longest-served and most senior members of the ICWA had no wish to participate in further examination. Therefore, changes had to be incorporated into the associate level examinations. The engineering institutions had heavily informed the original exams. The new exams included papers on financial accounting, advanced accountancy and financial management and management principles and practice. The 1970 contingency statement in the event of the failure of a planned integration with the chartered accountants said, “the Institute will have to identify itself particularly with skills ranging from long-range planning and economic analysis to control and improvement of current operating conditions.” Long range planning was a precursor term to business strategy. One role in strategy work suitable for management accountants was business intelligence, for example in reconstructing competitors' cost structures from incomplete data.

The technical knowledge foundational to cost accounting expertise began to be seen as a distinctly lower status practice and form of knowledge. From the 1980s, the practical experience requirements were diminished also. Around the same time, the Institute's student guides began to stress the employment opportunities for CIMA members in central and local government, nationalised industries, service industries and banking, demonstrating from the mid 1980s how engineering and manufacturing were declining employment opportunities. By 2010, the cost accounting role had been transformed from that of a practical man with an affinity with manufacturing, to board room professionals whose senior members occupied such positions as Financial Controller, Finance Director and Chief Financial Officer.

Analysis – Elements of a Successful Professional ‘Collective Mobility Project’

Armstrong (1985) makes the point that the rise of the cost accountants cannot simply be put down to a ‘maturation of capitalism’, as both Germany and Japan were successful

industrial nations without accountants achieving such high positions, those positions going to engineers instead. What remains as an explanation are the conscious efforts of the ICWA to achieve status amidst elements of organisation which were peculiar to the British industrial context. Using a combination of trait and sociological/ideological theories of professionalisation, these can be identified and pieced into a process.

The first stage in Wilson et al.'s, (2010) trait proposal is obtaining control over work. "An obvious first step [to obtaining control over work, begins with the worker] ...doing full time the thing that needs doing" (Wilensky, 1964). Historically, cost accounting begins as a practice of the entrepreneur, then their appointed managers (in some cases the commercial manager) in response to clear problems arising from the nature of organisation in the late industrial revolution. Such systems were competitively sensitive, so kept proprietary. From 1875, it appears to become work of a specified individual. However, until 1945 Armstrong (1985) indicates that cost accountants occupied only junior positions and reported usually to a production manager. There were no cost accountants at sufficiently senior level to represent their interest in the organisation. Control over work was further threatened by chartered accountants who were leaving professional practice to work full time in business and finding interest in cost issues and which already occupied senior positions in the infrastructure of industry and outnumbered the ICWA around 10-to-1 (Armstrong, 1993; 1985). The ICWA began in 1919. The particular personal motivations of the initial 37 members of the ICWA in coming together is unclear except for dissatisfaction in the state of costing methods following WWI. Who initially promoted these dissatisfactions is also unclear. Nevertheless, through publicity events and their journal, they generated interest in their problems and solutions. Sufficient control over their work must have been obtained by this time for organisations costing methods to be exposed to a community of peers.

The second of Wilson et al.'s, (2010) stages is coherence around knowledge, which suggests practices gradually converging into a static body of knowledge. Yet the example of cost accountant's knowledge base is dynamic, evolving and being used to achieve several purposes. Mostly, these changes are embodied in changes to the content of ICWA examinations. The knowledge base of a profession needs to be static and codifiable to an

extent for the sake of transmission, but also needs to contain sufficient indeterminacy to prevent imitation from outsiders ultimately detaching it from its original owners (Armstrong, 1985). 'Mysteriousness' can then be used deliberately a tactic for building status (Wilensky, 1964) and a means to bind senior to junior practitioners in its transmission (Armstrong, 1993), as well as creating 'closure' in that outside occupations can not replicate the practices. Codifiable aspects were determined by the elite of the ICWA, which as membership increased became de facto entry requirements to the occupation, practical experience was also validated and a combination of the two was the only way to qualify as a member. The interest in 'practicality' and operations, which would vary from factory to factory, injected an element of indeterminateness. These things alone though were not sufficient to create monopolistic 'closure'. The body of knowledge itself had to be elevated and given state protection, which had already been prevented once by the chartered accountants.

The third of Wilson et al.'s (2010) stages is public acceptance and support. Hickson and Thomas (1969) and Barber (1963) emphasise that this results from deliberate organised action by the occupation's elite. There are few specifics on how they were getting their messages out to the managers and executives of British firms. The ICWA had a journal, *The Cost Accountant*, later *Management Accounting*, using a term identified by Morrow, a member of ICWA elite. This was an internal publication, but through its articles, it influenced the aspirations of cost accountants and influenced their communication within their own organisations, so informing the demand for their services. Their conferences would have served the same purpose. In addition, the contact with chartered accountants, although initially adversarial would have put their messages into the elite institutional fabric of British industry where chartered accountants already were. Relationships with the industrial contributors to their examinations also kept them in contact with the markets for their skills.

Although it assists in capturing a few details, it is clear that the trait approach fails to capture the dynamic processes that interlinked these events and the dynamic relationships between cost accountants, their knowledge base, competitors and clients over the half-

century that their transformation from occupation to organisational profession took. Nor does it explain the success and failure experienced along the way. The sociological/ideological perspectives turn attention toward,

- Strategies for controlling labour or evading the threat of control of others and positions within the global function of capital (Armstrong, 1985; 1993)
- A praxeological motivation for conflicts and fears at a group and individual level, fundamental to Collins' (1990) individuals who maximise their power, wealth and status
- How collective upward mobility is maintained (Larson, 1977)
- How the knowledge base is used to elevate the occupation and monopolise the activity (Muzio et al., 2007)

At an individual level, being one of the controllers rather than the controlled would increase latitude for improving the work and as competence was demonstrated in answering the concerns of the owner-proprietor, the role could be broadened. This would lead to increased status, especially in the personal-proprietorial context prior to the 1950s, wherein managers sought positions of confidence with owners as the best way through what hierarchy there was, onto the board. Being 'practical men' and studying part-time identifies early cost accountants with the lower middle class. Being subsumed in the work of the commercial or production manager gave few resources for assuaging lower middle class fears of lack of achievement (Crossick, 1977). The presence of a chartered accountant with their establishment credentials and intimacy with the senior levels of the organisation, as well as new interest in the internal operations of firms would be a further threat. By blocking the Royal Charter of the ICWA, the chartered accountants had demonstrated themselves a threat at an institutional level too. The central fears of the reflective, ambitious cost accountant could have stimulated them to collect within the ICWA. Edwards' (2010) theory is that some kind of external threat is required to stimulate accountants into organisational formation.

The ICWA had to prove that their education and methods, their knowledge base was the best way for an operation's costs to be managed which required influencing and monopolising two publics. Firstly, for their arguments to be seen as representative of cost

accountants, the ICWA had to expand to include as many practitioners as possible and prove to them that they were capable of obtaining status and rewards and that this could be most effectively done as a member. Without this, there was the fear of irrelevance for the ICWA, through erosion of the role by the chartered accountants, or a failure to gain mass by individual cost accountants seeking instead individualistic mobility within a personal-proprietary culture, which permitted it at that time. How the ICWA got cost accountants to orient themselves towards the institute and away from individualistic relations with their employers is unclear. Cost accountant's junior status could have been facilitated this. There may simply have been less pressure upon them to identify with their employer, unlike the more senior commercial manager.

Then there was a need to monopolise the mind of the market for their service, the managers and executives of British firms. This required using their knowledge base defensively, in claims that only members of the institute had the distinctive competence to be cost accountants, based on the practicality of their backgrounds, intimacy with the systems of production, part time study and certification of work experience. There was also an offensive aspect. The ICWA had to be specific about the problems that they were solving as a collective within the 'global function of capital'. The initial problem that gave birth to cost accounting arose from industrial evolution; control of labour, materials and downward pressure on profits during the late industrial revolution. By the mid 20th century, in the move to Wilson and Thomson's (2006) phase of managerial capitalism, the problems were still of control; investors and boards' fears of inadequate information on the performance of their increasingly complex and multidivisional operations. These were assuaged by ideologically stressing that only cost accountants were suitable for that problem. Particularly, that the experience of the accountant's office of the chartered accountant was inadequate for work inside firms, that management accounting was the basis of strategic decision making and control, as opposed to the historical, after-the-fact nature of financial accounting.

A key offensive tactic, which symbolised the aspirations of the ICWA, was the change of terminology from cost accounting to management accounting. The term had been

acquired during a productivity team trip to the U.S. under the Marshall Plan which according to Armstrong (1993) acquainted the representatives of the ICWA with cost accountants operating in a senior managerial role, particularly through the role of the 'financial controller'. Through debates through the journal and conferences on its meaning (Armstrong and Jones, 1992) the term was normalised into a 'mobilisation slogan' (Armstrong, 1993) and then as a symbol of what members could achieve and all that was about to happen with their knowledge base in an attempt to create closure and monopolisation. The debate over the emergent brand image also enabled the ICWA elite to package higher status activities into the definition of management accounting so that these could become a recognisable and reproducible entity in the minds of British managers. In this, they were shaping the market for their expertise.

The intention of promoting the U.S.-style financial controller or director, created a seniority that required knowledge of costing techniques and the cost structure of the entire operation, which would be elements obscure from chartered accountants. Having senior management accountants at the highest levels in an organisation, at the head of a distinct accounting function, would not only enable them to monopolise the competence in that organisation but define the effects that they would have and judge the results of that practice— a key professional attribute (Armstrong, 1993). It would also indicate a route to the top for management accountants now that the phase of personal-proprietorial development was over and loyalty to an owner was no longer an effective route to seniority and status. Budgeting could be used to discipline, evaluate and reward the managers of other occupations within the organisation. In this way, management accountants would be able to demonstrate their competence and place in the organisational elite by monitoring the exploitation of labour and resources and exerting control over other occupations within the organisation. These messages of what they could be and what they should be pressing for were fed back through the membership through their journal and conferences in what Larson (1977) calls 'mobilisation of bias'; the promotion of selective world views to obtain collective action.

Throughout accounts of the development of their knowledge base, there is no record of significant contact with British universities, the usual path of an emergent profession according to Wilensky (1964), which seeks academic degrees and research programs to expand their base of knowledge and act as credentials. This also creates a significant route to public opinion. Instead, the ICWA maintained a strong grip on its entrance examinations, maintaining emphasis on work rather than graduate education. Universities in the 1970s were also creating new threats to time served management accountants by increasing the supply of potential new executives through economics, mathematics and business school degrees. Two types of status elevation in support of the mobilisation of management accounting were attempted, both of which created conflicts. The transformation of the knowledge base as represented by their examinations was moving away from factory organisation and production methods towards strategy and budgetary controls. This was in combination with acquiring the vocabulary of higher-level management as mobilisation slogans, such as invoking strategy or corporate planning. The requirement for knowledge of production processes became diminished, but this created conflict with the ICWA's claimed distinctive basis in practicality. Practicality is a resource common to organisational professions, but the situatedness of practicality works against generalisation into managerial principles. However, loss of differentiation would begin to restrict mobility as generic and indeterminate management skills were already in place in the elites of organisations.

The attempt to create an internal hierarchy of senior fellows through examination served several mobilising intentions. One way in which an occupation moves to a higher status is to 'dump' lower status knowledge and associated activities (Armstrong and Jones, 1992) to a lower grade of worker. Essentially, this was attempted by the ICWA creating a two-tier membership. By consigning the routine and codifiable elements of its knowledge base to juniors, the elements of indeterminacy remained for the seniors. Status credentials of fellowship reinforced the claim that their work inherently involved managerial responsibility. It also served a defensive purpose in preventing the entrance of new occupations at the lower end of the skill set, maintaining monopoly. In actuality, this ploy failed because fellowship by examination created conflict with those with senior status in

the institute but few academic qualifications or little inclination to undertake further study. These ones were the decision makers for the institute, so unsurprisingly fellowship by examination failed to gain traction in the membership. The plan threatened the collective aspect of the mobility project by denying merit to a significant class of members and threatened mobility by potentially undermining those who were intended to be representatives of the 'destination' point of the project.

The gaining of the Royal Charter in 1975 was the final move to professional closure and public recognition, after elevation of their knowledge base. The removal of 'cost' in the renaming as CIMA in 1986 created the ultimate in mobility slogans, a severance from their historical knowledge base, no longer practical men 'in the service of traders' – they were *chartered* and they were *managers*. However, there currently remain several threats to the closure of management accounting in particular management techniques based upon non-financial informational flows such as management by Balanced Scorecard and techniques derived from Japanese management. Flattened and projectised environments lessen opportunity for seniority or direct control of other occupations in multifunctional teams. Organisational evolution continues to demonopolise, destroying organisational functions and creating opportunities for others (Checkland, 1964).

Tactics in a Professional Mobility Project

The following points in table 6 are extracted from the analysis of the collective mobility project of the cost accountants, using the insights of Muzio et al. (2007); Collins (1990); Armstrong (1985; 1993) and Larson (1977). This framework can also be applied to the historical and present role of the commercial manager. This is not a trait theory of a mobility project, these features are not presented in any purposeful sequence, nor would all of them be relevant to every situation. Unlike trait theories, the dynamic nature of professional mobility means that each move will generate reaction and resistance. For example, it is not sufficient to have a recognisable knowledge base; it must be used offensively and defensively, which will shape subsequent moves, negating some, prioritising others. Yet still, an occupation might undertake each of these elements of a mobility project and still not achieve professional status if socioeconomic or organisational evolution demonopolises or renders the occupation defunct.

Table 6 ‘Tactics’ in Professional Mobility Projects

Key Element	Mobility Tactic
Raison d’être (Central Problems)	<ul style="list-style-type: none"> • Identify central problems or threats to capital and aspects of knowledge base appropriate for solving these • Identify central problems or threats to enterprises and aspects of knowledge base appropriate for solving these • Define measurable effects of practices upon operation of enterprise and upon other occupations • Identify supporting and restraining changes in organisational evolution
Membership	<ul style="list-style-type: none"> • Orient membership towards institution and to each other, away from conceptions of status professionalism and individual mobility • Expansion of membership group to involve as many levels of practitioner as possible particularly those already at the ‘destination point’ of the project • Raise aspirations of membership • Create desirable status levels within group • Identify collective fears and dissatisfactions of membership group • Locate a principal threat to focus membership fears
Communications	<ul style="list-style-type: none"> • Develop a mobilising brand, or slogan • Initiate debate over use of the terms and identity • Acquire languages and discourses of senior management • Shape market for expertise with communication on the solutions to the problems of capital and of enterprises • Initiate communication with competitor occupations • Assist members in communicating their value to their employing organisations
Knowledge base	<ul style="list-style-type: none"> • Incorporate representatives of the ‘destination point’ bodies of knowledge into the development process of the knowledge base and associated examinations • Control development and transmission of codifiable knowledge • Identify and maintain obscure knowledge or indeterminate practices • Shape transmission of obscure knowledge from senior to junior

Knowledge base (cont'd)	<p>membership</p> <ul style="list-style-type: none"> • Liaison with universities as marketing and knowledge base development • Adjust content of knowledge base upwards through examination • Control production of credentials • Demonstrate a contributory approach to various aspects of management outside the main area of the occupation • Use lower status activities to block off technical aspects from encroachment by other occupations
Enemies	<ul style="list-style-type: none"> • Specify threat/competitor occupations and assess their position vis-à-vis central problems • Prepare offensive and defensive moves against competitors, using knowledge base • Generate mobilising bias • Specify control strategies over competitor occupations, linked to the central problems • Engage in public conflict with competitors through professional, academic and public channels

Conclusion

Professionalisation of British management was stymied by a range of socio-economic factors yet against this context certain occupations, such as the cost or management accountants, have been able to engage in collective mobility projects and achieve professional, managerial status within their organisations, even gaining institutional recognition. Using the example of the cost accountants, trait and sociological theories of professionalisation have allowed a range of elements of a successful mobility project to be determined. These will be used in chapter five, combined with evidence from the archive, to examine the barriers to professionalisation of historical commercial managers and the challenges faced by the IACCM in claiming professional status for modern-day commercial managers.

Chapter 3 Methodology

Introduction

This chapter will detail and justify the methodological choices made in research of the thesis. Methods are the techniques that researchers employ in data collection, sampling and analysis, to ‘discover reality’ (Seymour, 2006). Methodology is the study of the methods that are employed, going beyond technical issues to the philosophical traditions of the methods and so uncovering the practices and perhaps hidden assumptions of those who use such methods (Bryman, 2008). Baret (2005) presents a pragmatic view of methods, “There is nothing essential about the social that compels use of a particular method... what the research wants to achieve should be the basis of methodology rather than methodological purity.” Similarly in regard to history, Toms and Wilson (2010) state that, “Business history is open to multiple methodologies, and participants in the discipline choose those which best assist them.” The intention of the thesis is to determine the structuring forces which led to the rise and fall of commercial management and whether these are related to the difficulties in professionalisation of commercial management today. This will be done by attempting to reconstruct the experience historical and contemporary actors. This will require methods suitable for accessing historical archive data and for generating first-person accounts of commercial practice. The desire to create an experiential account requires using the words of the managers themselves, requiring a qualitative, phenomenological approach to the study.

A Phenomenological Approach to Studying Historical and Contemporary Experience

‘Phenomenology’ means literally to talk about that which shows itself (Sartre, 1970). Husserl (1981) described it as, “The unprejudiced descriptive study of whatever appears to consciousness, precisely in the manner in which it so appears... paying close attention to evidence which presents itself to our grasp or intuition.” Phenomenology is recognised by praxeologists as an appropriate methodology for accessing human experience, its

earliest praxeological user being Alfred Schütz, a student of Mises, who was influenced by Edmund Husserl, Max Weber, and the Pragmatist James (Kurrild-Kiltgaard, 2003, Rothbard, 1977). Schutz was concerned with “going back to the ‘forgotten man’ of the social sciences, to the actor in the social world whose doing and feeling lies at the bottom of the whole system... which induced him to adopt specific attitudes towards his social environment” (Schütz, 1962).

The researcher tries to see reality through another person’s eyes (Bernard, 2006). For example, Seymour’s (2006) phenomenological analysis of entrepreneurialism studies, demonstrates how such an approach shifts the focus from the traditional ‘object’ of the entrepreneur’s ‘opportunity’ towards the ‘cares’ that motivate them to search for, identify and act on such opportunities. Phenomenology does not privilege any particular methods (Seymour, 2006) instead it is “an investigative posture with a certain set of goals” (Hycner, 1985); to be “true to the phenomenon” (Seymour, 2006); the “description of the real world” (Neisser, 1959) Phenomenology is essentially the study of lived experience or the ‘lifeworld’; what is experienced directly (Lavery, 2003). Whatever methods are used, the criteria for validity will be the degree of closeness created to the experience of the actor. Phenomenology is presented as an interpretive methodology, but there are degrees to which it is aligned with realism or relativism.

A distinct contribution made to phenomenology by Heidegger was the application of hermeneutics. The term hermeneutics derives from the practice by which messages from temporally distant sources, preserved on paper, ruins or other artefacts were interpreted to maintain their original condition and meaning, which required re-living in imagination the cultural and historical world of the source and to re-construct the “message” out of empathy with the sender (Heelan and Schulkin, 1998), bridging the difference between the linguistic/cultural environments of the source and the interpreter. When applied to the study of people, the basic sense is the same, a reference between the parts of data and the whole response and the response and the whole context of the actor, their past and future (Seymour, 2006). The movement is circular, the ‘hermeneutical circle’. Therefore the true meaning of an experience for an actor is suggested, but not determined, by working

between what is revealed by the actions of the actor and their account of it, and the context the actor is in.

For praxeologists, pragmatists and phenomenologists alike, action begins as the search to recover the peace of mind, happiness or physical resource that was lost following a “breakdown of intelligibility” (Heelan and Schulkin, 1998). Von Mises (1996) stated that he had, “no valid objection to a usage that defines human action as the striving for happiness” What makes a man feel uneasy is established by him from the standard of his own will and judgment, conversely what makes him happy. To examine action then, one has to know what makes the actor happy, in their own words, so as to know what he or she is frightened of losing, to know their specific discontents or fears.

In this thesis, this approach will be used in the form of hermeneutic content analysis to interpret texts generated by historical commercial managers and later in a more general way in the analysis of texts from contemporary commercial managers generated using the method known as critical incident technique. There are several problems in undertaking a phenomenological study using these methods. The idea that reality can be grasped through a description of it is an ‘article of faith’ for the phenomenologist. This seems insurmountable; humans learn about physical objects by observing them, but learn about other human’s experience of those objects by asking them. There is no other way (Richardson, 1999). However, any description of an experience is already different from the experience itself, though not as far removed as would the reduction of emotion into a likert scale. The reflective nature of participation could lead to a more accurate response but it seems unlikely that words can convey the full, specific emotional and physical states of the experience, for example, the visceral feeling of disappointment. The time elapsed could create unintentional mixing of different events into one narrative. There is the problem of selection, respondents may be unsure how to ‘label’ aspects of their experience (Neisser, 1959) and important details could be omitted as an intentional act to protect privacy or an unintentional psychological defence against the memory.

There is no element of randomness to a phenomenological study and participant numbers are usually small. This is usually linked to an argument against the representativeness and generalisability of findings. Sampling is purposive for good reason; respondents need to have actually had the experience in question and be able to articulate it and be diverse enough to create unique stories of the particular experience. Rigour comes from making careful and explicit choices regarding participants (Hycner, 1985). Representativeness can be checked for by validating accounts with the respondents and the explicit statement that the research is the respondent's experience, it can only be suggestive of similar actors outside the study.

Historical Analysis

The intentions of the thesis require the production of a piece of management history. This will require the management analysis framework of Thomson (2001), with the methodological insights of Evans (2005), Carr (2001), Collingwood (1994) and Fischer (1971), to satisfy the agenda of Wilson and Thomson (2006). There are certain problems in developing a managerial history, as Thomson (2001) indicates. Managers are not the boardroom players of business history, they worked in the functions and processes, therefore company records do not contain information pertaining to their practices, their decisions and how these affected their firms. The kinds of record that might be also the kinds thrown away; personal notes, minutes. Historical archives contain few organisational trees and few names.

Thomson (2001) proposed a method for developing a history of a particular class of managers, which with a few additions is the method used in this thesis:

- Identify the key decisions made by those people, essentially the problem for which they are a solution
- Identify the evolution and dispersion through time of those decisions
- Observe the origins, nature and characteristics of the people making them
- Broaden out into studying the wider implications of the occupational group

When the historical record appears to be particularly threadbare, care must be taken not to fall into Fischer's (1971) 'Historians Fallacies', in particular the 'fallacy of pseudo-proof'; desperate attempts to weave together the brief glimpses of the term in literature and archive into a unified theory of the occupation, when in reality it could be composed of uses of the term which bear no relation to each other and therefore identification of their real contexts would negate the theory entirely. Facts must be chosen carefully and be guided by theory, as Carr (2001) said, "it is the historian who decides which facts shall speak – he cannot give the floor to them all." The historian should be explicit about the use of theory, making clear which facts 'speak' and why. The key theory used here is that the commercial manager role emerged, rose, fell and then rose again. This acts not only as a means to organise facts but also as a research hypothesis. The other operating theory is praxeology, the effect of which has been described earlier.

Grattan (2008) and Van Fleet (2008) make the point that historical analysis can add meaning and evidence to a theory and produce plausible explanations, but it is not likely to discover causality or universal generalisations. The indeterminateness of human action and the discovery and imaginative use of historical data will always lead to disconfirming exceptions. To an extent, the facts available to the historian have already been preselected, especially when these are extracted from literature, "the facts of history never come to us pure... they are always refracted through the mind of the recorder" (Carr, 2001). The reason certain facts have survived creates inevitable bias. To prevent these problems or to prevent teleological thinking retroductively forcing causes into a pattern which suits the present day Carr says that the historian must deal first in a "multiplicity of causes" and assign several to an event, but working between the many possible causes of a situation may still not uncover the one most causal.

According to Fischer (1971), "history is not storytelling but problem solving." Pragmatist Dewey (1929) commented that, "The test of the validity of any particular intellectual conception... is functional, its use in making possible the institution of interactions which yield results in control of actual experiences of observed objects" knowledge is 'true' if it is instrumental in enabling interactions which shape ongoing experience successfully.

Therefore, the ultimate test of the validity of this historical analysis could be whether it ‘yields results in control’, solving problems in the experience of the modern commercial manager. As has been established, one such problem is their lack of status within their organisations.

For the Study of Historical Experience - Content Analysis and Hermeneutic interpretation

As described in the ‘sources’ section of the introductory chapter, this research is based upon the novel approach of performing a longitudinal content analysis on an archive of classified advertising. Specifically this is ‘situations wanted’, where private individuals invite expressions of interest in their skills and experience from prospective employers and the reverse; ‘situations vacant’, where employers seek private individuals with appropriate skills and experience to perform certain tasks within their organisation. The following research questions acted as a guide to selecting the variables recorded:

- What did ‘commercial’ and the idea of being a ‘commercial manager’ mean during the identified time of the emergence of the role?
- How did the role change over the years?
- What industries employed commercial managers, was there an identifiable ‘type’ of concern requiring commercial management, did this change over the years?
- What was the experience of the historical commercial manager?

Lorimor (1977) claimed that ‘Want ads’ were found on ancient Egyptian papyrus, but in newspapers they began with small notices by private individuals in the 17th century, growing in popularity with industrial expansion. It can be argued that in a labour market deregulated by the end of indentured apprentices and the perception of increased opportunity, men already culturally sensitised to improving their own situation using their own initiative, but lacking family connections, would logically seek self-promotion through means such as classified advertising. When analysed longitudinally and quantitatively, such adverts can act as an objective indicator of economic conditions over time, evidently demonstrating possibilities of employment and the state of employers.

Also, it is possible to see how the content of an organisational role and its associated rewards changes or remains stable over time, or whether some changes are correlated with others. One newspaper editor in Lormior's (1977) analysis referred to classified advertising as a "direct line to the people". Thus implying that to examine it would be to examine the real thoughts of people, recorded in their own words and of a broader range of population rather than that of journalists or writers of that time who may have discussed such employment.

The advertising surrounding employment achieves two things. Firstly, as Lorimor (1977) stated, "Classified advertising deals with basic human needs." Amongst these are the need to find suitable employment so as to provide for oneself and family and the need to find suitable people to assist in the development of profitable enterprises. Secondly, Rafaeli (2006) makes the point that: "People are not born with the knowledge of what it means to be employed" and that the idea of an exchange of skills, knowledge and abilities for money or other benefits from the employer has to be developed over time. Therefore, 'situations vacant' act as a means of sensemaking (Rafaeli, 2006), whereby people learn what it means to perform a particular job and assess whether they have the requisite skills, or what the market for their skills is as the employers attempt to call forth the types of skilled people that they require. Reciprocal to this, 'situations wanted' demonstrate the sense that has been made, as people identify themselves with an organisational role, essentially labelling themselves, and in their own words give evidence of the skills or experience which they believe constitute suitability for that role or worthiness to carry that label. If the meaning of the labels is consistent between advertisers and audiences, if advertisers are referencing things well known in their culture, then it would be expected to see situations wanted and situations vacant for commercial managers demonstrating parallel developments.

Therefore, for the observer, historical analysis of job advertising regarding commercial managers is a suitable source to interpret the common idea of employment as a commercial manager, to approximate what it meant to an individual to identify themselves as a commercial manager and why they might choose this role to meet the

‘basic human need’ of employment. Also, from an employer point of view, to understand why they might need a commercial manager within their organisation, the uses they would be put to.

Execution of Content Analysis

Content analysis of job advertising is rare in peer-reviewed literature, but has been used previously to demonstrate changes in skills requirements for roles in leadership (Den Hartog et al., 2005), nursing (Friedman, 2005) computer programmers (Surakka, 2005), I.T. workers (Todd et al., 1995) and issues of gender (Taris and Bok, 1998) and age discrimination (McGoldrick and Arrowsmith, 1993). As far as the thesis literature review allows, it has only once before been used to capture the development of a specific organisational role, in Pooley and Dunn’s (1994) longitudinal analysis of the purchasing function. However, Pooley and Dunn limited their analysis to a random sampling from one newspaper across three decades. The following study is greater in sweep of time (150 years) and seeks to reconstruct the expectations and experience of the applicants themselves, rather than only the employer. The analysis method selected is that of mixed-method content analysis. Bos and Tarnai (1999) demonstrate a range of types but state that the basic procedures for content analysis can be divided into ‘hermeneutic-interpretative’ and ‘empirical-explanatory’. The following analysis is mixed in that it attempts both, as both are required in line with previous statements about the significance of situations wanted and vacant as indicative of structuring effects active upon the person identifying themselves as a commercial manager and upon those seeking to employ such ones.

To interpret the ‘ongoing revision’ (Rafaeli, 2006) of the commercial manager role requires firstly that the texts of the situations wanted and situations vacant are collected and ordered temporally. All available records were located simply by searching in the online archive for “commercial manager” in document type “classified ad” and selecting and copying relevant items into a separate document, one for situations wanted and one for situations vacant. Content analysis was carried out by assigning content to specific categories using the schedules in table 7 and 8.

Coding Schedule for Situations Wanted			
Category	Definition	Examples	Rule
Industry sought	The self-selected description of a desired working environment or industry. The implication is that the most sought-after industries are those providing the most sustainable employment for commercial managers, alternatively, if none is sought, the argument that commercial management is a generic skill that could apply to any enterprise is strengthened.	“A respectable firm” “Engineering factory” Textiles Newspaper	May not be clear, according to SIC code – use reasonable associations with main descriptor. If no industry specified or ambiguous description used such as ‘progressive concern’ then categorised as ‘none specified’.
Associated with?	Self-selected alternatives or equivalents to employment as a commercial manager. The implication is that meanings or content of the role could be understood by reference to other known roles.	“Wanted: situation as a traveller, cashier or commercial manager” “...desires post as correspondence, counting-house or sales manager” “Commercial manager executive, 47... seeks new appointment as such, or as Export Sales Manager.”	Categorise using reasonable associations with descriptor. If none is used, then it is implied that the role of ‘Commercial Manager’ is the only one of interest.
Experience claims	Self-selected, subjective claims as to previous work experience or knowledge. The implication is that the meaning of the role to the actor is evidenced by the experience they decide to promote, a reflection of the business owners main problem.	“First class commercial experience” “Accustomed to control large staff and to act without supervision” “Fully experienced in contracts, costs and material control”	Categorise using reasonable associations with descriptor. If no experience specified or ambiguous description used such as ‘broad experience’ then categorised as ‘unspecified or generally quantified’
Distinctive qualities	Subjective claims to differentiating capabilities relative to other potential applicants. The implication is that it is a reflection of what they think would be important to the business owner, a reflection of the business owners main problem, supplied by more than simply education or experience.	“Advertiser, energetic, intelligent, resourceful...” “If desired can introduce large volume of business of a highly specified nature” “Travelled, made business visits to North and South America, Europe and the Far East. Languages French and Spanish”	Categorise using reasonable associations with descriptor. Look out for specific references to personality according to the ‘big five’
Qualification	Objective statement of skills, knowledge or ability, in that it can be verified by an independent observer. Implication is that the evolution of the role or its status or its professional content is evident by qualification, or what qualifications actors think best capture the endorsement of commercial skills or suitability for the role.	“Able executive (32), commercial manager, hons. Grad, econ. & law” “Chartered accountant desires wider scope as commercial manager” “Member of the Institute of Industrial Administration”	Categorise using reasonable associations with descriptor.

Table 7 Coding Schedule for Situations Wanted

Coding Schedule for Situations Vacant			
Category	Definition/Rationale	Example	Rule
Industry	Identification of the employer industry, categorised by SIC code. The implication is that specific industries employed commercial managers and that these possibly changed over time.	Mining Textile merchants and converters Manufacturing Yarn Dyeing	It is likely that the employer will give a specific description of the industry of their organisation. Categorise by SIC code.
Associated with?	What roles is it likened or equivalent to? Self-selected alternatives or equivalents to employment as a commercial manager. The implication is that meanings or content of the role could be understood by reference to other known roles.	“Commercial manager and traveller” “Secretary and commercial manager wanted” “Technical sales and commercial manager”	Categorise using reasonable associations with descriptor. If none is used, then it is implied that only the role of ‘Commercial Manager’ is distinctly on offer.
Role statements/experience required	Descriptions of aspects of and experience required for adequate performance of the commercial manager role. The implication is that this category reveals the problems that commercial managers were the solutions to. Changes to the role would also be apparent over time.	“Commercial activities of trade with particular stress on estimating final bills for contracts” “Accountancy, costing, purchasing and general office management” “Sales experience and practical knowledge in cotton and rayon weaving”	Categorise using reasonable associations with descriptor. If none is given, then it indicates that a general understanding of commercial manager must have been available to the respondents.
Personal qualities	Employer expectations of personality differentiation	“Good appearance and dress” “A first class man” “Keen, energetic, the highest character”	Categorise using reasonable associations with descriptor. Look out for specific references to personality according to the ‘big five’
Reports to/prospect	Description of reporting line or promotion prospect. The implication of this is that it indicates the kind of progression available to the commercial manager and their rank within the organisation.	We don’t know what size these firms were. “Responsible to assistant managing director” “Offers opportunity for company directorship to successful candidate” “Permanent executive position for intelligent man”	Categorise using reasonable associations with descriptor. If none is given, then this is clearly not significant.
Qualifications	Statements of required qualifications. Implication is that the evolution of the role or its status or its professional content is evident by qualification, or what qualifications employers thought best captured endorsement of commercial skills or suitability for the role.	“Articled chartered accountant” “Honours degree in chemistry essential” “Preferably technically qualified” “corporate membership of one of the senior professional institutions”	Categorise using reasonable associations with descriptor. If none is given, then this is clearly not significant.

Table 8 Coding Schedule for Situations Vacant

The body of resulting data was then quantitatively described and statistical processing carried out. This completes the description of the 'manifest content' (Bos and Tarnai, 1999). The analysis comes away from empirical-explanatory in that initially the categories are generated beforehand according to theory (i.e. knowledge of the development of the role, elements constitutive of the role) rather than emanating solely from the content. Categories generated were then subjected to intercoder testing for reliability.

For the interpretive phase, the guiding epistemological principle was that of hermeneutics. Given the requirements of the study, a hermeneutic turn in the analysis is inevitable. Krippendorff's (1980) classic definition of content analysis as the "...use of replicable and valid method for making specific inferences from text to other states or properties of its source", infers this in the move from text to the source. In the case of the advertisers, the source is long dead, making interpretation inevitable. The continual consideration of the meaning of the text for its author and the socio-historical context in which the text was produced (Bryman and Bell, 2003), acts to restrain the interpretation of the observer from projecting contemporary understandings onto the historical record, onto the earliest usages of the term or its use within organisations. This is achieved through an examination of the text, its intentional recipient, its referent in the world and the context in which the text is produced, transmitted and received.

Besides which, the empirical, numeric analysis of manifest content is limited. It removes "the theoretical discussion about the contextual areas of detection, utilization, and effect... latent content hidden between the lines, the motives of those who produced the texts, or the effect of texts on the reader... the change in the indicators that carry meaning according to the sociocultural environment and current situation" (Bos and Tarnai, 1999). There is also the problem of 'false positives', in that the frequency of an item could appear to increase over time but the meaning of the item could change, that in fact the frequency of the item is not increasing, but over time another type of item is emerging (Kolbe and Burnett, 1991).

For the Study of Contemporary Experience – Critical Incident Technique

The actor providing an ‘inside account’ of intentional behaviour is essential to social explanation (House, 1991), so to examine the first-person experience of contemporary actors in a systematic way requires a qualitative methodology and methods which deal directly with human expressions, in their own words. It also should assist in the logical recollection of experience, identification of motivations for acting, what ‘matters’ in the situation and to whom it matters (Aram & Salipante, 2003), how they define their present situations the actions and consequences planned. The quality of an event has a ‘spread’ an inter-penetration of past and future, the event includes a contiguous past and present which has to be captured. (Tsoukas, 1994). Finally the methodology must centre on explanation and possibly forecasting of human behaviour, rather than the seeking of constant, causal conjunctions and the predictability of positivistic science.

As the experience of contemporary commercial managers is only recognisable in their actions and materialised in the gain created for parties involved in the exchange, it is best understood by examining the exchange from the point of view of those involved in it. This thesis proposes Critical Incident Technique (CIT) as the appropriate means for this, coupled with phenomenological analysis so as to reconstruct the commercial managers lived experience. This provides a basis for insight into the problems of commercial management and the innovative resolutions which ensue, as well as conditions of their work which could evidence structuring effects on professionalism and organisational status.

The CIT has its roots in research for the US Air Force ‘Aviation Psychology Program’, during WWII. As described by its inventor, Flanagan (1954); “The Critical Incident Technique consists of a set of procedures for collecting direct observations of human behaviours in such a way as to facilitate their potential usefulness in solving practical problems and developing broad psychological principles.” At its outset, CIT was used primarily in job evaluation and performance measurement. The ‘technique’ is the means

by which the incident is reported or collected for industrial psychologists to help uncover existing truths or realities so that they could be measured, predicted and ultimately controlled - ideas rooted in the modernist paradigm of the day (Butterfield, 2005; Chell, 1998). Later, it was used by Herzberg in the research for his classic 'Two-Factor' theory of motivation (Behling et al., 1968). More recently, the American Institute for Research defined CIT as a "set of procedures for systematically identifying behaviors that contribute to the success or failure of individuals or organizations in specific situations." The shift towards an unspecified 'systematic identifying' of contributors to the success or failure of the individual and away from specific problem solving for a particular job extends the theoretical interest of the technique beyond the immediate problems or incidents to include the complexity of job behaviour in terms of the social context and participants qualitative, descriptive interpretations of their own 'real life' experience (Gremler, 2004; Stitt-Gohdes et al., 2000; Di Salvo et al., 1989). The eliciting of description leads to participants' retrospectively making sense of their own actions and proposing the antecedents and consequences as they appear to them (Chell and Allman, 2003).

According to Flanagan (1954) an 'incident' was "...any observable human activity that is sufficiently complete in itself to permit inferences and predictions to be made about the person performing the act." To be considered 'critical', "...the purpose or intent of the act seems fairly clear to the observer and where its consequences are sufficiently definite to leave little doubt concerning its effects." However, such a description would be valid of any intentional action which could be inferred as the cause of observable consequences. As Edvardsson (1998) put it, "What then distinguishes a critical incident from an ordinary event?" The nature of criticality in the CIT is not agreed upon. Early work of Edvardsson (1992) stated that, "Critical incidents are special, problematic, sensitive or directly unpleasant to the individual who has not got what he/she expected." Whereas, Kaulio (2008) is more succinct, defining a critical incident as, "An event that deviates from the expectation of the actor." However, might not an event be as expected and yet still be critical? Is it the event which deviates from expectation, or the consequences of it? Gremler (2004), Bitner et al. (1990) and Grove and Fisk (1997) identify criticality as

something contributing negatively or positively to an activity or phenomenon. Schluter et al. (2008) emphasises instead that it is whether the event or behaviours and associated outcomes are memorable, that determines criticality, Norman et al. (1992), that it is important to the respondent. In all cases criticality is determined by consequences, they are important, memorable, good or bad for a reason; that the event has changed the actor in some way. In view of the above, 'critical incident' in this thesis will be taken to mean,

“A recalled event whereby the state of an actor is changed by the phenomena that is being enquired about.”

Table 9 Key Research Papers using Critical Incident Technique

Author	Research area	Purpose	# of participants and type	# of incidents and type	acquisition	analysis	outcome
Vandenbosch et al., 2001	Creativity	Justify a typology of creativities	52 Executives, who are also postgraduate students	# unknown – instances of managerial ideation and changing of mind	In-depth interview	Deductive content analysis	Tool to understand creativity inclinations
Stitt-Gohdes et al., 2000	Worklife	Determine impact of IT on worker feelings of professionalism	65 computer users on a commercial research project	# unknown - instances of feeling competent or incompetent at work	interview	Inductive content analysis	Direction for education
Moenaert & Souder, 1996	Information Utility theory/Innovation	Determine whether the source information affects its perceived value in cross-functional teams	386 R&D and marketing and sales workers in 40 companies	# unknown – instances of receiving communication from specified individuals	questionnaire	Hypothesis driven deductive content analysis using semantic differentials	Statistical causation model
Ellinger & Bostrom (2002)	Organisational learning	Examine managers self-beliefs about facilitating learning in employees	12 managers from four organisations	65 –instances (at least 4 per manager) where they perceived themselves to be effective or ineffective as facilitators of learning for their employees	In-depth interview	Content and cluster analysis	'Belief Map' and better understanding of managers transition from manager to coach
Rimon (1979)	Nursing	Examining nurses' perception of their psychological role in treating rehabilitation patients	Unknown quantity of nurses	45 – instances of when the nurse felt that they gave psychological care to a patient	In-depth interview	Inductive content analysis	Clarify nurses awareness of human behaviour and sensitivity to patients needs
Edvardsson (1998)	Service development	Research into customer experience, an unexplored area of in public transport studies	300 Public transport customers and workers 200 customer complaint letters	500 – instances of complaint on public transport	Written letter and interview	Content analysis based on categories determined by complaint letters	Recommendation for service development for public transport company

O'Driscoll & Cooper (1992)	Worklife	Examining specific behaviours by which individuals cope with stress	131 workers from a range of seniority, from 8 organisations	# unknown - instances in their work environment over the past 6-12 months which had caused them problems, what they personally did in response and the outcome of their response	Interview	Inductive content analysis	Confirmation/ disconfirmation of aspects of other studies into workplace stress and coping
Kaulio (2008)	Project Management	Determine the most common critical incidents project leaders faces in multi-project settings and the implications for project leadership in multi-project environments	48 project managers from 48 organisations	48 - instances of such quality that "it kept the respondent awake during the night"	In-depth interview	Inductive content analysis, grounded theory mentioned explicitly	A range of critiques of traditional project management techniques and education in the multi-project environment
Schmidt et al. (1997)	Education	Determine which teacher activities contribute to school-to-work success and characteristics teachers must have to conduct successful school-to-work programs	199 teachers, counsellors, employers and others at 11 sites across the USA	# and type unclear; the kinds of traits involved in success and instances these were demonstrated	In-depth Interview	Inductive content analysis using 'ethnograph' software	Recommendations for policy and teacher development for school-to-work programmes presented to U.S. Department of Education
Cope & Watts (2000)	Entrepreneurial growth (lifecycle analysis)	"Explore the parallel processes of personal development and organisational growth within small business" from an individual perspective	6 entrepreneurs from 6 organisations – connected to management school	# and type unclear; how they got into business ownership, negative crises	In-depth Interview	None presented - longitudinal case studies	Critique of lifecycle theories, recommendations for enterprise support policies

Bitner et al., (1990)	Service development	Explore what events lead up to customers' positive or negative service experiences and what employees do that makes them memorable	# unknown - customers of airlines, hotels and restaurants	699 instances of memorable service, positive or negative	Questionnaire interview	Inductive content analysis, some correlation	Recommendations for service development and research
Bitner et al. (1994)	Service Development	Explore what events lead up to customers' positive or negative service experiences from the service employee point of view and what they feel that the affect was on the customer	# unknown – employees of airlines, hotels and restaurants	774 incidents of memorable service interactions, positive or negative	Questionnaire interview	Inductive content analysis, some correlation. Makes coding rules explicitly clear	Defence of service employees – 'wrong customers exist' Recommendations for training customers, employees
Meuter et al. 2000	Service Development	What are customers positive and negative experiences of self-service technologies compared with interpersonal service encounters	1000 members of an online survey club	823 incidents of memorable experience with self-service technologies	Web-distributed questionnaire	Inductive content analysis triangulated with likert-scale responses	Recommendations for service development and research
Odekerken-Schroder et al. 2000	Service Development	How do service attributes and critical incidents compare as determinants of customer dis/satisfaction?	1844 customers of a Dutch office equipment manufacturer	1844 extreme positive or negative experiences with regard to the service provided, within the past 3 months	Mail- distributed questionnaire	Unclear, regression analysis using key terms	Recommendations for service development and research
Johnston, 1995	Service Development	How do satisfiers and disatisfiers determine customer perceptions of service quality?	431 customers of a UK high-street bank	579 positive or negative experiences with the bank and why they felt the way they did	Mail- distributed questionnaire	Uses SERVQUAL determinants of quality as basis for categories.	Critique of SERVQUAL method
Howard et al. 2007	Supply Chain Management	Understand strategic choices during the implementation of a supplier park	20 managers at Ford, suppliers and regional development agency	Unknown, positive and negative incidents were collected over five years	Interview	Unclear, case studies were used	Critique of 'best practice' in supply chain management

Table 9 demonstrates the diverse range of topics, methods and outcomes associated with use of CIT. The aims of modern CIT studies are, according to Burns et al. (2000) and Bitner et al. (1990), either a) exploration of a topic of interest, where the experiences or views of a body of people are of distinct interest and the phenomena or subject area is unknown or has received relatively little attention or b) oriented towards using experiences of a body of people in problem solving in a known area of interest, although the exploratory studies also imply that the area for exploration is problematic in some way. Examples of the former would be to “Explore the meaning of empowerment for nursing students in relation to their clinical practice experiences.” (Bradbury-Jones et al, 2007), “Explore the experiences of student nurses in relation to language awareness in healthcare provision and their interpretation of that experience.” (Irvine et al, 2007), or “Explore the role of emotions as mediators of the relationships between cognitive appraisals and conflict resolution strategies” (Bell and Song, 2005). Problem solving studies are based around more explicit questions; “What are the sources of customer satisfaction and dissatisfaction in encounters involving SSTs?” (Meuter et al., 2000), or “From the contact employee's point of view, what kinds of events lead to satisfying service encounters for the customer?” (Bitner et al., 1994), “How do episodes in business relationships foster trust?” (Schurr, 2007), “What are the most common critical incidents project leaders face in multi-project settings?” (Kaulio, 2008).

In exploratory studies, the outcomes are a better understanding of the phenomenon, represented by first-person commentary and inductive or retroductive development of theory or model building (i.e. Ellinger and Bostrom, 2002; Rimon, 1979) or developing hypotheses to be used and tested in subsequent research (Walker and Truly 1992 cant find, Gremler 2004). When problem-solving, the outcome can lead to critique of existing theories, especially if it can be demonstrated that CIT brings clarity to or new information on a subject which existing theories have been inadequate to provide. Recommendations for policy development and managerial action grounded in the actual experience over which control or improvement is sought are obviously desirable (i.e. Cope and Watts, 2000).

According to Butterfield et al. (2005), the inclusion criteria for a critical incident are that it consists of antecedent information (what led up to it); it contains a detailed description of the experience itself; and it describes the outcome of the incident. Edvardsson (1992) suggested a simple basic model of cause, course and result. For example, in Odriscoll & Cooper's (1996) study of workplace stress, this was stressor, behaviour in response and outcome of response. Given the presupposed teleological nature of the experiences analysed by CIT studies and the CIT method itself, this kind of linear, ends orientation is understandable, as it is how experience unfolds to the subject. In describing the sequence of events, the participant may lead the researcher to interpretation of their reasons for acting in that manner, or they may reveal their reasons directly.

In all cases, responses elicited by CIT are subjected to content analysis. From this point, further operations on the data are informed by the ontological/epistemological context of the researcher, i.e. Rimon's (1979) nursing-context study, which is entirely exploratory and inductive in nature, versus Moenaert & Souder's (1996) scientific/engineering-context study which takes as a starting point known theory, formulates propositions and seeks to test them through CIT, their outcomes being subject to statistical processing into a causation model. Generally, according to Gremler (2004), studies such as this where categories are predetermined and analysis is deductive are a minority, asserting that the CIT is an inductive method that needs no hypotheses and where patterns are formed as they emerge from the responses, allowing the researcher to generate concepts and theories. In this sense, a grounded or phenomenological approach is taken. However, Butterfield et al (2005) identify this interpretive method as a recent turn. It is difficult for analysis to be utterly grounded in the data – a problematic area has to be identified at the outset, else would the study exist at all? This then does create a priori categories or hypotheses about the behaviours in question, whether these are explicitly stated or not.

Following descriptive content analysis, the method used to analyse and reconstruct the innovation experience of commercial managers is derived from Moustaka's (1994) derivation of Van Kaam's (1959) hermeneutic method.

1. Listing and preliminary grouping – horizontalisation
2. Reduction and elimination to determine the invariant constituents - does the expression contain a moment that is necessary and sufficient for understanding it?
The horizons that remain are the invariant constituents of the experience
3. Clustering and thematising the invariant constituents – the invariant constituents are clustered into themes and labelled. These are the core themes of the experience.
4. Themes and constituents checked by application to the accounts
5. Create a composite textural-structural description of the experience

CIT has the effect of covering points 1 and 2 within its operation. Horizontalisation, the identification of statements of meaning is already done, only meaningful statements are recorded. The CIT questions are structured around the idea of invariant constituents of innovation-as-action; there must be antecedents, consequences, action, a praxeological intent. Point 3 is done through content analysis, point 4 in various analytical activities which can be carried out on the accounts and point 5 is what the analysis will culminate in.

Limitations of the CIT

Beyond the basic criticisms of qualitative work and drawing inferences from non-parametric populations, there are some criticisms specific to the CIT, in three principal areas; methodological vagueness, eliciting data and analysis. As incidents in modern CIT studies are mostly based upon recall of the incident, “one must understand the significance of critical incidents in the light of human memory mechanisms and judgement processes” (Edvardsson and Roos, 2001). Participant’s narrative text is a form of self-disclosure. The general procedure in a CIT study is to elicit positive and negative experiences of particular phenomena. Negative feedback, failure experiences, and rejection are among the most powerful negative events people experience (Taylor, 1991). Psychological literature suggests that negative incidents may be more likely to be recalled (Edvardsson & Roos, 2001). However, Taylor (1991) states the opposite, that, “individuals try actively to keep implications from these potential threats to self-esteem as

narrow and as neutral as possible.” A negative event may well be rationalised away or modified in retelling as to make it less available than a positive incident.

There is also the problem of recall, in terms of identifying appropriate incidents of the kind inquired about (Reed, 1994). The linear nature of the CIT enquiry, when projected into the past could lead to seeking only one cause in the description of the antecedent and forcing a causal rationalisation between events in memory. Whatever the data collection mechanism, the key challenge in collecting CIT data is to get respondents to provide sufficient detail about the phenomenon of interest; responses may be too general, or incomplete, as suffered by Johnston (1995) in his postal survey. A participant who thinks the subject not relevant may unintentionally withhold useful observations. Even the ‘cover story’ (Burns et al., 2000) used by the researcher could have an affect, shaping the recall of the participant, leading or planting suggestions. The researcher themselves may introduce unintentional bias. More self-disclosure is provided to researchers who are perceived as ‘similar’ to the participants. Burns et al., (2000) proposed that female informants will disclose more information about themselves than male informants.

The CIT method has been criticized on issues of reliability and validity (Chell 1998). Understanding how negative or positive an incident has been or on how much it has influenced a relationship requires interpretation, which was not the intention of Flanagan, for whom if the incident was clear to the observer and consequences are definite, there was no need for interpretation (Bradbury-Jones and Tranter, 2008; Butterfield et al., 2005; Byrne, 2001). However, without interpretation, a CIT study could be dismissed as merely collecting “top-of-the-mind memories of... interactions that are socially acceptable to report” (Edvardsson & Strandvik, 2000). Hence validity, whether the thing intended to be measured by the tool is actually measured and reliability, whether the research will obtain the same result if the same method is used by another researcher must be established.

Participants and Data Acquisition

Participants were purposely sampled, as is appropriate for phenomenological inquiry, from groups of practicing commercial managers some of whom were also postgraduate students. There were also some participants from the membership of the IACCM.

Participation was via eMail. Although used primarily as an interview technique, there is precedent in the literature for CIT to be done through research instruments given directly to respondents (Odekerken-Schröder et al., 2000; Strauss and Weinlich, 1997) or solicited through the Internet (Meuter et al., 2000; Warden et al., 2003). eMail was seen as appropriate due to its low intrusion and the convenience factor in that busy professionals can respond at their leisure or gradually as they have time to consider their responses. There was an awareness that participation was going to be based on goodwill, taking time that is quite literally money. Therefore it was seen as important to structure the inquiry so that the participants had as little as possible to do, so that all energies and time could be focused on the reflection and reporting of their innovation experience.

The participants are detailed below in table 10.

Table 10 Breakdown of CIT participant groups

Phase	Number of people contacted	Number of participants	Type of participants
1. Exploratory questions	10	8	Commercial managers from multinational telecommunications firm and multinational engineering firm
2. CIT Pilot	5	5	Three senior members of the IACCM, two commercial managers from phase 1.
3. CIT main	17	7	Commercial managers from the companies of phase 1, plus others from the Oil and Gas industry and a public sector research body.

Ethical Issues

Given the personal nature of the inquiry and the desire to obtain meaningful accounts of innovation experience, an ethical statement had to be developed that would assure participants of their safety in doing so (see Appendix A). There was a balance to be struck between telling them enough to lower barriers to participation, but not telling them so

much as to ‘contaminate’ their responses. The two groups who participated in the study were not only practitioners, but some were postgraduate students, it was important to involve them *after* their studies had been completed so as to prevent the possibility of them feeling that their final grades were contingent on participation, or that in participating, final grades could be affected. Clear instruction was developed so that the participant could locate and record the incident in a way that satisfied both the requirements of the inquiry but also their need to maintain confidentiality.

A preliminary test

A set of exploratory questions were sent to a sample of practitioners prior to the development of the CIT inquiry. These were to;

- assess the suitability of eMail as a means of contacting and obtaining input from busy practitioners.
- assess the understanding of ‘innovation’ amongst the intended participant group.
- to learn something of what commercial managers perceive as innovation within their work.

The questions were purposely as simple as possible;

- What are the first three words, or feelings, that you associate with the following word: Innovation
- When was the last time as a commercial manager you considered yourself, or an insight or idea you obtained in your line-of-work as 'innovative'? How did you know?

The responses could be grouped into two kinds; those that recognised their actions as innovation and those that did not, despite clearly innovating. For example, one manager responded; “1. New, inspiring, novel. 2. Don’t think I have!” This was followed by a description of them setting up a new training course for their team with economic benefit. Another, “1. New, creative, effective. 2. Never really thought of myself as being innovative because I guess I’m always trying to do things differently but they don’t really seem remarkable?” This was then followed by a description of a technical solution

created by this manager which will benefit many customers. The question could be raised as to why they did not perceive themselves as innovators or their actions as innovation? Could it be due to the construction of their understanding of the term ‘innovation’?

A second grouping was also apparent. There were innovations in day to day work, within commercial routines, such as “It was one of those ‘why is this apparently simple task taking me so long???’ moments that occurred whilst I was actually doing the task.” The other type of innovation arose from interaction with the commercial partners; buyers or suppliers, such as, “putting in place a payment mechanism with a customer which rewarded fairly the amount of effort contributed by both sides.” The question could be raised, is this representative of innovation in the commercial space, that it occurs in two areas, at the level of routine practice, and the level of the value exchange in the face of interaction with buyer or supplier; the key commercial manager task?

The pretest phase demonstrated that commercial managers of the companies which would make up the bulk of potential responses to the CIT inquiry both understood the concept of innovation and could reflect upon their own working practices in light of it.

The CIT Tool

An example of the final version of the tool is available in appendix A. The following is a brief review of its features. The questions were structured so as to encourage logical reporting and intentional reflection.

Group 1 questions, entitled ‘You and Your Work’, determine what the objective of the activity in which the critical incident is occurring is and what the person engaging in that activity is expected to accomplish, a picture of the position of the participant in their organisation, hence the situation for the critical incident, from the participant’s point of view, as per Flanagan’s method. The implicit thought is that the aim of an activity is best established by asking the people who perform the work.

Establishing the aim based upon a desire for effectiveness and control of the experience reveals not only the point of the work, but why the actor engages in it the way that they do. the identification of happiness's and frustrations in the work suggest motivations for actions in control of the commercial managers experience, the pursuit of effective behaviour which may well link explicitly to antecedents of innovating insights and resultant consequences.

Finally, the term innovation is introduced, to obtain their view on what it is, which might be revealing in terms of underlying expectations, and gets them thinking about next section. These questions are to elicit a description of the commercial actor and their work, specifically the emotional states involved and what would be considered effectiveness in that line of work. Also captured is their understanding of innovation, in terms of words associate and a narrative description. Using the praxeological theory, fear is what turns thoughts to action, and its amelioration or the restoration of happiness, the intention of action, pragmatically, the control of their own experience.

'Group 2' is entitled "Consider the last time that an insight or idea of yours had been gainfully exploited in ANY aspect of your work". The title was a reflection of the problem of locating the mind of the respondent onto innovation-as-action without leading the participant away from their own understanding or polluting it in some way. Therefore the term 'insight' was used and 'gainful exploitation' to signify the actions performed after the initial insight. This group was to elicit an account of innovation-as-action which resulted in success; an innovation-as-object. In this description, the context for the insight is elicited including the subjective inner state of the respondent and their perception of the objective/subjective structural manifestations of their success.

Group 3 is entitled "Consider the last time that an insight or idea of yours had not been, or was prevented from being gainfully exploited in ANY aspect of your work" This section channels the participant towards describing an incident with a neutral or negative

outcome. The critical incident of insight led to actions which resulted in a contrannovation¹⁰.

Group 4 is entitled “As a commercial manager/executive, please consider your most common set of interactions with your customer/supplier or commercial partner.” This final section, following the first section which asks the participant to situate their work, now enquires about points of functional conflict in their dealings with the aspect of the business environment which they engage with – supplier or buyer. Here is where the inquiry comes away from phenomenology and seeks to check the theoretical proposition that commercial innovation is based upon conflict and that innovation is the means by which the conflict is resolved, hence conserving or changing the strategy, as may emerge in the accounts, further, it gets respondents to list these conflicts which in itself may shed further light on the actions of the commercial manager. The other questions are to obtain their views of business strategy and their relationship with it. These questions can lend weight to or falsify the theory that commercial managers are peripheral workers with limited strategic agency.

The tool finishes with a final question “What do you think that you have been asked to do?” This question is a form of quality check, so that it can be demonstrated that the participant understood what they were being asked to do and so therefore, that the account they have rendered is likely to be representative of their experience but also relevant to the requirements of the study. This was also a mark of the classic Flanagan approach.

Execution of the CIT Inquiry

The CIT study began with a pilot sent to ten specific commercial actors, which returned five. The CIT tool appeared able to elicit and record the type of information required.

However, the following changes were made, the inclusion of questions in groups 2 and 3 to elicit specific responses regarding emotional state, benefits or costs to the manager and

¹⁰ This term will be explained later in chapter 6.

their organisation and a question to what extent they thought the experience was predictable or inevitable. A more explicit confidentiality statement was also devised and implemented. These were due to the fact that the accounts provided seemed empty of personal details, some participants gave more than others, so it seemed reasonable to make the request more explicit. A further ten commercial actors were contacted and this returned seven accounts. This created a total group of twelve accounts. Two were found to have had difficulties responding to question group two and three, one with group 4.

Alternative Theories and Methods

Alternative focal theories to pragmatic realist praxeology or the interpretive stance of phenomenology, which would still be useful as frameworks for identifying elements of the experience of commercial managers are actor network theory (ANT) and principal agent theory (PAT). ANT would be suitable for interpreting the outcomes of a CIT enquiry and identifying key human and non-human agents involved in the production of socio-technical outcomes, its flow of analysis beginning from problematisation is ideal in a discussion of innovation and still consistent with praxeology. However, it requires significant researcher interpretation of participant accounts so it is questionable how close it can come to reflecting the subjective experience of the respondents. PAT could well be used to interpret aspects of the historical commercial manager's role, for example how they act to reduce the cost of information for their principals. However, PAT is a theory of contracting which presumes a range of rational relationships between actors and agents who prefer not to exert effort or actions desired by their principal and therefore need to be compensated. This may help in modelling the behaviour of manual labour, but self-starting, praxeologically concerned, status-oriented actors both historical and contemporary may not behave in a rational economic manner. It also presumes a static environment, whereas the historical and contemporary environments are marked by continual change, much of which is a stronger influence on actor's work behaviour than a contractual relationship.

Alternative methods were difficult to determine due to several specific features of this research. To remain consistent with praxeology as the focal interpretive theory with a

phenomenological stance, qualitative methods had to be used. In the investigation into innovation with practitioners, likert-type questionnaires would not be appropriate because of it being exploratory research. This would require the development of hypotheses based developed prior to data gathering. As there is little pre-existing theory in innovation-as-action, or innovation in the commercial space, induction is required, hypothesis development rather than testing. The work intends to capture actor's experience using his or her own words, not imposed reductions created by the researcher beforehand, based upon pre-existing theory.

The use of texts logically determined that some form of content analysis was used preparatory to interpretation. In the historical aspect, the actors are long dead, the manifest content is all that there is and any operation carried out in the archive is naturally going to be upon the content. An alternative could have been to find and interview retired commercial managers about their role and changes over time, which would have been a useful triangulation to the content analysis. Yet there would not have been as many respondents as advertisers found in the archive, nor would there be any with memories of the emergence of the occupation in the late Victorian era. CIT was used to gather texts from contemporary actors. However, there are some alternatives in first-person text generation, such as structured interviews or the use of reflective diaries. Certainly, diaries would take time and an extended period of commitment on the part of the respondent, which is difficult to obtain when the respondents are busy and highly mobile. Different data gathering methods would still have resulted in content analysis.

Conclusion

This chapter has introduced the methods used in the work of this thesis supporting the analysis of historical and contemporary experience with phenomenological intent, which are appropriate for working within the context of social inquiry in an exploratory mode. This research is the first study to use CIT to examine the innovation experience and maintain the phenomenological focus at the level of the actor. It is also the first to use both situations wanted and vacant advertising to reconstruct the experience of being employed or seeking employment in a particular organisational role.

Chapter 4 Historical Evolution of the Commercial Manager Role

Introduction

This chapter will discuss the historical evolution of the commercial manager role using literature review and archival research, based upon quantitative and qualitative analyses of data from the archive. In particular, this chapter seeks to answer the following questions:

- Can specific examples of commercial managers be identified in recognised sources and how do these relate to the evidence of the archive?
- What did ‘commercial’ and the idea of being a ‘commercial manager’ mean during the identified time of the emergence of the role, did this change?
- What industries employed commercial managers, was there an identifiable type of concern requiring commercial management, did this change over the years?
- What was the experience of the historical commercial manager?

Chapter Five will discuss whether the argument developed by this analysis is consistent with the industrial and commercial context established in Chapter One and the theories of professionalisation in Chapter Two.

Enter the ‘Commercial Manager’?

There are significant gaps in historical understanding of the connection between production and distribution and the actors involved in it (French, 2005) therefore a difference of opinion regarding actors and processes involved in these areas is understandable. Wilson, Popp, Chapman and others are right to criticise the application of Chandler’s thesis to Britain that the volume of throughput and associated demands for supply and sales were beyond the capacity of middlemen, leading inevitably to their disintermediation. On the other hand, was the established system a path dependent barrier to change or the basis for conflicts fundamental to a Schumpeterian innovation in

marketplace relations? If, as Nicholas (1983) says the late 1800s to 1939 was a time of manufacturers increasing foreign direct investment to penetrate international markets and disintermediate the merchant system, surely it is reasonable to presume that such organisations first learned in their home trade to prepare for vertical integration into the market? Ultimately, Wilson does not exactly answer the question of when vertical integration for sales organisation happened, but that it occurred at different paces in different industries (Wilson and Thomson, 2006), which leaves open the possibility of innovators doing it earlier than the so-called era of marketing-led production. Church (2008) proposes that “entrepreneurial vigour of individual owners and managers” was present, but recognises that this, “falls short of a general explanation for the timing and characteristics of marketing developments.”

As has been established, British industry maintained smaller organisation sizes and output volumes than Chandlers sample, so the throughput argument for bringing commercial processes in-house is weaker and with the reported persistence of traditional methods of production, the complexity of product argument and response to customer needs arguments could also be weaker although in the evidence presented in this review and in the archive, there were clearly some owners searching for improved or new methods. Yet, despite differences in size or persistence of traditions, the need for better information on market behaviours and the influence of market forces on prices due to increased competition, combined with pressure on the merchant system from forward and backward integrators in the home markets initially, would have been relevant problems to British industrial entrepreneurs and owners.

With the decline of middlemen, the increase of market forces and unpredictability; deal-making, cost-accounting and contracting competencies in the exchanges with the markets for supply and sale would become essential, whether the firm was growth oriented or not. In the case of engineering and manufacturing firms, these activities were non-core, but increasingly dictated the use of the engineer’s energies and the profits available to him. As Stabile (1986) pointed out, “To keep his little world secure, the engineer is forced to extend his control over these outside variables and transform them into constant factors.”

One way to convert those variables into constant factors was through the use of negotiated, binding contracts and penalties, creating longer-term relationships with suppliers and buyers. This also had the benefit of removing the obfuscating effects of middlemen on getting to grips with the true market for supply and sales. Even where intermediaries persisted, information and control would still be required and this established at the point of contract.

The need for deal making, organising and financial recording expertise and this from outside of the family was inevitable. These matters were viewed as, “properly belonging to a less noble segment of society - the ‘commercial men’” (Urwick and Brech, 1949). A commercial clerk with writing and mathematical ability would be a convenient solution and one with accounting ability and experience of cost and manpower control would be even better. However, as the importance of markets increased, success of the commercial function required senior representation in the organisation. The introduction of limited liability legislation created further problems for the industrial entrepreneur as the use of share capital required a secretarial function to manage the presentation of formal company accounts and liaison with shareholders. Also, in view of the desire for pain-free survival, there may have been a desire to make the minimum change necessary with the added benefit of having someone to take care of the commercial aspects, so as not to have to do it oneself, or to dedicate time to the real pleasures of the business (Litterer, 1961). Where would it be possible to find those “who were very attuned to money making opportunities in specialist markets in a very hands-on way”?¹¹

On this matter Towne (1886, quoted in Stabile, 1986) stated, “The remedy must not be looked for from those who are business men or clerks or accountants only; it should come from those whose training and experience has given them an understanding of both sides (vis: the mechanical and clerical) of the important questions involved.” These could be those who once made up part of the merchant system, ones who were long-served commercial clerks or who through lack of indenture had been able to acquire a wide experience of commercial activity or those undertaking the ‘commercial education’ of the

¹¹ personal correspondence with J. Quail dated 25/11/08

time, available from the technical colleges. To attract the correct ‘brains’ (Michie, 2001), a suitable title would need to be coined, for men to identify what was required and to identify themselves as suitable candidates. Bringing operations associated with marketplace exchanges, recognised as ‘commerce’, in-house would create a need for a specific manager, a commercial manager. As has been established, at this time the term ‘commerce’ had a distinct meaning and associations. Commercial clerk and commercial traveller were already established roles (in the archive they first appear 1821) and the idea of managers as salaried assistants of owner-proprietors was by then established. If the entrepreneur realised that he required senior assistance in such matters, which other title could possibly be more suitable? Although it is not possible to pinpoint absolutely the first use of the term, the ensuing rate of occurrences in general advertising, trade directories and job advertising indicates that it gained widespread acceptance.

It is difficult to determine the way in which acceptance developed. This will be discussed in the next chapter, but some possibilities were:

- Many owners simultaneously arriving at the conclusion that ‘commercial manager’ was the most suitable term to describe the assistance required
- Through seeing business associates or other advertiser’s use of the term
- By influence from the educational system and the textbooks using the term ‘commercial management’ specifically therefore implying the need for a commercial manager
- The title being appropriated and then emulated by self-identified commercial managers
- A strong pre-existing construction of the term ‘commercial’ determining that owners or prospective managers could only reasonably use this term to describe their requirements

Identifying Historical Commercial Management and Commercial Managers

Midway through the late Victorian period, around fifty years after the emergence of the commercial manager in the archive, textbooks on the organisation of engineering works began to appear. The main premise of these was organising for the change and growth of British enterprises following the limited liability legislation. Three notable books were; *The Commercial Management of Engineering Works*, Burton (1895); *The Commercial Organisation of Factories*, Slater-Lewis (1896) and *Factory Administration and Accounts*, Elbourne (1914).

Burton (1895) promoted the use of the term ‘commercial management’ stating, “The term ‘commercial management’ is a very comprehensive one, and includes a great deal more than making office arrangements, compiling catalogues, purchasing stores and selling products... It has its content in a profitable workshop and therefore includes everything which affects the profit and loss account, whether it be initially of a technical or commercial character.” Whist Urwick and Brech (1949) identified and agreed with Burton’s use of commercial management; identifying commercial management with cost accounting, Elbourne (1914) did not, avoiding any term that associated commerce with being an organising principle of works. The Slater-Lewis (1869) text was reviewed by Urwick and Brech (1949) who praised it for its wider view of what constituted ‘commercial’, beyond accounting and procedures associated with finance, the purchase of materials and the sale of products; to include all non-technical procedures and the control of the operation.

Between the Burton and Elbourne texts, ‘commercial’ functions were said to cover; the raising of finance from external sources, draughting and requisitions, purchasing and receipt of materials, cost accounting, sales, publicity, promotion, management of travellers, correspondence, estimating, tendering, work orders, dealing with works managers, financial accounting, dealing with auditors, ‘routine organisation’ of the office, wages. However, neither author makes any mention of a specific role of ‘commercial manager.’ Burton (1895) identified commercial management as distributed across several

managers in the limited liability company, the directors and the secretary and general manager. Elbourne presents several alternative management trees for industrial organisation, none of which feature a commercial manager; sales processes are under 'sales administration' and supply processes under 'works administration.' It could be argued that these textbooks had identified forms of organisation amongst the largest British firms, changes that were to begin the diffusion of the commercial manager role, making it, as per Burton, as function spread across several managers. The majority of UK engineering works though, were smaller and where there were older works, even though limited companies, if there had been a commercial manager before being limited, the role would likely persist.

In the U.S., the earliest reference to a named commercial manager was identified by Todd (1981) as the Bell Company's second salaried employee in 1877, an R. H. Devonshire, hired to do 'book keeping'. Nothing else is written about this man, other than in the records of board communiqués of AT&T. In the Southern U.S., Col. Henry S. Haines, who had been the rail chief for Gen. Robert E. Lee during the Civil War, was hired in 1865 by railway entrepreneur Henry B. Plant. In the article 'Literature on the Railway Rate Question' Johnson (1906), refers to Haines as, "commercial manager of the Southern States Freight Association."¹²

In Britain, in the archive, in a classified advert dated 11/03/1854, William Prosser is identified as Commercial Manager of the Electric Power Light and Colour Company. This is the earliest print evidence of a named commercial manager in the archive (although the Gale archive of British Newspapers evidences sundry anonymous uses of the title previous to this) and indicates that Prosser was associated with pricing and setting up agents and trade distributors. Manufacturers using dry coatings could go directly to him, as could prospective distributors.

¹² However, despite enquiring with Sallie Loy, director of archives and library of the Southern Museum of Civil War and Railroad History, it has been impossible to corroborate this.

“ELECTRIC POWER LIGHT and COLOUR COMPANY.

The ELECTRIC COLOUR COMPANY are now able, by completion of their works at Frogmore Creek, Wandsworth, which are at present in full operation, to supply any quantity of their DRY ELECTRIC COLOURS, which, from their brilliancy, durability, body, purity and price, cannot fail to obtain a preference by the trade generally over those made by the ordinary process. The colours consist of scarlets, reds, greens and blues at all shades and varieties. For price and all other particulars, all applications must be made and communications addressed, to the commercial manager, William Prosser, Esq., at the works. Local agencies are required for which applications may be made, by letter, to the commercial manager, as above.”

Writing of the proposals for nationalisation of the British mining industry, Henderson (1919) dictated that all mines should have a commercial manager for, “purchase of material and sale of output... The District Mining Council shall appoint a Commercial Manager, whose duty shall be, subject to the control of the commercial committee, to arrange for the purchase and supply of stores for any mine, and to take steps for the disposal of the output of coal from his district.” The commercial manager was responsible for interfacing the organisation with its environment; its suppliers and buyers. This was a role that linked the peripheries of the organisation with its buyers and suppliers.

The historical local and trade directories archive for England and Wales owned by University of Leicester¹³ contains 250 occurrences of ‘commercial manager’ from 1850 to 1910. The sample presented in table 11 demonstrates that term was in widespread geographical use throughout the late Victorian period. It can be seen that the term ‘commercial manager’ is a distinct occupation and as in items 3 and 8, that it was used by such ones to identify them within their domestic setting. The sample also demonstrates the kinds of industries in which commercial managers were employed; mining, shipping, refrigeration, iron and steel and the ‘new’ industries of candle production and electrical appliances. The seniority of commercial managers is demonstrated in that they figure next to owner in 1, 2, 6, 7, 9, next to the secretary in 7, and in 4, 5 and 10 the commercial manager was the secretary. These observations regarding seniority are corroborated by the archive work.

¹³ Available at www.historicaldirectories.org, last accessed 20/02/2010

Table 11 Commercial Managers in Regional Trade Directories

Archive Source	Sample Advertisement
1. Directory of Hampshire and the Isle of Wight, 1859	<p>Refinery; but the latter is not at present in operation. These docks were designed by the late Francis Giles, Esq., and have been carried out by his successor, Alfred Giles, Esq., the present <i>engineer</i>. Colonel Barlow is <i>chairman of the Dock Company</i>. George Bolger, Esq., is their <i>secretary</i>. Philip Hedger, Esq., is <i>dockmaster and superintendent</i>, and John James Iselin, Esq., is the commercial manager. In 1842, when the first dock was opened, the <i>tonnage</i> of vessels entering and leaving the port was only 276,000, but in 1857, it amounted to 657,000. Though the</p>
2. White's Directory of Sheffield, Rotherham, 1879	<p>Roundwood Colliery Co. coal owners; Thomas Cooper, managing partner; Fredk. Cleeves, commercial manager</p>
3. Wright's Directory of Leicester & Fifteen Miles Round, 1883-84	<p>ELLISTOWN consists of two long terraces of houses built near to the Ellistown Colliery, in the parish of Ibstock, also of another cluster of houses called "Switch and Rushes," or Whitehill, in the parish of Hugglescote. The former is tenanted almost exclusively by the colliers, but many also occupy houses at Whitehill, and the adjacent parts of Hugglescote.</p> <p>[<i>Except those marked * the following are all at Whitehill, in the parish of Hugglescote.</i>]</p> <p>Blower John, general dealer Bower John, colliery clerk Clamp Joseph, general dealer *Ellistown Colliery, J. J. Ellis, proprietor; Wm. Spencer, engineer; cert manager, Geo. Hall; Isadore Ellis, commercial manager *Ellis Isadore, comel mgr at colliery *Ellistown Brick Works</p> <p>Hall George, manager at colliery Harris William, draper & milliner Marsh Thomas, bootmaker Moore Rev. John Wm, curate in ch Perkins Jph, v, <i>S. Leicestrshre Hotel</i> Tassell Frederick, farm bailiff to Rev. W. H. Burgin Thompson Thos, sewing mehne agt Walker Francis, farmer Weston Wm. drpr, and at <i>Coalville</i></p> <p>DRESSMAKERS. Farmer Miss Eliza</p> <p>SCHOOL AND M 10-30 and 6-30. at 8 a.m. Rev. .</p> <p>POST OFFICE a arrive from Leice 5-50 p.m. on wee</p>
4. Post office London Trades Directory, 1891	<p>OLD AIR STORES & ICE FACTORIES. Linda British Refrigeration Co. Limited (The) Fishmarket, Lower Shadwell E & Birmingham; T.B. Lightfoot, man. director; Gust. H. Busch, commercial manager & secretary</p>
5. Wright's Directory of Leicestershire, 1892	<p>Roberts John, commercial manager and secretary to New Bagworth Colliery Co, Imperial Chambers, Halford street, h 35 Highfield street</p>
6. Kelly's Directory of Staffordshire, 1904	<p>Cannock & Leacroft Colliery Co. Limited (George Walton Walker, sec.; Jonathan Hunter, manager & Richard Webb, commercial manager); registered office, 84 Darlington street; works, Cannock</p>

<p>7. Post Office London Directory, 1910. Vol. I. Part 3: Commercial & Professional Directory</p>	<p>Edison & Swan United Electric Light Co. Ltd. (H. Charles Gover, secretary; W. Hepworth-Collins, commercial manager); by appointment to H.M. The King & H.R.H The Prince of Wales;</p>  <p>manufacturers of the Royal Ediswan Metfil lamp;</p> <p>the Royal Ediswan Carbon lamp; the carbon arc lamp & all electric light plant & fittings; head office, warehouse & show rooms, Ediswan buildings, 36 & 37 Queen street, Cheapside E C; stores, 11 College hill E C; works, Ponder's end & South Benwell; branches, Birmingham, Belfast, Cardiff, Dublin, Dundee, Glasgow, Hull, Leeds, Liverpool, Manchester, Newcastle-on-Tyne, Nottingham, Sydney, Brisbane, Melbourne & Perth—T A's "Ediswan" (followed by name of town); T N 162 Bank (4 lines)</p>
<p>8. Spennell's Annual Directory of Coventry & District, 1912-13</p>	<p style="text-align: center;">WESTMINSTER ROAD. (MAP C-9). GREYFRIARS WARD. ST. THOMAS' PARISH <i>Part of South-West Registration Sub-District or Births and Deaths (offices, 30, Queens rd). Nearest Tram-line, Warwick Road, Greyfriars Green, end of Queens Road (Station route, white light). Left-hand side from Grosvenor Road to Regent Street.</i></p> <p>1 Shilson B. W., automobile designer 2 Rollason Mrs. John and Miss, Holmdale 3 Payne William, commercial manager</p>
<p>9. Post Office London Directory, 1914. Part 3: Commercial & Professional Directory</p>	<p>Price's Patent Candle Co. Limited (Thomas Dalziel, general manager; Charles Radburn, commercial manager), Belmont works, Battersea S W (T A "Belmont, Battsquare"; T N 2000 Battersea) & (H.Salisbury, sec.) 31 Threadneedle st E C—T N 1828 London Wall</p>
<p>10. Kelly's Directory of Durham, 1914</p>	<p>Consett Iron Co. Limited (Edward J. George, sec. & commercial manager; George Ainsworth, genl. mngr)</p>

Despite what can be inferred from their role or position, there is not much else that can be gained from examining these historical commercial managers. However, some commercial managers have been preserved in company records and at least one in the peer-reviewed literature. About these more is known, although that is relative to the completely anonymous men who worked under this title. For example, Thomas F. Ward (b.1843), who was appointed Commercial Manager for Sir Bernhard Samuelson and Co

Ltd, in 1899. His salary on appointment was £1,000pa¹⁴. Before this appointment, he was the managing clerk and later the company secretary after 1887. He became a shareholder when the firm became a limited company and a director in 1889 until the business was taken over in 1917.

Boyns (2009) in his study of British Insulated Callender's Cables Ltd. (BICC), identified that until its reorganisation into an early multidivisional form in 1954, it featured a commercial manager as in fig.2.

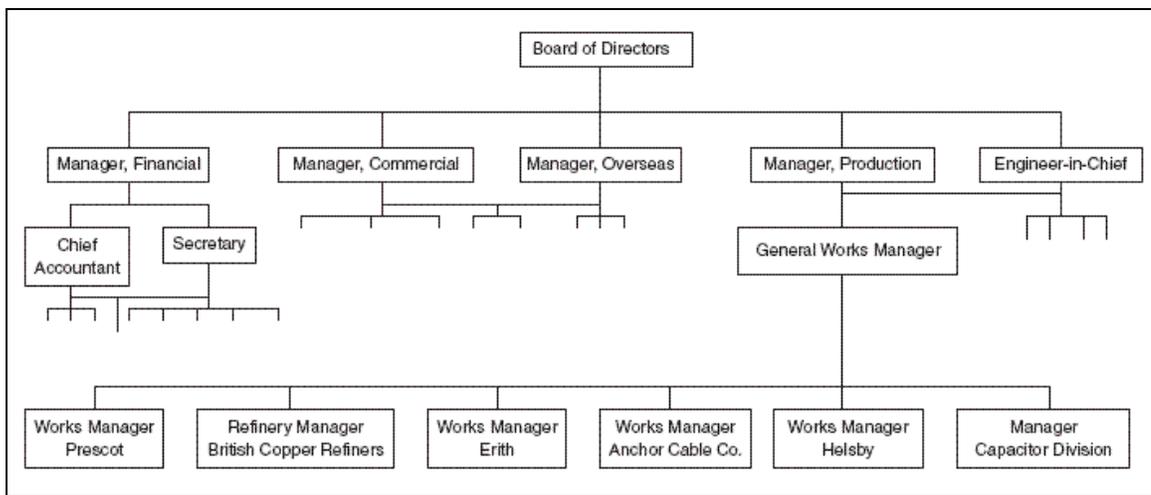


Figure 2 Structure of BICC in 1946

The commercial manager Fred Waine began employment in BICC's predecessor in 1915 as a clerk in the secretary department¹⁵. In 1932, he became chief clerk and then Assistant Secretary in 1937 following the illness of the previous incumbent. In May 1942 Waine,

¹⁴ Directors' Minutes, 11th May 1899, (Teesside Archives ref 13/1/13). The author gratefully acknowledges Stephen James for bringing this source to his attention.

¹⁵ The account presented here is based upon the following sources; BICC I/4/12 B.I.C. Main Board Minute Book, 1932-34; BICC I/4/14 BIC Main Board Minute Book, no. 14 (1936-37); BICC I/4/19 BIC Main Board Minute Book No. 19 (1942-44) ff.84-6 (11 June 1942) Min. 120/42 "FUTURE MANAGEMENT OF THE COMPANY"; BICC I/4/20 BIC Main Board Minute Book No. 20 (1944-45); BICC Ltd. Main Board Minute Book No.1 (1945-47) (f.2) Min.6/45 (18 June 1945) (f.10) Min.19/45 (18 June 1945) "SUB-COMMITTEES"; BICC IX/1 – Organisation chart, BICC Ltd., Anchor Cable Co. Ltd. & British Copper Refiners Ltd., 13 May 1946; BICC I/19/127 Minute book of main board of United Telephone Cables Ltd., 1951-56; (f.269) Min.54/52 (12 March 1952) "PRICE MAINTENANCE AGREEMENTS" BICC Minute Book No.6 (8 Sept. 1955 to 11 April 1957) (f.269) Min.58/57 (14 March 1957). The author gratefully acknowledges Trevor Boyns for sharing this archive information with him.

with the chief accountant and works manager were appointed as an 'Executive Committee'. In June 1942, this was clarified, with Waine becoming Executive Manager (Commercial) responsible for sales, associations, estimating, publicity, buying and secretarial, in part constituting a 'Management Group' responsible for the 'management of the Company and its subsidiaries.' Here can be seen the emergence of managerial hierarchy and the commercial manager atop it. In May 1944, Waine resigned his position as company secretary. In the amalgamation which created BICC in 1945, Waine is noted as executive management 'on the Commercial side' and director on the 'commercial committee' At this point the commercial role is split between home and overseas trade and Waine becomes 'Manager (Commercial)' a role which included all buying. By May 1946, directly under Waine are 'Buyer', 'Sales Manager, Home', 'Associations Office', and the managers of the estimating departments at the three works, Prescott, Erith and Leigh and joint control of the publicity managers and the head of the statistical office, which persisted until 1948.

After the reorganisation in 1954, the commercial manager role disappears from the organisational tree and all board communication of the parent company. However, it does persist until 1968 in subsidiary company W.T. Glover & Co. Ltd. In addition, Waine is seen as chairman of BICC subsidiaries British Copper Refiners Ltd in 1951 and United Telephone Cables Ltd in 1956. The last reference to him is in 1957 in the main BICC board minutes producing a formal position on price setting strategy. Whether there was a commercial manager role in the organisation prior to Waine, it is not clear. What is clear is that he was the last in the parent company.

The commercial manager with the most written about them in peer-reviewed literature is Joseph Carlioz who was appointed by Henri Fayol, Managing Director of the Commentry-Fourchambault et Décazeville (Comambault) mining company as his first commercial manager (Wren et al., 2002; Wren, 2001; Breeze, 1985; 1982). It may seem unusual in a study of British management history to consider a French example, but until now, Carlioz is the most clearly described commercial manager in the literature. Comambault was being prepared by its board for liquidation. Fayol was appointed as

managing director, who, it developed, had his own intentions to turn the company around. Part of Fayol's strategic response to the environment and the condition of Comambault was the appointment of Carlioz as commercial manager. The commercial manager as illustrated by Carlioz, was a tool of the entrepreneurial engineer, a means to adjust for the forces of the period 1860-1914.

As with other commercial managers in the historical record, Carlioz is elusive. During his time at Comambault his daughter married one of Fayol's grandsons (Peaucelle, 2003). Outside of his own few writings, or Fayol's on the subject, the only contemporary comment regarding him is in passing from Urwick in the foreword to Fayol's classic 'General and Industrial Management', in 1949 (Breeze, 1985). The extent to which Carlioz experience was approximate to the British commercial manager is suggested in that despite his higher education, Carlioz was himself a member of the *petit-bourgeoisie*; Fayol was unlikely to have appointed a man of higher social standing than himself to such a position. He was also an example of the type of man that the *Ecole des Hautes Etudes Commerciales* (HEC), as mentioned in chapter one, was intended for, as evidenced by the fact that on the title page of 'Administration et Organisation Commerciale' (1918), Carlioz was noted as a Professor at the HEC, Paris, after leaving the employ of Fayol.

Carlioz position was ranked as a Division Chief, reporting to the Managing Director but at a lower level than the head of the Technical Division, responsible for the procurement of supplies and the storage, shipment and marketing of Comambault's products, selecting sales agents and maintaining relations with customers and industry trade associations which were a vital part of the economic landscape of the mining products market at that time (Breeze, 1982; 1985). As per Chandler's analysis, Fayol integrated the supply and sales functions of his organisation and put them under Carlioz' control. Carlioz himself depicted his organisation role as in fig.3 below.

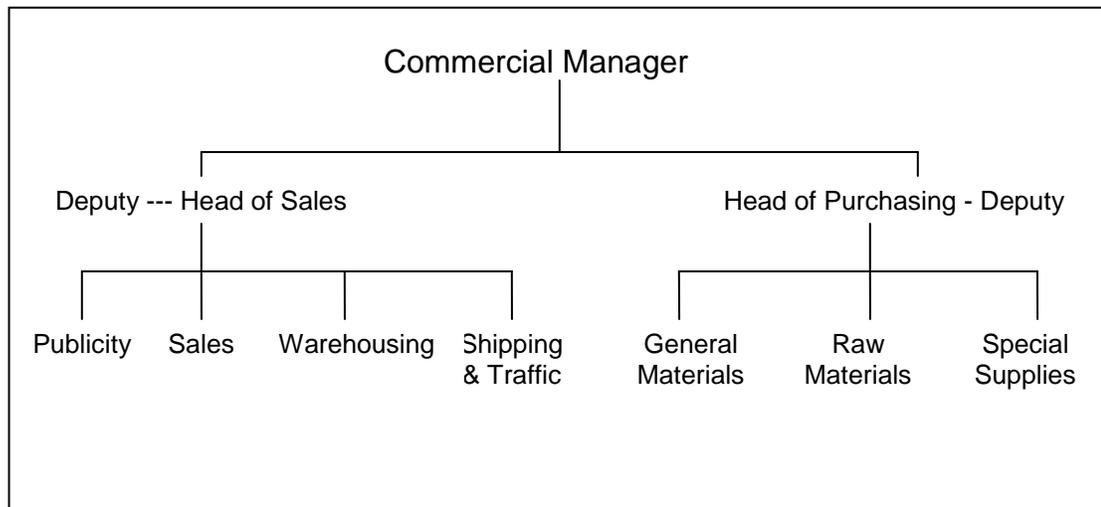


Figure 3 The span of control of Carlioz, Commercial Manager

As can be seen, Carlioz as commercial manager had oversight of the peripheries of his organisation; the commercial exchanges with its economic environment and the arrangements between them. In ‘Administration et Organisation Commerciale’ Carlioz states, according to Breeze (1982), “...the department that is situated at the input and the output, whose function is to buy and sell, is just as important as the knowledge of production. The Commercial Department of an industrial enterprise is located at the start and the finish of the operation; by procuring the raw materials that are to be processed, it feeds the operation and by ensuring the sale of its finished product it facilitates the achievement of objectives.” As Breeze (1982) depicts from Fayols own work, Carlioz, as Commercial Manager had a higher level of administration than that of other division heads, virtually the same as for the Managing Director himself.

Ward and Waine are interesting examples as their role demonstrates the typical trajectory of a commercial manager from clerking, to the board and the tendency to act as company secretary, implying familiarity with accounting and legal procedures. Waine and Carlioz are revealing in that their span of control demonstrate the elements of business organisation considered ‘commercial’. The seniority of these ones and also that of the men in the Leicester archive, also graphically demonstrates the point made by Lowe (2006b), that at one point in history; “...[the] commercial manager could be found at the very top of companies and were typically responsible for acquiring new business and

developing company strategies.” This was a position that the occupation was to lose from the middle of the 20th Century onwards.

Archival Search for the Historical Commercial Manager

Turning attention now to the archive and the search within for the historical commercial manager, firstly, as can be seen in chart 1, there was a distinct rise within the archive of classified advertising references to the commercial manager role, peaking in 1958 (R=0.72) and falling from 1958 to 2003 (R=-0.69). Not all of this can be accounted for by job advertising. Job advertising peaked in 1957. A significant amount of classified advertising featured commercial managers at work, such as Harry Schofield, commercial manager of the ‘Stalybridge, Hyde, Mossley & Dunkinfield Tramways and Electricity Board’. Such ones were acting in public bodies in a way that would be recognisable as being part of commercial management primarily at the time of emergence of the role, using classified advertising in seeking sources of investment and managing tendering processes. For example;

*“Stalybridge, Hyde, Mossley, And DUNKINFIELD TRAMWAYS AND ELECTRICITY BOARD – LOANS.-The Board is prepared to ACCEPT LOANS of £100 and upwards at 3½ per cent, secured upon the rates of the four Corporations, for 3, 5, 7 or 1 years, or “subject to six months notice.”
FRANK SCHOFIELD, Commercial Manager,
General Offices, Stalybridge.”*

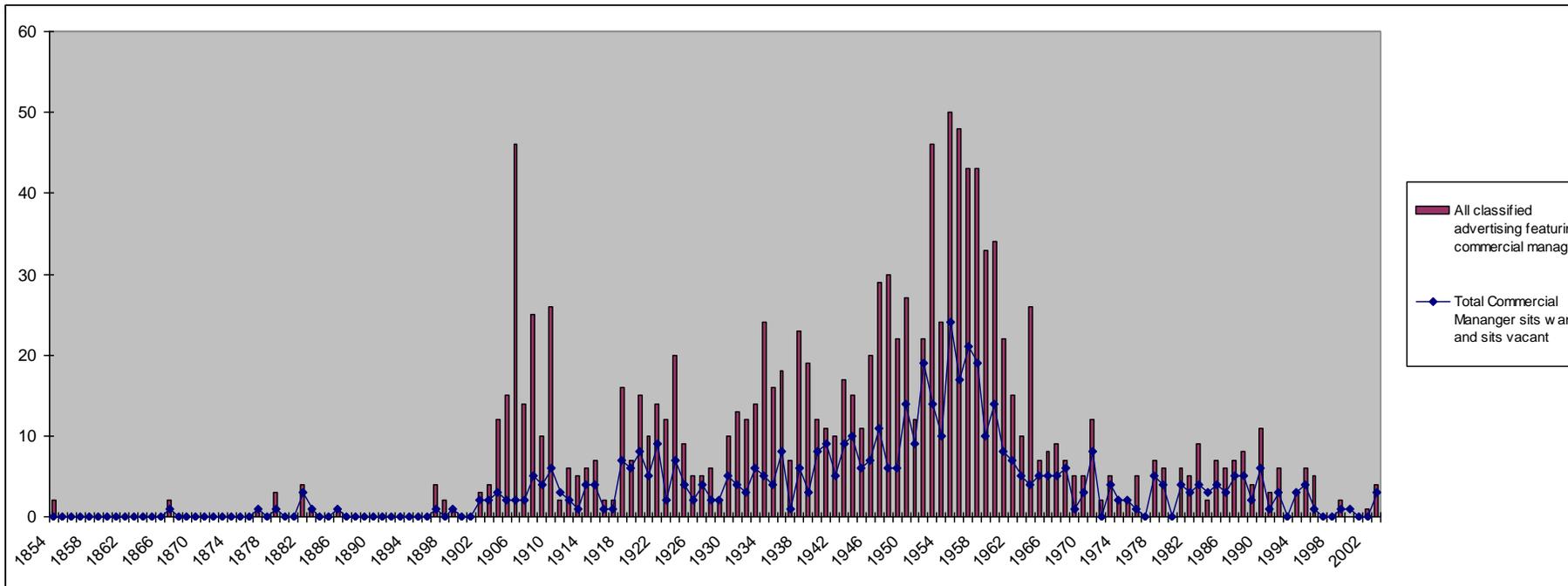


Chart 1 Use of the term 'commercial manager' in the whole newspaper archive and in sits wanted/vacant specifically

It is noticeable that the frequency of job advertising appears to undulate in parallel with the amount of references to the role, suggesting that the decline in jobs advertised and decline in references to the commercial manager in matters of business as depicted in classified advertising might be associated (Covariance positive at 42.168). Secondly, the way in which the commercial manager jobs were classified changes distinctly, firstly as ‘clerks and assistants’ until 1907 then ‘managers and foremen’ until 1950, then finally as ‘managers and executives’ till the end of the archive. Together, these might seem to constitute a graphic demonstration of the ‘rise’ aspect of the role and its association firstly with the then comparatively rare skills of reading, writing and counting; then the management of the factory; then the board-level. Editors of newspapers must have been aware also of the changing status of the occupation in order to list it under the relevant category.

Analysis of Situations Wanted Archive

The archive of situations wanted runs from 1867 to 1958 and contains 118 distinct adverts, wherein men have identified themselves as commercial managers or having experience or qualities which would make them suitable for such a role.

The adverts averaged forty words up to a maximum of 110. Each one read left to right, taking up an area of about 1.5cm x 4cm at the outset of the archive, in a dense field of approximately 300 other adverts on the same sheet arranged in several columns. A reader would have to be scrutinising the page to find them, but perhaps the reader would be that motivated. A typical example from 1910 is,

“ADVERTISER, possessing wide commercial knowledge and managerial and organizing capacity, desires Responsible Position: qualified to act as a commercial manager, secretary, cashier, accountant, traveler or to fill other position of trust. Exp in f.o.b. and c.f.f. transactions: highest refs. O 270”

This was a standard format, promoting their potential effects to an employer in terms of what they offer, what they want in return, alternative roles, a means of validation of the claims made and contact details.

Using the schedule in table 12, the advert can be categorised thus:

Table 12 Sample categorisation of situations wanted advert

Category	Content
Industry sought	None specified
Associated with?	Secretary, cashier, accountant, traveller or to fill other position of trust
Experience claims	Wide commercial knowledge and managerial and organizing capacity
Distinctive Qualities	Knowledge, expertise in merchant operations
Qualification	'Highest' references

The last situations wanted commercial manager advert is in 1958, soon after the peak demand in situations vacant in 1957. It would seem that after this, men no longer wanted or needed to advertise themselves for this role, although peak supply was in 1940, so the numbers of self-identified commercial managers advertising themselves had been declining before 1958. This could have been due to the war effort and full employment and economic growth up till 1960 creating sufficient demand such that no commercial manager would need to advertise their services as opportunities were easily available. An alternative reason is that those advertisers were of a certain age and once they had been placed in employment, a newer generation did not feel the need to search for that role as possibly the role was in decline from 1957 onwards, therefore less a part of the discourse around industry and employment opportunities within. In addition, it could be that the role of commercial manager was becoming more senior yet more esoteric so that to be one a man would have had to be within the organisation already or would apply through other channels than a national newspaper. The frequency distribution of the situations wanted archive is shown in table 13.

The age of advertisers ranged between 29 and 50, the average age was 37.19 years. The length of quoted working experience ranged from 10 to 32 years, the average was 20.3 years. This was over the entire archive where either age or length of experience was cited. In the sixteen adverts where both age and experience had been cited, the average age was

39.56 and the average working experience was 20.5 years. Therefore the average age and working experience combination across the archive can be argued as representative. This means that the average commercial manager was a man approaching the early middle years, with an extensive working experience. In view of the averages, main working experience began between the ages of 17 and 19; he was therefore not likely a graduate.

Using the schedule in table1, the adverts were classified and descriptive statistics extracted. Content analysis did not require a second coder in all areas as there was no interpretation involved, merely a simple sorting using the terms used within the adverts. Where interpretation was required, such as the derivation of role categories from within the ‘experience claims’ or ‘distinctive qualities’ category, then a second coder was used and a reliability statistic generated.

Table 13 Frequency of Situations Wanted advertising

Time period	Frequency of advertising
pre1900	8
1900-1909	9
1910-1919	20
1920-1929	17
1930-1939	18
1940-1949	30
1950-1959	16
TOTAL	118

It can be noted that as a proportion of all situations wanted advertising for managerial positions (n=14233), identifying oneself as a commercial manager was not common, only 0.8% of all managerial self-advertising during the period 1867 to 1958. However, this compares well with advertisements for other common managerial types and organisational occupations in industry, as in table 14. All specific designations of manager only total up to 17.09% of those generally designated ‘manager’, therefore it can further be noted that ‘manager’ tended towards being a generic term throughout this time period. The commercial manager appears to predate all other kinds of specified manager in the situations wanted archive.

Table 14 Comparison of selected managerial roles in the archive

Designation	Year of appearance	Number of adverts	% of all 'manager'
Commercial Manager	1867	118	0.82
Sales Manager	1907	450	3.16
Marketing Manager	-	0	0
Works Manager	1895	1277	8.97
Welfare Manager	1922	13	0.09
Financ* Manger	1915	2	0.01
Account* Manager	1908	12	0.08
General Manager	1874	564	3.96
Book Keeper	1829	109	n.a.
Secretary	1830	6953	n.a.
Accountant	1841	7411	n.a.
Managing Director	1904	372	n.a.
Commercial Director	1955	1	n.a.

Specified Industries

In chart 2 it can be seen that overall, men identifying themselves as potential commercial managers did not specify the industry that they wanted to be in, implying that theirs were a general set of skills developed in a range of contexts therefore applicable to any context. Where they did specify an industry, it was most likely to be manufacturing or engineering. When, in chart 3 the specified industries are considered over the length of the archive, it can be seen that by the end of the time period, the majority of advertisers considered their competency a generic set of skills transferable to any organisational setting. In the post WWII years, the beginning of commercial management's peak demand phase, manufacturing/engineering firms are more heavily requested by advertisers. Given comments already made regarding change being forced on the older industries by the end of the merchant system and the demands of FMCG, a rise in demands and opportunities for commercial expertise is reasonable. SIC Codes were not used to cluster the advertisers industries of interest as many of the descriptions were too vague.

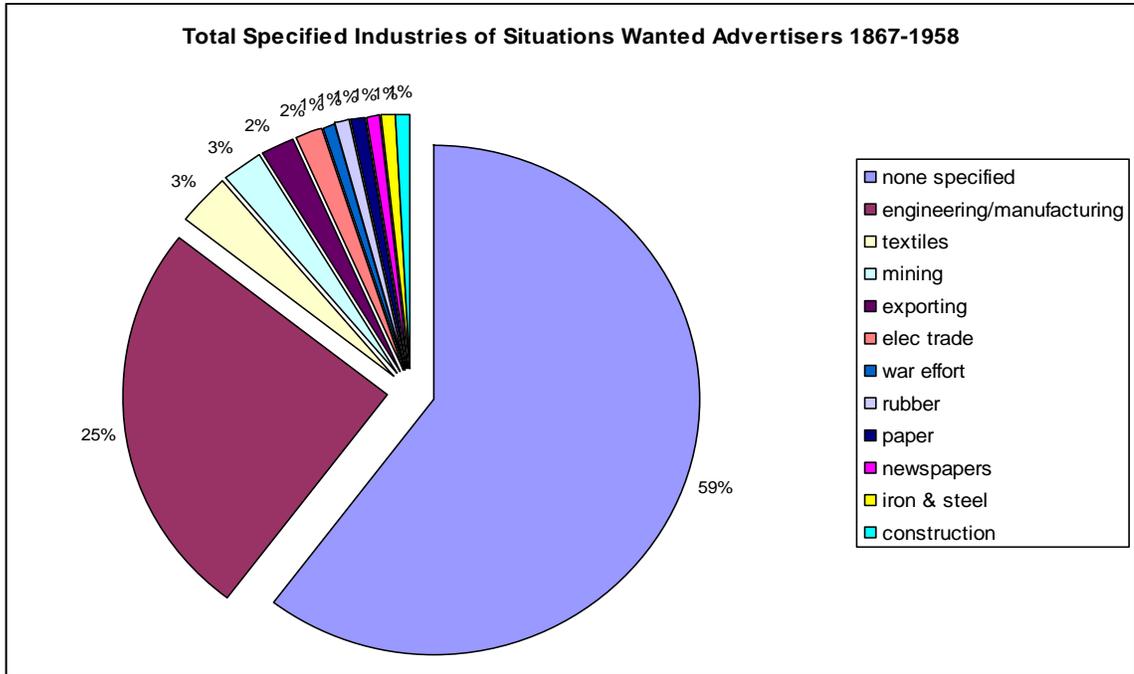


Chart 2 Total Specified Industries

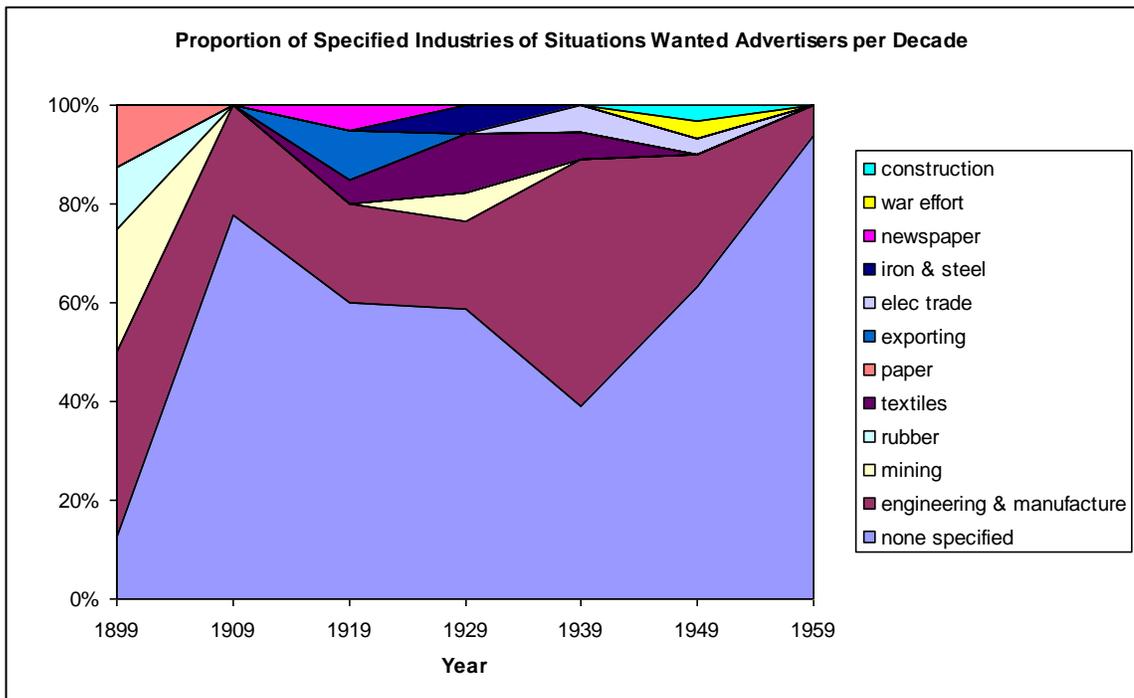


Chart 3 Proportional analysis of specified industries

Specified Alternatives/Associated Roles

In some adverts, commercial managers specified acceptable alternative roles for themselves. In chart 4 it can be seen that men identifying themselves as solely commercial managers is proportionately similar to those also identifying themselves as potential company secretaries, accountants or functional managers of some kind. When, in chart 5 these alternatives or roles associated with commercial management in the mind of the advertiser are considered across time, it can be seen that although in the early years, prospective commercial managers equated themselves with the company secretary, accountant or functional manager, by the end of the archive, these had diminished as alternatives. The majority of advertisers specified no other alternative to a commercial manager role, except for a senior management role of some kind. This could reflect; the enhanced expectations of commercial managers during this time period, that to be a commercial manager was enough to propel one to the board; that the role of secretary or accountant had become differentiated to the point where they could no longer be seen as approximate or associated roles; or that the commercial manager role was sufficiently understood by employer and employee that it could be invoked without comparison or explanation.

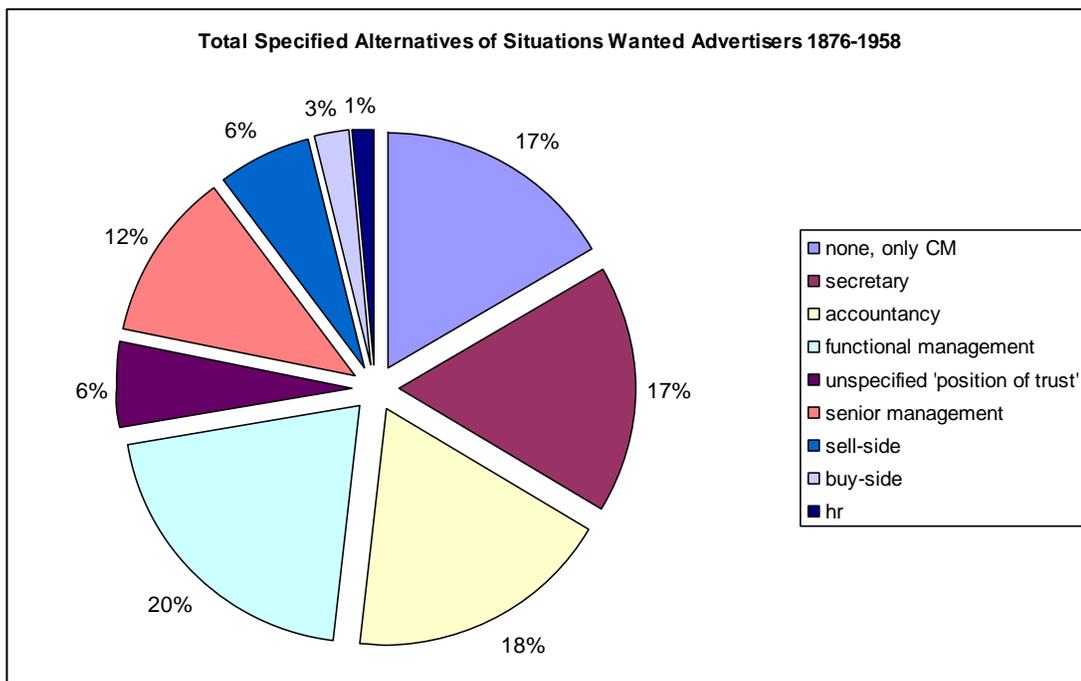


Chart 4 Total Specified Alternatives

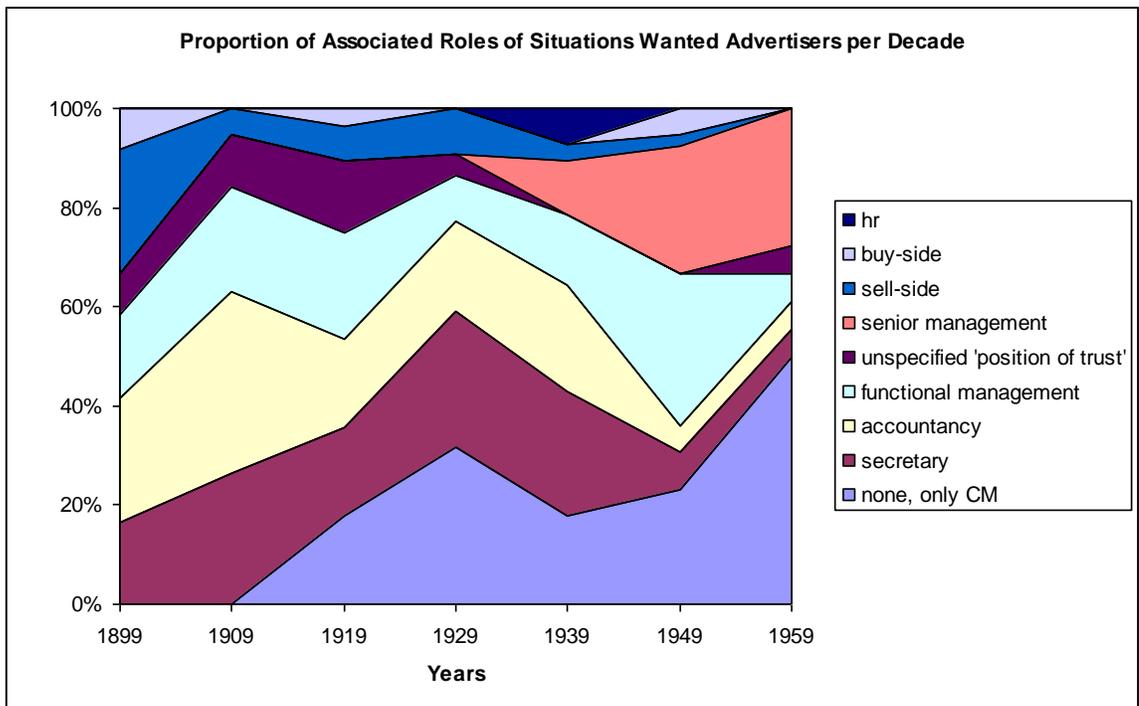


Chart 5 Proportional Analysis of Alternatives

Experience Offered

In chart 6 and 7 it can be seen that the experience offered by advertisers, or seen as relevant by them to the role of a commercial manager is quite diverse. Dominant features are the sell-side activities, financial and accounting and functional management activities. Analysis generated 320 distinct pieces of data, which were categorised and clustered by two people to ensure researcher bias (in this case, knowledge of the current role of the commercial manager) was not imposed upon the data. The alternative coder was knowledgeable in organisational/business matters. It can be seen that between 1939 and 1959 a clear set of activities associated with commercial management emerge and maintain their proportions in the set of total activities. It is interesting to see the obvious similarities between the pattern that emerges from the archive and the contemporary description of the role in Lowe (2006), as will be presented later in this chapter.

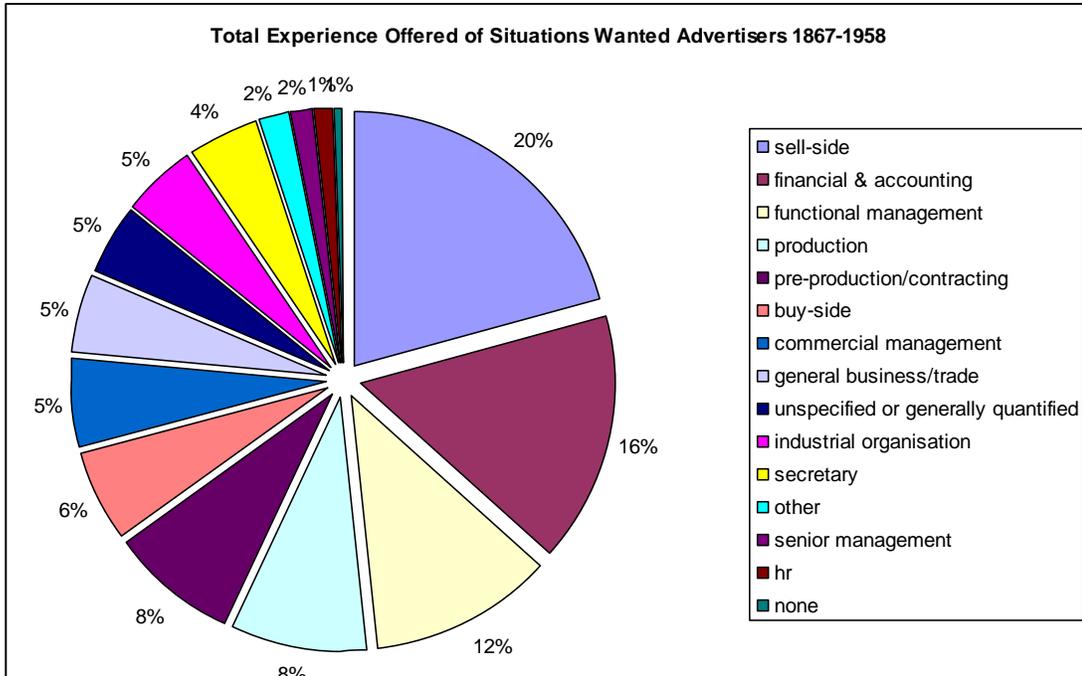


Chart 6 Total Experience Offered

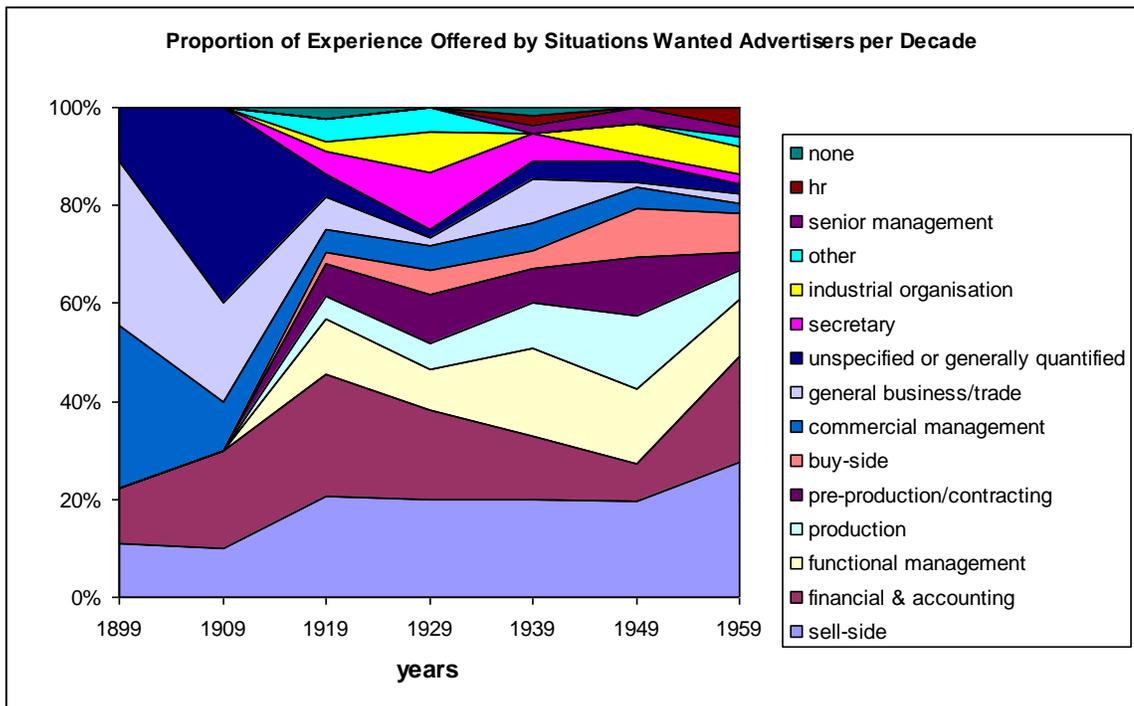


Chart 7 Proportional Analysis of Experience Offered

Qualifications Offered

In chart 8 it can be seen that there were very few objective, formal qualifications to validate the advertisers' assertions as to skills and abilities. Most advertisers spoke of their breadth or length of experience as qualifying them. If qualification was offered at all, it was commonly a personal reference. Overall, the provision of references and securities or investment capital was a more significant way for the advertiser to assure the reader of their ability and commitment than professional membership or academic qualification. Certainly, there was little evidence of the use of 'commercial education'. However, as can be seen in chart 9, towards the 1950s, professional memberships and academic qualifications became more significant. Mostly, these were in accounting or secretarial activities, for example fellowship of the ICWA. This correlates with chart 5 showing the significance of accounting in the experience of those seeking employment as commercial managers, although in chart 7 the commercial role was progressively less associated with accountancy by advertisers. Offers of capital remained until the end of the archive, which was unexpected given the rise of limited liability status and investment banks, it is possible that the offer of money was instead a 'hedge' for the employer against the risk of the New Man, or an inducement to overlook a lack of something. This again implies that these were not very young men; they had enough experience of success for testimonials and could make cash investments.

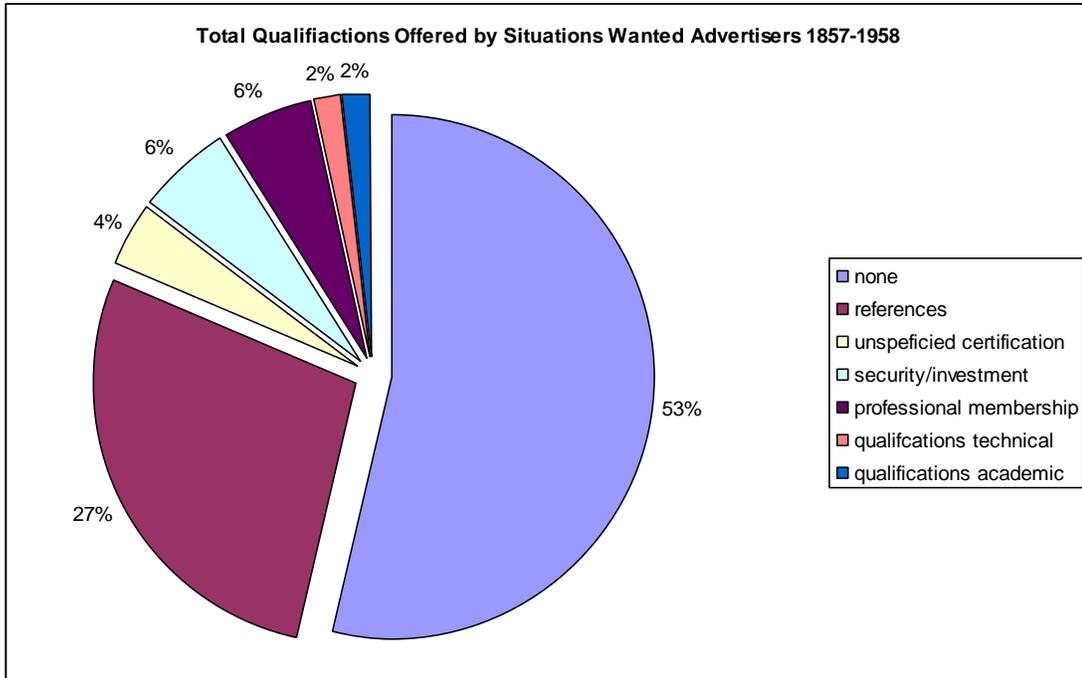


Chart 8 Total Qualifications Offered

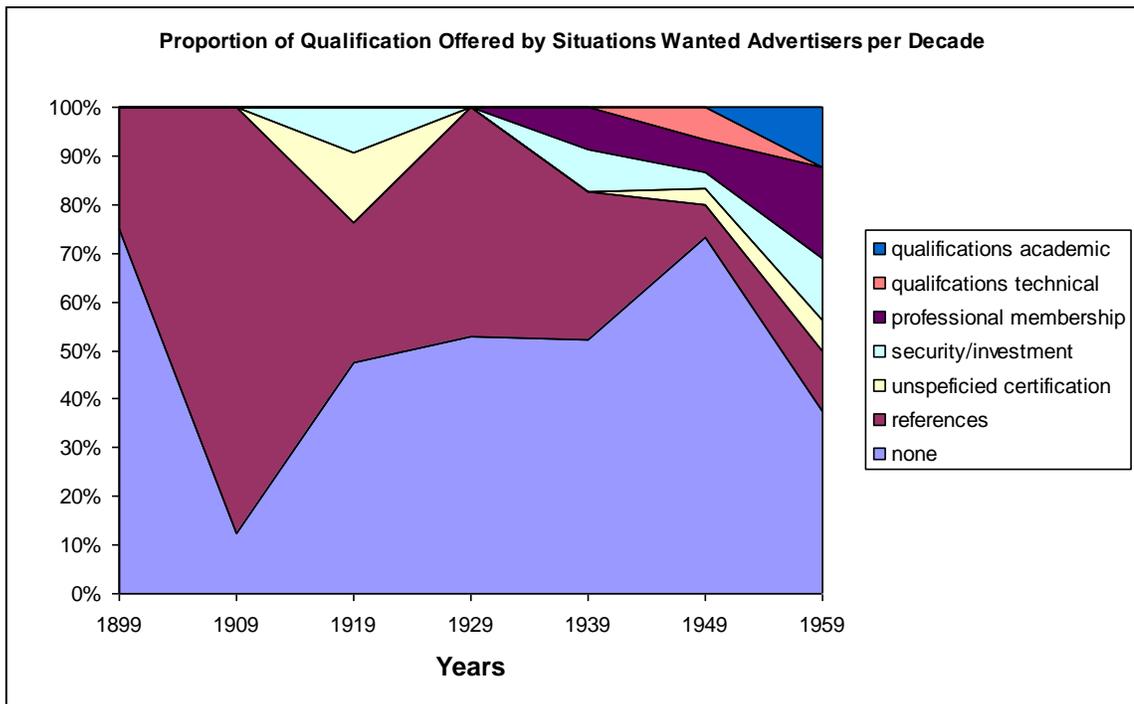


Chart 9 Proportional Analysis of Qualifications Offered

Distinctive Qualities

In classifying distinctive qualities of the advertisers, the subjective claims made as to differentiating skills, experiences or personality traits were categorised simply as things that could be objectively tested for if required; i.e. knowledge or skill claims, and those which would remain highly subjective even if tested for; personality traits. Self reported personality traits were classified using the 'Big Five' personality categories of Thurstone (1934), based upon the 'lexical axiom' (Millon et al., 2003) that people's most dominant personality traits will find their way into the language people use to describe themselves. No claims are made in support of this theory; it is simply a pragmatic device for categorisation, however, the self-reported prioritisation of certain characteristics (or more precisely, adjectives) is significant in the hermeneutic interpretation of what it meant to be a commercial manager.

In chart 10 and 11 it is evident that such claims were more frequent than not and are a demonstration of what the advertisers thought the reader, the business owner, entrepreneur or managing director would want to hear. Of the personality characteristics, it can be seen that statements of conscientiousness were most frequent, followed by extraversion. Openness and agreeableness were seen as less important. Unsurprisingly, there were no self made claims to neuroticism. The most common term they used to describe themselves was 'organiser'. The most frequent objective quality claimed was specialist knowledge of some kind. These claims were different to stated experience in that experience involved claims of work activities, whereas distinctive qualities could be argued as amplifying their unique contribution to the entrepreneur or employer. In chart 11 it can be seen that conscientiousness appears to be more important than extraversion at all times. Conscientiousness is linked to conservatism, self-discipline, acting dutifully and achievement through dutifulness and a preference for planned rather than spontaneous behaviour. This is significant given the previous discussion regarding the need for early managers to obtain status through demonstrating loyalty to family owners and convincing them that they would be a low risk and a 'safe pair of hands' for the business.

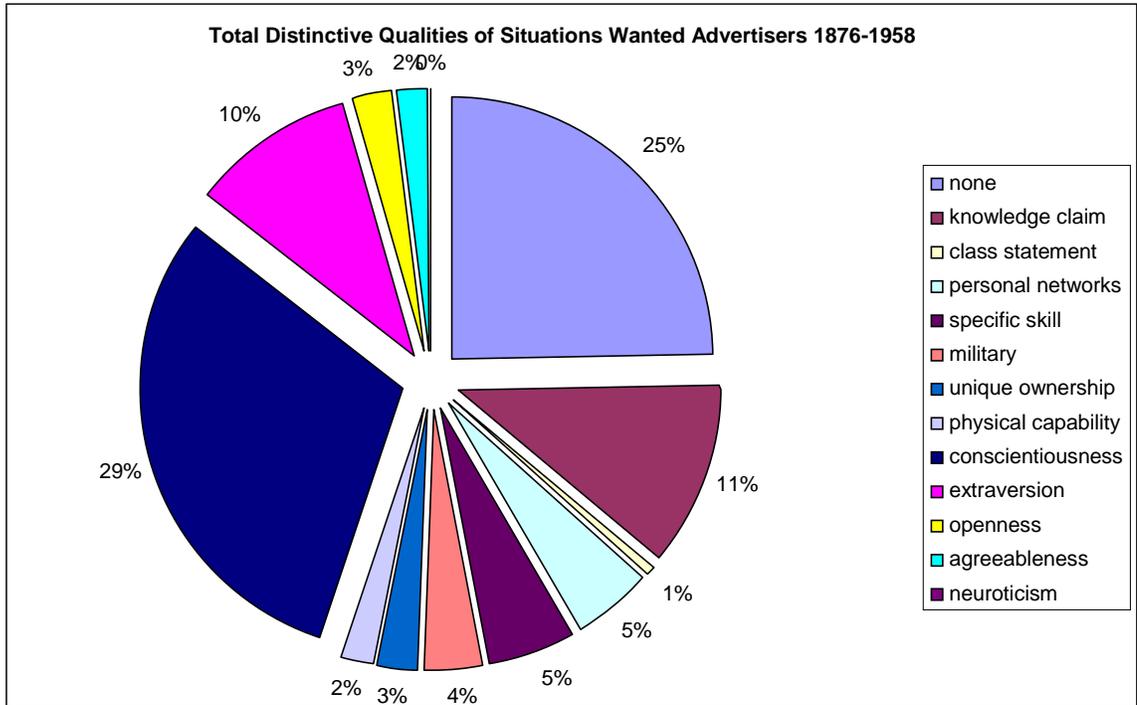


Chart 10 Total Distinctive Qualities

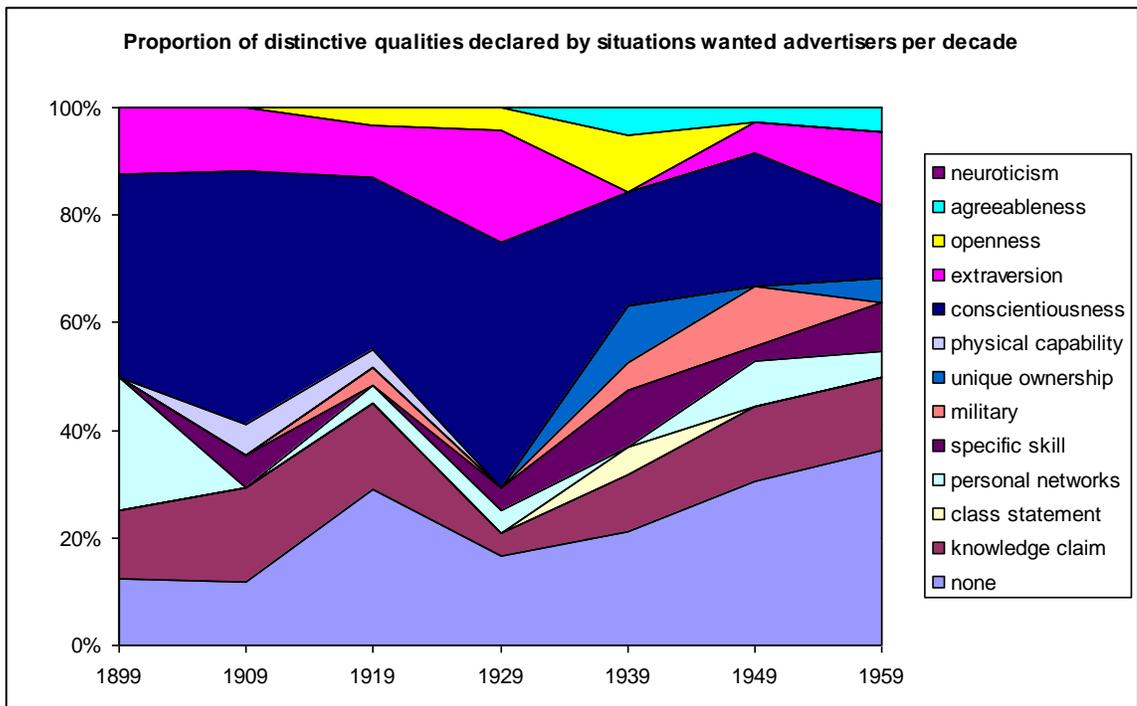


Chart 11 Proportional Analysis of Distinctive Qualities

Hermeneutic Interpretation

Using the hermeneutic method depicted in Phillips and Brown (1993), the following analysis answers the question ‘what did commercial mean, historically?’ and ‘what did it mean to be a, or to identify oneself as, a commercial manager?’ Phillips and Brown’s (1993) analysis moved in three stages; the formal moment which requires analysis of the structural and conventional aspects of the text; the social-historical moment, which requires an examination of the producer of the text, its intentional recipient, its referent in the world and the context in which the text is produced, transmitted and received; and the synthesis of these two in the interpretation-reinterpretation moment. Both the social environment in which the text arose and the position and environment of the interpreter of the text are included in the hermeneutic evaluation (Bos and Tarnai, 1999).

The structural and conventional aspects of the texts have already been considered in the preceding section, which used the objectifying technique of content analysis. However, Phillips and Brown (1993) direct the researcher to analyse not only the manifest content, but also what could be missing. Each word was a cost, so the advertiser would have chosen each one to be the most representative of their experience to convey their potential as a valuable employee. Anything said or left unsaid was likely the result of a conscious decision. In none of the adverts are there any references to the advertisers being women, of a need to remain in a particular geographical locality and notably, there is no record of expected monetary rewards and no claims to ambition, except to work within an organisation that itself is of high status. This suggests that in this sense, the prospective commercial manager seeks to reproduce the social relations of employer and employee, not change them on their own terms as would an entrepreneur. The commercial manager was to be dependent upon the organisation and the relationship with its owners, for status. The commercial managers lacked economic power of their own; without an entrepreneur or managing director to work for, they would not be commercial managers.

The Producer of the Text

These were men aged thirties to early middle-aged, who had somehow obtained experience in aspects of commerce, initially without any formal education in matters of

commerce. There was a great diversity of experience; clearly they had been in control of their careers from an early age, not pursuing or able to access higher education in most cases. Many were well travelled, not from family connection but through hard work. Their experience was sufficiently varied to allow them to apply it to a variety of industrial settings and their success represented by testimonials. They were able to identify themselves as commercial managers and to be reasonably confident that a potential employer would read their advert and know what that identification entailed and whether there was a requirement for such a person within their organisation. For this to take place, the understanding of the terms 'commercial' and 'manager' must have been well established and diffused throughout the community of advertisers and readers.

Class statements were made occasionally in terms of them being a gentleman or having public school education, but these were a minority. Given the identification of early management with the lower middle class and attitudes towards commercial work in an engineering/manufacturing context, it was not likely that a literal gentleman would be applying, therefore this could have meant 'gentleman' in some other way; a convenient shorthand for qualities of duty, ethics and conservatism and the aspirations of the man. There were few claims to specific education until the 1950s, or of belonging to professional institutions. These were perhaps not Schumpeter's 'men of supernormal ambition', as they were promoting their conservativeness and potential loyalty to an entrepreneur or owner, but such men as Schumpeter described had in turn created opportunity for men ambitions but less means to achieve these. The adverts were in the Guardian, a left-leaning newspaper of the middle class. For the investment to be worthwhile there had to be a chance of finding the correct readers, the advertiser also had to be able to assess other advertisers, so it was likely that the commercial manager was literate and intelligent sufficient to read a quality newspaper. This description fits the upper working/lower middle class background of the commercial manager implied by the literature review as the most common background for early salaried managers.

Although this chapter has presented archival evidence of men searching for employment as managers and owner-proprietors searching for managers using newspapers, the general

view in the literature is that this was unheard of. Pollard (1965), also cited by Wilson and Thomson (2006) on the fear of delegation to outsiders stated, “Managers *could not* be found by advertising in the newspapers or consulting an agency. Sales managers or chief accountants had to be trained from the ranks” which raises some interesting questions regarding the motivations of the men of the situations wanted archive. If the above was true for Britain also, then the situations wanted advert could seem the action of a desperate man, perhaps made unemployed by a failed firm and fearing the loss of whatever status they had accrued through hard work, which was a significant fear of the lower middle-classes (Crossick, 1977). However, the persistence of situations wanted advertising of managers for over a century must indicate that it met with some success. Perhaps instead, these were very canny players, attuned to the fears of owner-proprietors, tactically understating their ambitions, but seeking all the same to rise above their lack of family connections, or cul-de-sacs in their present firms, or lack of patronage of their current employer. In purposively seeking senior employment, were innovating against the family patronage/up through the ranks nature of accession to management as identified by Wilson and Thomson (2006).

Intentional Recipient

Specific recipients were never mentioned; therefore it has to be assumed that the recipients were the entrepreneurs and company owners initially. Later in time, the recipients were also board members and managing directors of publicly limited companies. In the earlier years, these boards were likely to have been the families and associates of the original entrepreneur; therefore the recipient was still going to ultimately be the entrepreneur. The literature review indicated several pressures upon the entrepreneur of the late-industrial revolution period into the mid 20th century. Given what has been said about the lack of business and commercial education in the engineering field, or amongst family members, it would be reasonable that leaders of such enterprises would have to look to a different kind of man to bring in the required skills for business expansion, or at least business control if expansion was not desired.

In order to maintain profits to satisfy their entrepreneurial drive or latterly, shareholder demands, people bringing not just skills, but the ability to organise in new ways and bring

productive change were needed and this can be seen in the texts. At the same time, the enterprise remains the property of the entrepreneur or owner. The characteristics promoted by advertisers were predominantly their conscientious side, that they would be a safe pair of hands for the business, reducing the entrepreneur's sense of risk in letting someone else hold their 'baby'. They were capable of bringing change that the entrepreneur on their own could not, through lack of experience or lack of time and energies - a common personal quality mentioned was energy and virility. If the owner had to look to the outside for this type of man, this could imply that commercial managers were difficult to train from the ranks. Sales-side activity was stressed from the start. Indeed, how could those who worked for a long time inside the norms of the firm develop the skills to deal with the utterly new marketplace challenges of the late industrial revolution? Some firms may not have been big enough to generate this type of manager from within, which is suggested in that there was a demand for one man to cover the commercial role whereas in the largest firms as represented by the Elbourne (1914) text, commercial management was already undertaken by a team of people.

Other recipients of the texts would have been other men seeking work, who perhaps could get the idea of being a commercial manager in that it gave them a label for their set of experiences, or they were already commercial managers and it gave those ones ideas about how to differentiate themselves in the jobs market.

The Referent

In the experience offered by advertisers, the referent, the commercial manager role, can be seen to evolve from someone who was active in business and could handle money, to the role as is similar to today with distinct aspects of sell-side, buy-side and contracting/negotiation. However, 'commercial manager' was a distinct aspect of experience, right at the start of the archive, with little need in most cases to describe it or supply alternatives, so it must have been clearly pre-existing within the culture of late-Victorian industrial organisation in order to be invoked. Commercial was mentioned in association with but not necessarily synonymous with sales. Towards the end of the situations vacant archive, it seems to collapse somewhat into a predominantly sales role or small-scale business development. However, at the start of the archive, the commercial

manager was a defined role. If it required explanation, 'commercial' was the arrangements required for marketplace transactions and organising a business in order to be able to profit from these transactions.

The Context

The immediate context was the Guardian newspaper and its readership. This was a middle-class readership with in the earlier years a bias towards Manchester and the North-West. Other contexts are the search for employment, the socio-economic and political context as described in the literature review. Peak supply of advertisers is in the WWII years. War creates two kinds of effect seen directly in the texts around both world wars, men claiming to have military methods to introduce to the organisation and men deemed unfit for military service but seeking some useful way to participate in the war effort through manufacturing. There was the praxeological context of the search for work, the fear of loss of status provoked by either not finding sufficient rewards in their current situation, or the reflective assessment of other opportunities for their skills. Their skills and experiences become devices for restoring their sense of satisfaction or more fully protecting their happiness, or chosen way of life.

There was the context of the entrepreneur's and owner-proprietors search for a response to conditions of capitalistic enterprise to be exploited or protected from, in particular competition and recognition for the need for new ideas and methods. A number of advertisers specifically spoke of their ability to bring these methods. Change in context elevated these men from being perceived as clerks to managers to executives. The role was predominantly embedded in manufacturing/engineering of various kinds, the productive industries, hence subject to the social and economic conditions surrounding these, as described in the literature review.

Synthesis

From the situations wanted archive, the following themes can be proposed, as to what commercial meant and what it meant to identify oneself as a commercial manager:

- As a commercial manager, I understand the financial, accounting, organisational and communication processes that connect your firm to its suppliers and marketplace, whether this is through direct connection or merchants. I can manage these peripheral connections and many of the functions in-between.
- I have worked hard to be where I am today, I have had little familiar or societal advantage, what I know I know through experience and I am only here today because that experience has been successful
- I know what concerns you, I have spent my working life within the marketplace for your industry and I can see firsthand the changes that are occurring
- I understand what you are in business for. Your money, your entrepreneurial rewards are safe because I am familiar with handling money
- I do not represent a risk to your control. I am a safe pair of hands, willing to invest my own capital if required, or if this makes you feel more comfortable with the risk that I embody
- Although not academically qualified in commerce, my results speak for themselves as do my references
- I am old enough to have experienced life but still young enough to have energy to dedicate to assuring your entrepreneurial rewards
- I am a generalist and can cover elements of your operation leaving you free to pursue your entrepreneurial rewards by leaving you free to focus on making the thing of value
- Whether you want to protect yourself from it, or exploit it, leave the environment to me
- In view of the above I expect a regular share of the value that my work will create but I will not dictate that up front, I will leave that for later negotiation between us, as gentlemen

These themes change with the move towards shareholder capitalism, where the statements would be made to board-level men acting as agents of the shareholders. With the diminishing of family-owned firms and the increasing span of control of commercial managers and professionalisation of the sub-roles, such as works or cost accounting, sales

and marketing, procurement, the advertisers would have had to tune their texts more specifically towards one aspect of the role or another.

Analysis of Situations Vacant

The archive of situations vacant runs from 1883 to 2003 and contains 398 distinct adverts, wherein business leaders have identified the need for a commercial manager and proceed to describe the exact requirements for an actor bearing that title, in terms of specific functions and desired qualifications, experience and characteristics. To a degree, these mirror the categories of the situations wanted analysis and can be considered representative of the demand conditions to which the situations wanted advertisers were responding.

A typical example of an advert is this from 1947,

“COMMERCIAL Manager Wanted, by Non-ferrous Metal Refiners, Birmingham area: excellent knowledge of non-ferrous scrap metal essential, must be a keen buyer and sales organiser with good administrative abilities: permanent position with good future for the right man. Address X 383 Manchester Guardian.”

Using the schedule in table 2, the adverts were classified and descriptive statistics extracted. The above advert would be categorised as in table 15.

Table 15 Sample categorisation of Situations Vacant advert

Category	Content
Industry	Non-ferrous Metal Refiners (SIC 25)
Associated with?	Buying, sales organisation
Role statements/experience required	Excellent knowledge of non-ferrous scrap metal, buying, selling, administration
Personal Qualities	Not mentioned
Reports to/prospect	Not mentioned
Qualifications	Not mentioned

The archive was divided into seven periods, as per table 16. The decision to split the archive into twenty year periods gave reasonable opportunity for correlating changes in the nature of employment against specific changes in the economy. This was not possible with the sample from 1943-1962, the peak demand for commercial manager. To prevent changing patterns in the data from being submerged, the decision was made to split the period 1943-1962 into two ten-year groups, which also created a 'break' for the beginning of the phase of Wilson and Thomsons's (2006) 'Managerial Capitalism'. Although, this still left 1953-1962 period disproportionate to the others, as demand was so very high. However, as the population was not being treated as normally distributed, this is not a problem. This was the post-war 'long boom', a time of intense merger and concentration activity, driven by relationships with the City, driving out family-based organisation. Smaller firms were being concentrated into supply chains and as their buyers prospered, so did they. Living standards were rising rapidly, creating new marketplace demands and full employment. Government was encouraging 'big business' (Wilson, 1995; Pollard, 1983). These factors, as in the case of BICC, tended to remove the commercial manager from the organisation. Growth put the management of commercial exchanges beyond the control of just one man and into the hands of functional specialists within each division (which in the case of one subsidiary of BICC preserved the commercial manager designation) and specific directors at TMT level. Perhaps then, this boom in demand for commercial managers was driven by growth in supply chain firms, or reorganisation of subsidiary firms in multifirm and multidivisional operations. Another possibility was a post-war entrepreneurialism creating new smaller firms that appropriated the managerial structures of the pre-war years. Alternatively, these could have been older, established, family-controlled firms seeking to rejuvenate their managerial structure in the face of rising home and international competition, reproducing their traditional structures.

Table 16 Frequency of Situations Vacant advertising

Time period	Frequency of advertising
1883-1902	2
1903-1922	41
1923-1942	45
1943-1952	68
1953-1962	130
1963-1982	65
1983-2003	47
TOTAL	398

Employers of Commercial Managers

The employer featured in each advert was categorised using SIC 2007 codes. Forty adverts were not specific regarding the industry of the employer and were removed, leaving a sample of 358. The majority fell into a category without interpretation, though there were a number of unspecified manufacturing which were arbitrarily categorised as 25. Also, references to ‘trade’ such as ‘electrical trade’ were taken to mean wholesale, rather than manufacture or retail. For sake of clarity, sub-classifications were not used, i.e. window manufacture 25.12

The SIC frequency distribution is contained in table 17 and provides label detail for charts 12, 13, 14 and 15. The results of the analysis were clustered using three dimensional bar charts to demonstrate the rise and fall of particular demand clusters over the time of the archive. Charts 12 and 13 show the primary and secondary industry clusters (SIC codes 1-42) and charts 14 and 15 the tertiary industry clusters (SIC codes 45-96). In each pair of charts, is a rotation so that the frequency bars are visible across the entire spread of time-periods.

SIC Code	Description	Frequency in sample
1	Agriculture, Forestry and Fishing	1
5	Mining and Quarrying	4
8	Other mining and quarrying - clays	4
9	Mining support service activities	1
10	Manufacture of food products	4
11	Manufacture of beverages	3
13	Manufacture of textiles	34
14	Manufacture of wearing apparel	2
15	Manufacture of leather and related products	3
16	Manufacture of wood and of products of wood and cork, except furniture	4
17	Manufacture of paper and paper products	7

18	Printing and reproduction of recorded media	3
19	Manufacture of coke and refined petroleum products	2
20	Manufacture of chemicals and chemical products	18
21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	1
22	Manufacture of rubber and plastic products	4
23	Manufacture of other non-metallic mineral products	5
24	Manufacture of basic metals	25
25	Manufacture of fabricated metal products, except machinery and equipment	71
26	Manufacture of computer, electronic and optical products	23
27	Manufacture of electrical equipment	11
28	Manufacture of machinery and equipment	16
29	Manufacture of motor vehicles, trailers and semi-trailers	6
30	Manufacture of other transport equipment	2
31	Manufacture of furniture	2
33	Repair and installation of machinery and equipment	4
35	Electricity, gas, steam and air conditioning supply	1
41	Construction of buildings	1
42	Civil engineering	7
43	Specialised construction activities	7
45	Wholesale and retail trade and repair of motor vehicles and motorcycles	1
46	Wholesale trade, except of motor vehicles and motorcycles	11
47	Retail trade, except of motor vehicles and motorcycles	6
49	Land transport and transport via pipelines	2
50	Water transport	2
51	Air transport	2
52	Warehousing and support activities for transportation	7
55	Accommodation	1
56	Food and beverage service activities	1
61	Telecommunications	2
64	Financial service activities, except insurance and pension funding	1
68	Real estate activities	9
69	Legal and accounting activities	1
70	Activities of head offices; management consultancy activities	9
71	Architectural and engineering activities; technical testing and analysis	1
79	Travel agency, tour operator and other reservation service and related activities	2
84	Public administration and defence; compulsory social security	12
85	Education	3
86	Human health activities	2
88	Social work activities without accommodation	2
90	Creative, arts and entertainment activities	2
91	Libraries, archives, museums and other cultural activities	1
93	Sports activities and amusement and recreation activities	1
96	Other personal service activities	1
	TOTAL	358

Table 17 Frequency of Industry Types Across Archive

Employers of Commercial Managers SIC Clustering 1-43

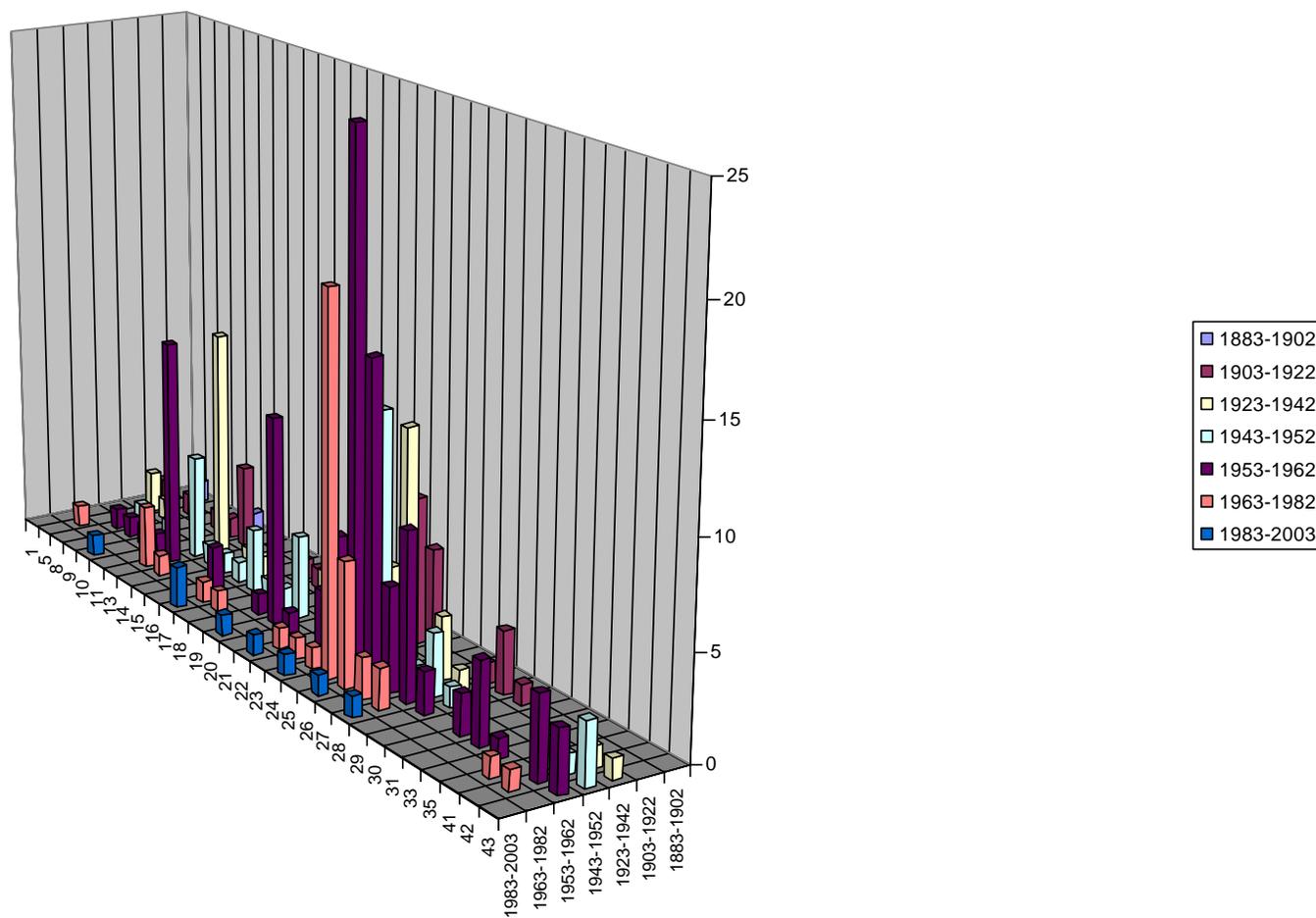


Chart 12 Employers of Commercial Managers SIC 1-43

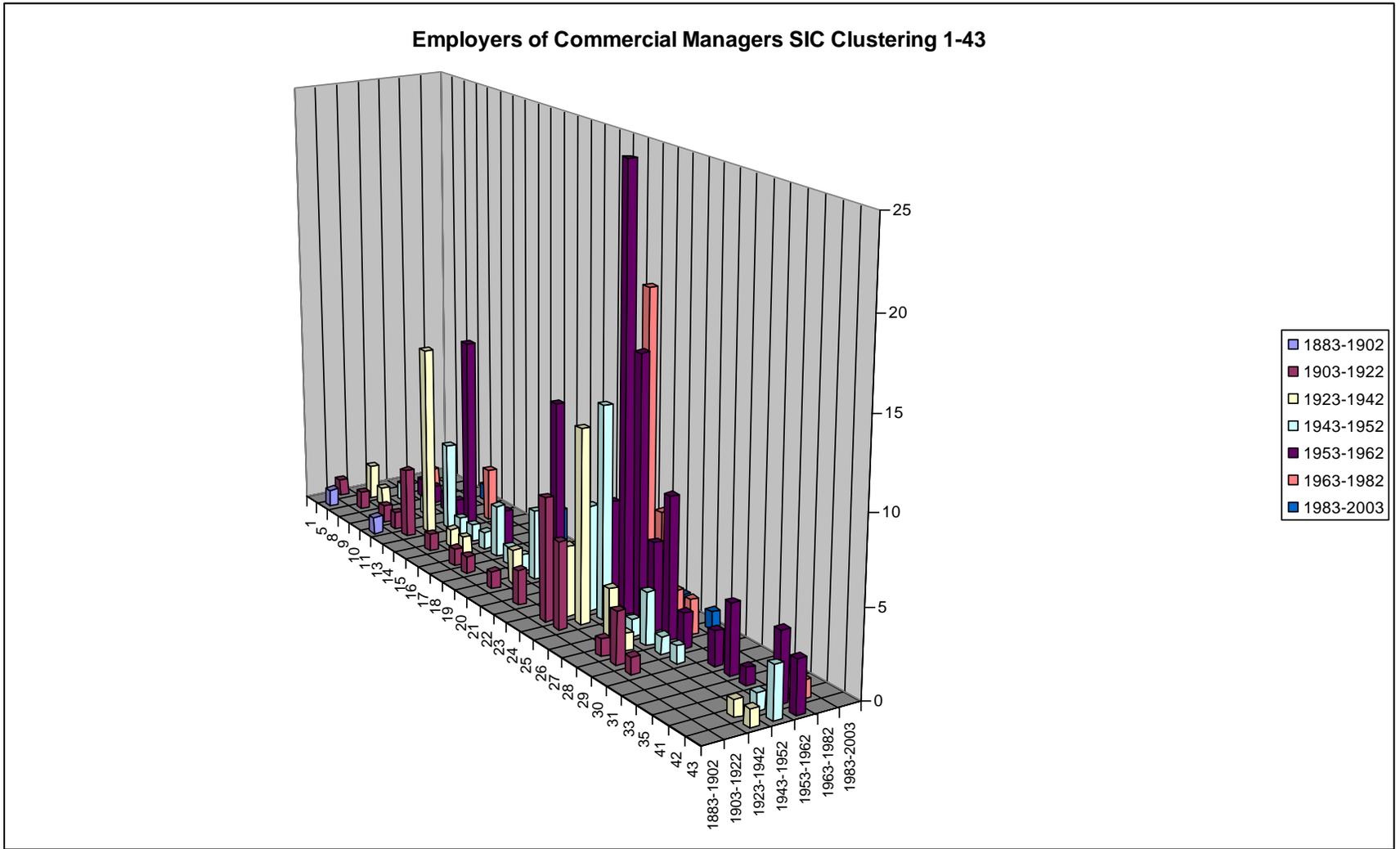


Chart 13 Employers of Commercial Managers SIC 1-43 (Rotated)

Employers of Commercial Managers SIC Clustering 45-96

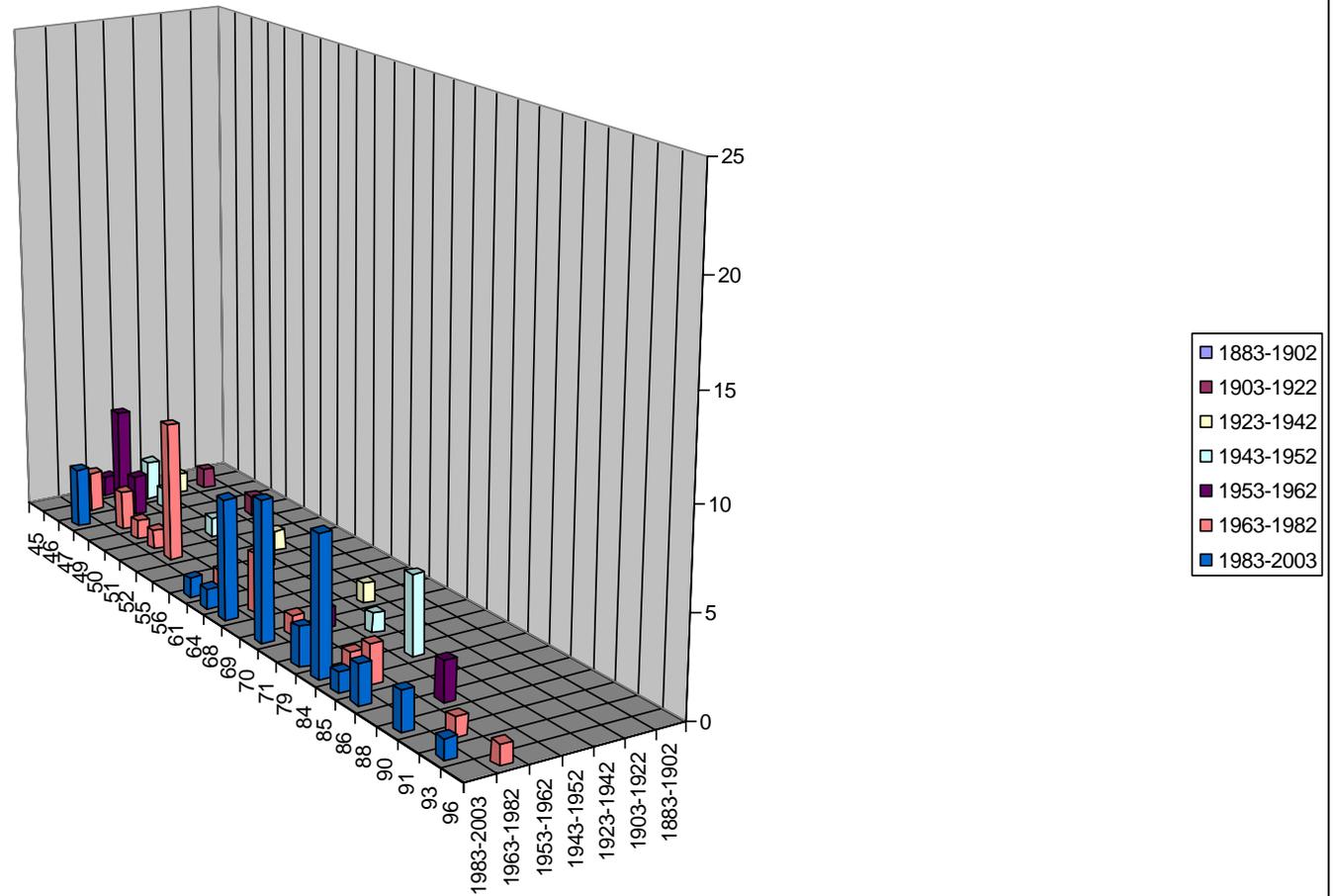


Chart 14 Employers of Commercial Managers SIC 45-96

The following trends are worthy of note:

- Early demand for commercial managers in mining from 1883, textiles (13)¹⁶, basic metals (24), fabrication of metal products (25) and manufacture of machinery and equipment (28) from 1903. This is consistent with the hypothesis that the commercial manager emerges from industrial operations
- Three distinct clusters emerge in the primary/secondary categories employing commercial managers; textiles (13), metals and manufacture (24-29), construction (41-43)
- Of the primary/secondary industry categories, only seven remain by the end of the archive. Textiles, basic metals and the construction industry are finished by 1982, and the manufacturing cluster from 1953 onwards diminishes and shifts towards higher-value manufacture of computer and electronics, manufacture of electrical equipment
- As the primary/secondary categories diminish, from 1953, tertiary categories emerge with strength, although there appear to be fewer distinct categories
- Three clusters emerge in tertiary categories employing commercial managers; wholesale and retail (45-47), professional services (64-70) and public sector (84-86)

Contents of the Commercial Manager Role

398 adverts were analysed for statements regarding specific activities regarded by the employers as constituting commercial management. 1069 statements were extracted and categorised using the categories developed for the 'experience offered' section of the situations wanted analysis. In addition to those categories, grounded analysis developed several others, especially associated with policy development. Clearly there were some aspects of the later occupation of commercial managers that were beyond the experience of the earlier commercial managers of the situations wanted archive. The results of the analysis, as can be seen in chart 16 (rotated in chart 17), were clustered using three dimensional bar charts to demonstrate the rise and fall of particular demand clusters over

¹⁶ SIC 2007 Code

the time of the archive. The focus here is on the relative importance of the different aspects of the role and how these change across the time-periods.

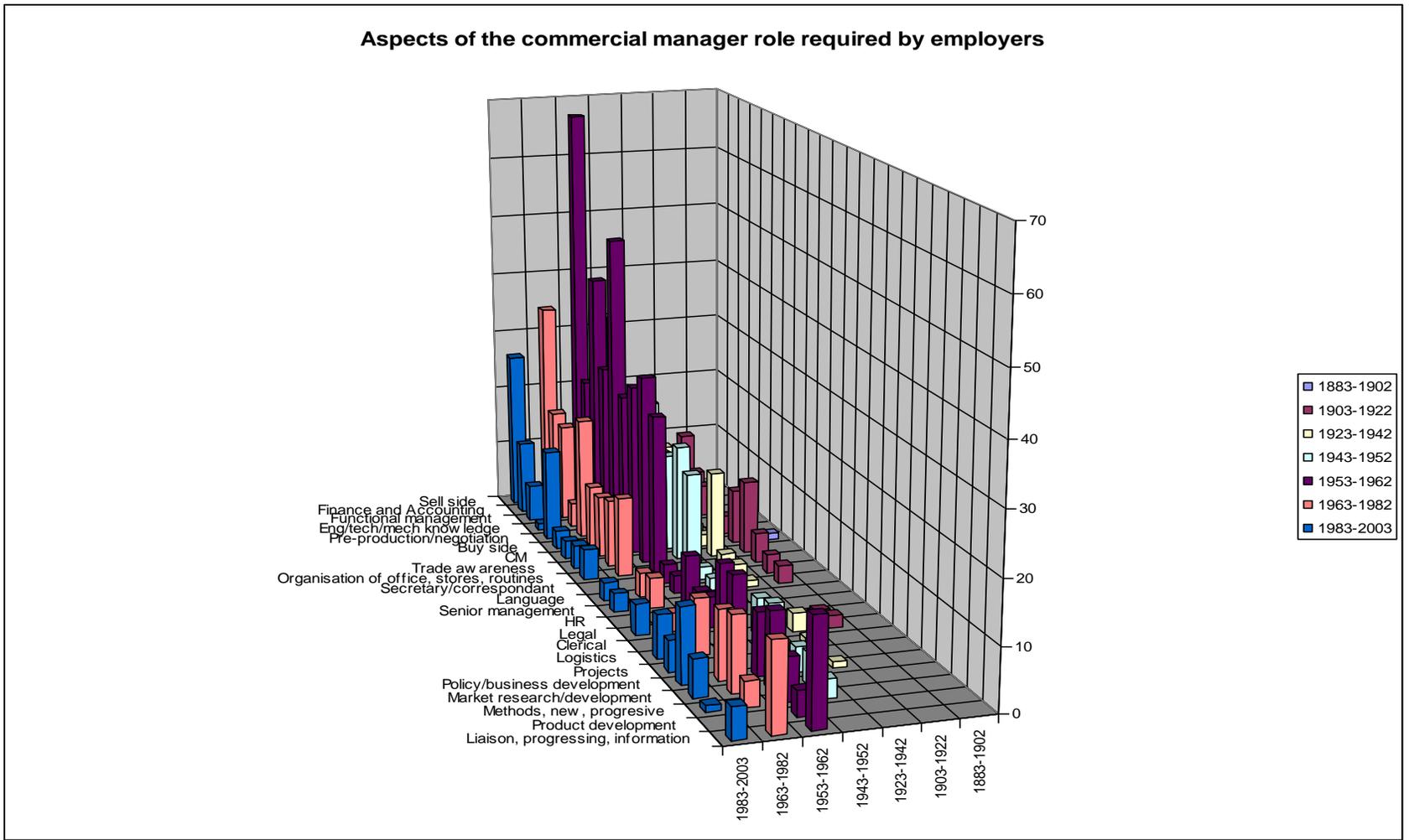


Chart 16 Aspects of the Commercial Manager Role required by employers

Aspects of the commercial manager role required by employers

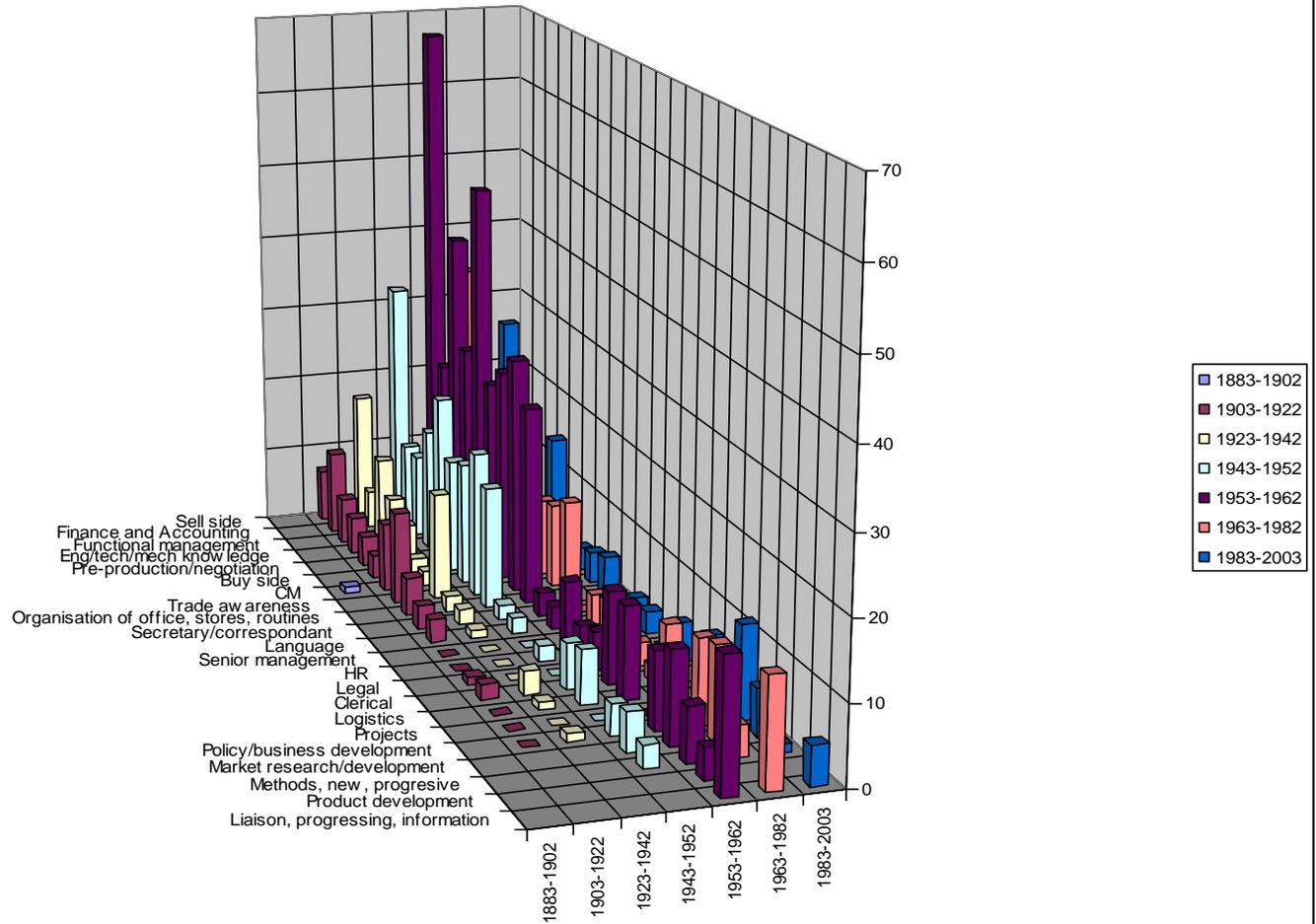


Chart 17 Aspects of the Commercial Manager role required by employers (rotated)

Several trends are apparent:

- There are two distinct clusters across the time periods, one is similar to the basic categories of the common experience of self-identified commercial managers (sell-side to organisation) the other is composed of aspects that appear to emerge clearly from 1953 onward, during the strongest demand phase for commercial managers. In particular these are business and market development and liaison. As the archive of situations wanted ended around this time, it is reasonable that such categories would not have emerged from the first-person descriptions of commercial manager's experience. This was a new element of the experience, suggestive that the work itself and its context were changing.
- Of the common categories, sell-side, accounting and pre-production/negotiation roles remain, whereas the requirement for engineering/technical/mechanical knowledge diminishes, as does buy-side activities and the activity of a generic commercial manager.
- There is correlation between the demand industries and the relative importance of aspects of the commercial manager role, which can be established visually. The common roles were stronger when the primary/secondary industries dominated the archive, the post-1953 aspects appear to correlate with the emergence of commercial management within the tertiary industries. An alternative view is that this later cluster of activities is more representative of the terminal state of the commercial management that emerged from the clerical levels and rose to the boardroom by the mid 1950s.

Chart 18 below clarifies the proportional change of the aspects of the commercial manager role. From the 1923-1943 period it becomes increasingly diverse and therefore not likely to be under one persons control alone, forcing the development of 'Commercial Departments', as referred to by Carlioz and evidenced by the organisational history of BICC.

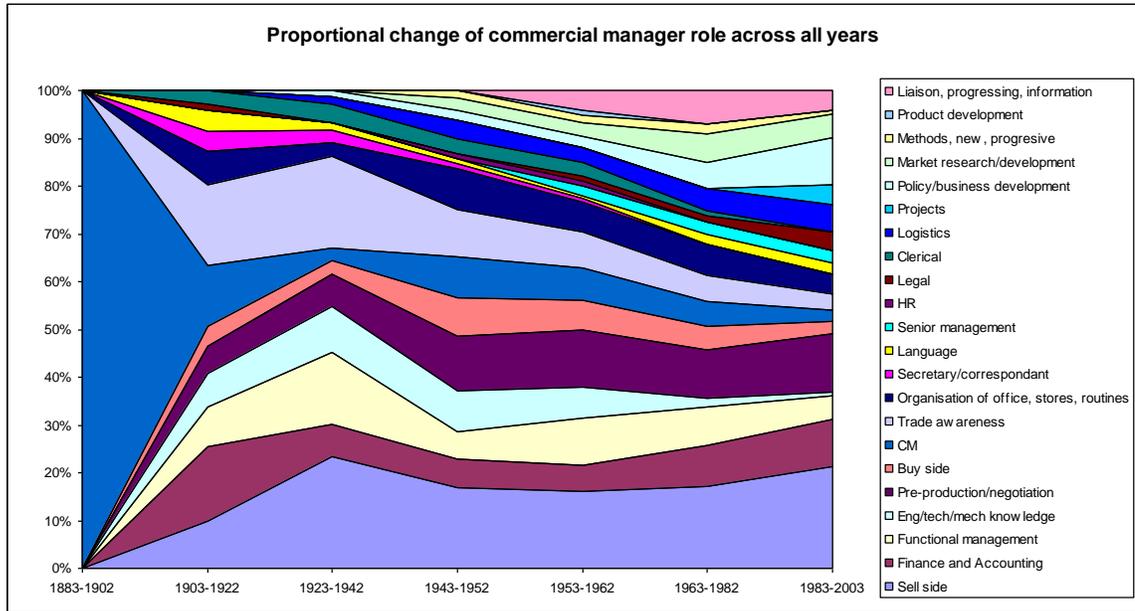


Chart 18 Proportional Analysis of Commercial Manager role

Equated Roles and Reporting Lines/Prospects

The archive of adverts contained eighty six adverts featuring other roles to which the commercial manager was equated in the situation vacant. There were also ninety five which indicated to which level the commercial manager would report, or what their immediate promotion prospects were. This information gives an impression of where in the organisation the commercial manager would reside and whether this changed over time. To demonstrate this, the data was formatted as area charts (chart 19 and 20). It must be noted though that the majority of adverts did not give such information so it can be questioned as to whether these categories and trends are general to the entire archive.

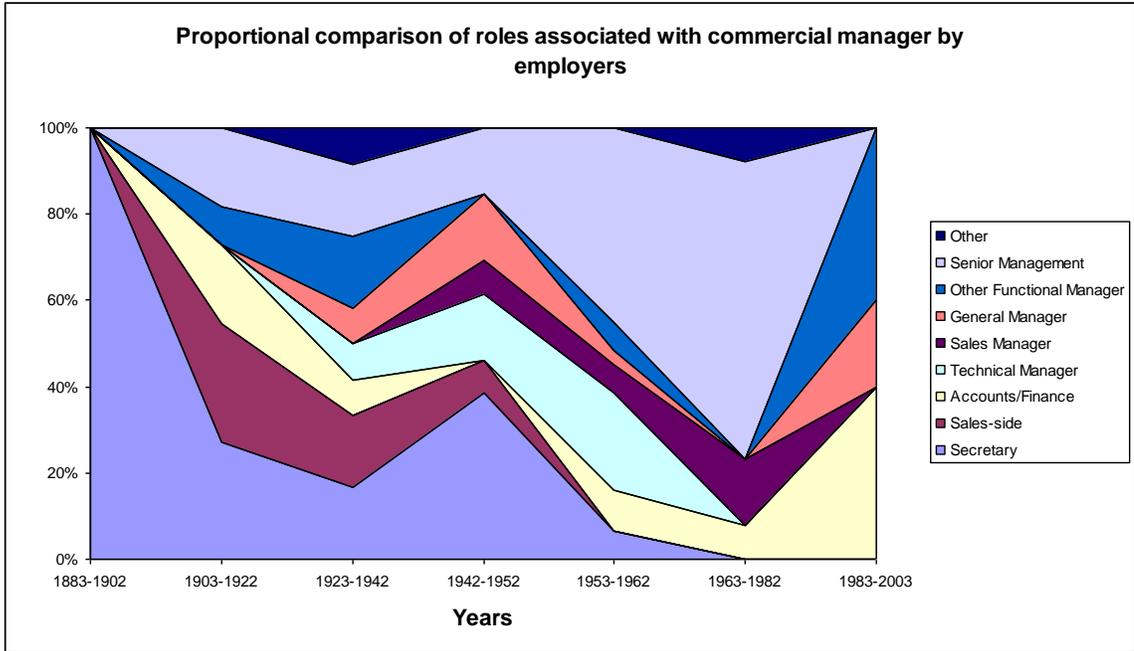


Chart 19 Proportional Analysis of roles associated with Commercial Manager

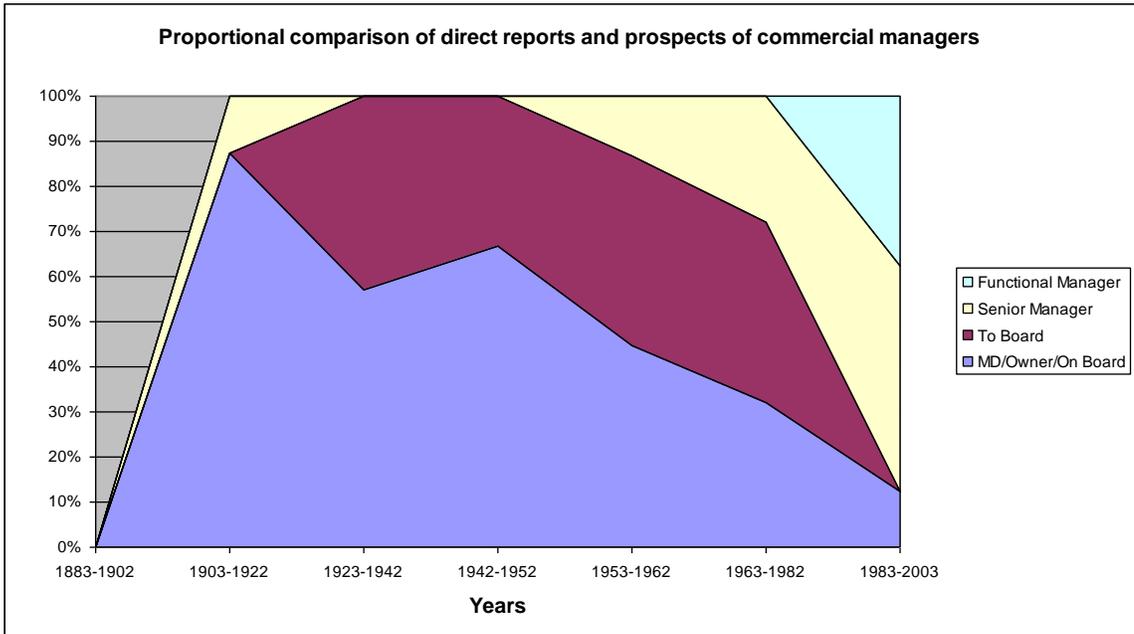


Chart 20 Proportional Analysis of direct reports and prospects

It can be seen that:

- Company secretary is initially a strong alternative role for a commercial manager, declining from 1952-1982

- During the high demand years from 1942, the commercial manager is equated specifically with senior positions. This relates to chart 19 where it can be seen that the major report or prospect for the commercial manager was to the managing director from either a position of line reporting or from a seat on the board. This could also correlate with the post-1953 cluster of activities for commercial managers in chart 26 - featuring such things as business, policy development and liaison
- In the final phase of the archive, commercial managers report to other senior or functional managers and are predominantly associated with accounting or some form of functional or general management as an approximate role. This appears to be an inferior position compared to earlier times and given the nature of the organisations employing them (smaller firms, public sector or professional services) it is now a more far more minor occupation in comparison with its past.

Qualifications

The archive contained 253 statements of qualifications required for work as a commercial manager. The categories developed for the question of qualifications in the situations wanted archive were used again and a similar pattern emerges, that of few formal qualifications being asked for, moving towards more academic over time, as in chart 21.

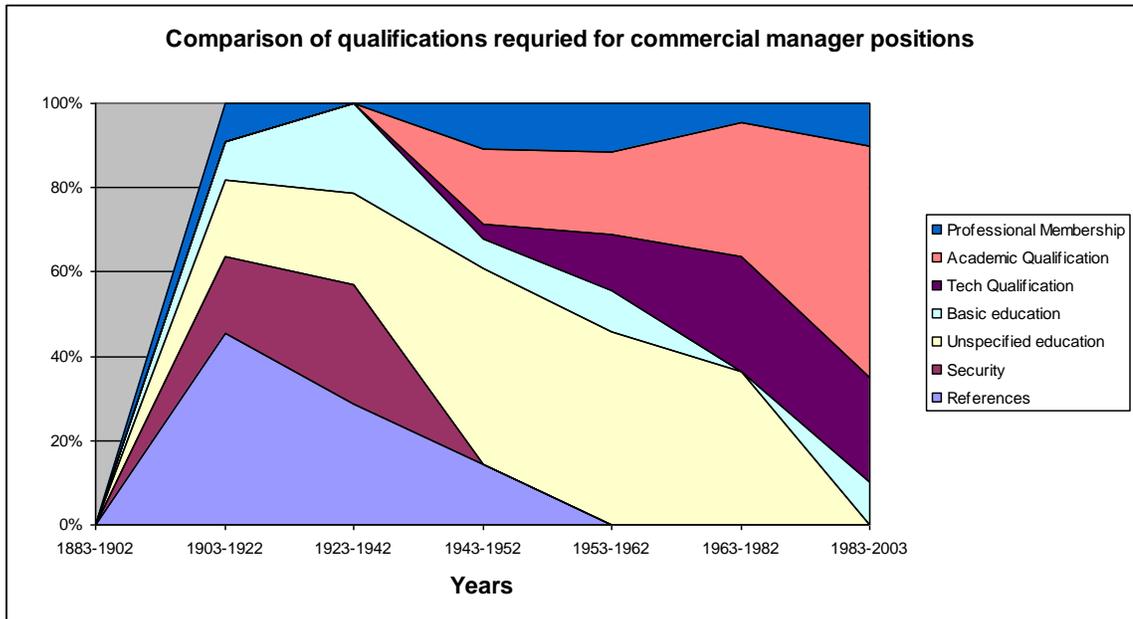


Chart 21 Proportional Analysis of Qualifications Required by Employers

It can be seen that:

- In the earliest years in the archive, there was no requirement for qualification, implying that relevant experience was sufficient or preferred
- Until the start of the boom period for commercial management from 1943, the predominant qualification for the role of commercial manager was references from previous employers regarding the work history of the applicant
- Unspecified or good general education was continuously required but before 1943 it was not required that a commercial manager have a graduate education.
- Professional memberships were seen as significant, but not essential, commonly ICWA or an engineering association. In the earlier phases, professional membership was not relevant, despite seeking people with abilities represented by professional associations (i.e. cost accounting), which could signify that early owners or entrepreneurs did not think much of professional bodies, or wish their influence over their employees
- Technical qualifications gained through college were increasingly significant. These were usually accounting or engineering focussed, but not specified as graduate level.

Personal Characteristics

Prospective employers required that their commercial managers display certain personal characteristics; these can be seen in chart 22, where the requirement for certain characteristics can be seen to change over time. The adverts in the archive contained 202 statements relating to personal characteristics. The categories used were those derived for the situations wanted analysis based upon the 'Big Five' (Thurstone, 1934).

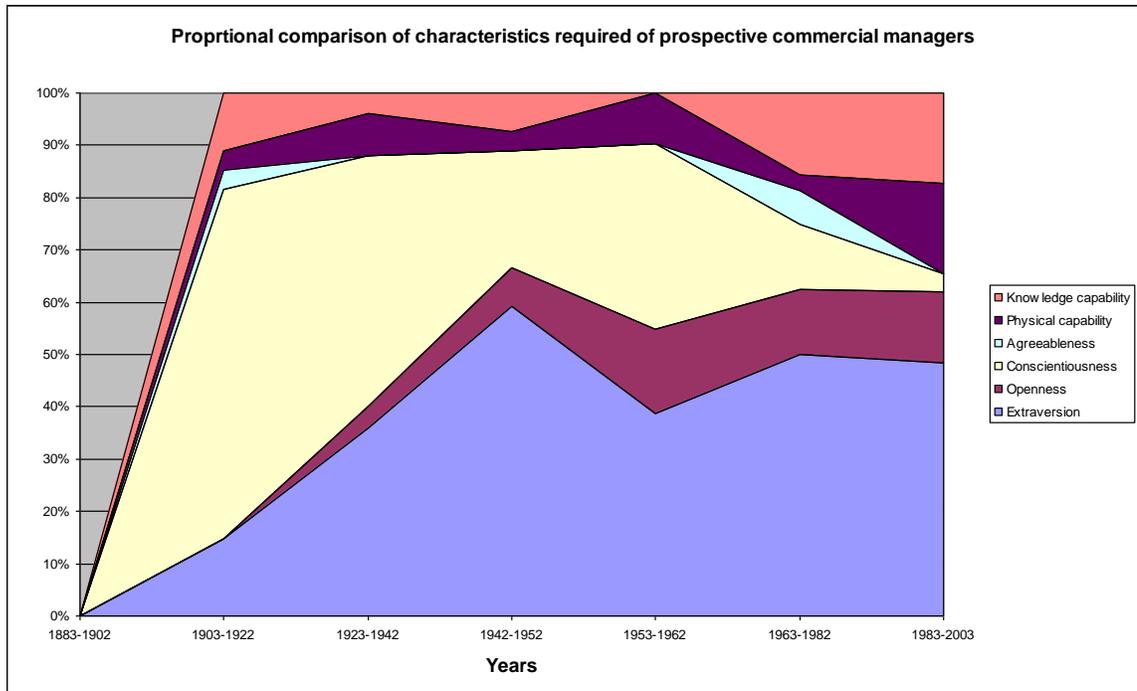


Chart 22 Proportional Analysis of characteristics required by employers

It can be seen that:

- There is a definite transition from characteristics associated with conscientiousness towards those associated with extraversion as desired by employers.
- There are proportionally fewer requirements for specific knowledge or physical capabilities.

Salary

Within the archive, 114 adverts contained salary information. This was categorised by year and where a range was offered, the lowest value extracted from the sample. This was

intended to represent the minimal expectation for prospective commercial managers and the minimal conception of the worth of a commercial manager to the employer. This information was then laid over a baseline of average labour rates to determine whether the cash value of the role changed over time relative to an ‘average’ earner. The baseline and trend was developed using Lund et al. (1982) Government Economics Services Working Paper, No 52 and the index of basic weekly wages from 1920-1980 in Mitchell (1988). The limitations of this are that the Lund figures are for agricultural labour. It was not possible to find a similar set for white-collar workers over a similar time period. In its favour, the model was very close to predicting the wages rates of Lund, with the Lund 1980 value of £58 and the model generating a 1980 value of £61.43. The weekly figures were multiplied into an annual figure, as in chart 23.



Chart 23 Annual Labour Wages vs. Minimum Commercial Manager Salaries

It can be seen that:

- Initially the wages for commercial managers are far higher than average wages, well within the interwar middle-class income bounds of £250 to £500 per year (French, 2005; Church, 2000b).

- Between 1930 and 1960, minimal commercial manager salaries track the general rate of increase in wages as per the Mitchell index, though at a progressively higher level
- From 1960 onwards minimal salaries for commercial managers far exceed the rate of increase of average labour wages

Summary Comparisons

This section will present three sets of comparisons from analysis of the archive data.

- Four ‘snapshots’ of the role of the commercial manager consistent with Wilson and Thomsons’ (2006) phases, based upon frequencies of role elements in situations vacant advertising. This allows an at-a-glance view of the rise and fall of components of the role. The table that follows these crystallises the principle changes.
- A side-by-side comparison of the aspects of the commercial manager experience as represented by the situations wanted and vacant archives, demonstrating parallel developments in the understanding of what was involved in being a commercial manager.
- A comparison between the activities of commercial management in two key early 20th century British management texts, the situations vacant archive and the analysis of the work of modern-day commercial managers carried out by Lowe and Leiringer (2006).

From the latter two, it is possible to see whether there is consistency with what commercial management meant over time and the work of a commercial manager. If there is, then there is an argument for its validity as a historic, inter-subjectively real occupation despite its lack of visibility in management history or contemporary academic research.

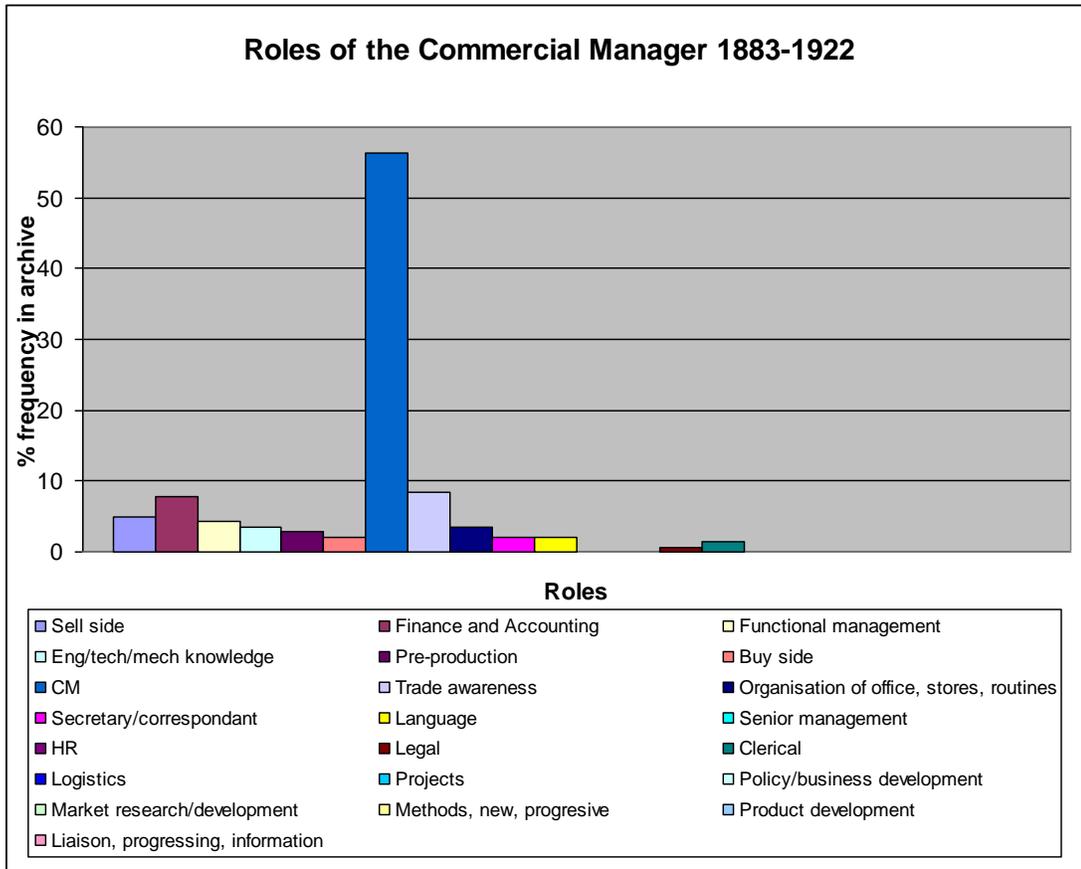


Chart 24 Snapshot in Early Personal-Proprietorial phase

Commercial management is a specific activity referred to in-itself, therefore likely to be work that one man could be expected to do. If the sub-components of commercial management were consistent across time, then for those to be one person’s working experience and organisational role would make the early commercial manager the ultimate generalist. Given the small and owner dominated organisational structures, the commercial manager could well have been responsible for simply everything that the owner did not want to be involved in but required a trusted man to oversee. Accounting and trade awareness are significant. There are several references within the archive to commercial managers in the situations wanted offering their own range of contacts with suppliers and merchants. The intimacy with the commercial operations of particular industries would be essential given the unevenness and changing nature of these relationships and the need for owner-proprietors and entrepreneurs to stay abreast of the changes in competition.

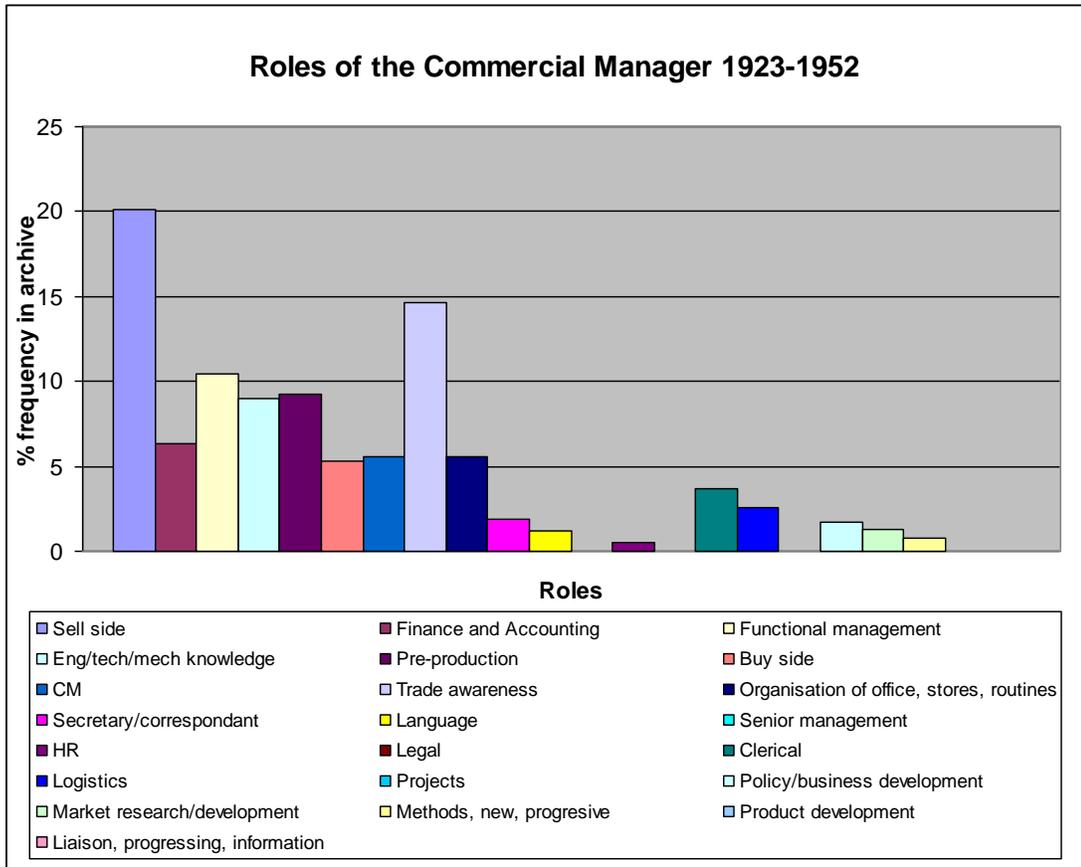


Chart 25 Snapshot in Late Personal-Proprietorial phase

Sales activity and specific trade awareness were the most important aspects of the commercial manger role in the phase of late personal-proprietorial capitalism. This could be related to the increasing organisation for sales and forward integration that had emerged at the start of the century and was now going full ahead. The end of the merchant system at home and its decline abroad would have forced this change into industrial organisation, as would the increasing importance of markets generally. Popp (2002) indicates that relationships using intermediaries offered little scope for negotiation and contracts were very simple. The growth in preproduction aspects could indicate the bringing in-house of the exchanges and direct sales integration. The requirement for functional management, preproduction and engineering/technical knowledge gives ample evidence that manufacturing was the largest employer of commercial managers and these would be engaged in the production of physical artefacts. Finance and accounting are still significant.

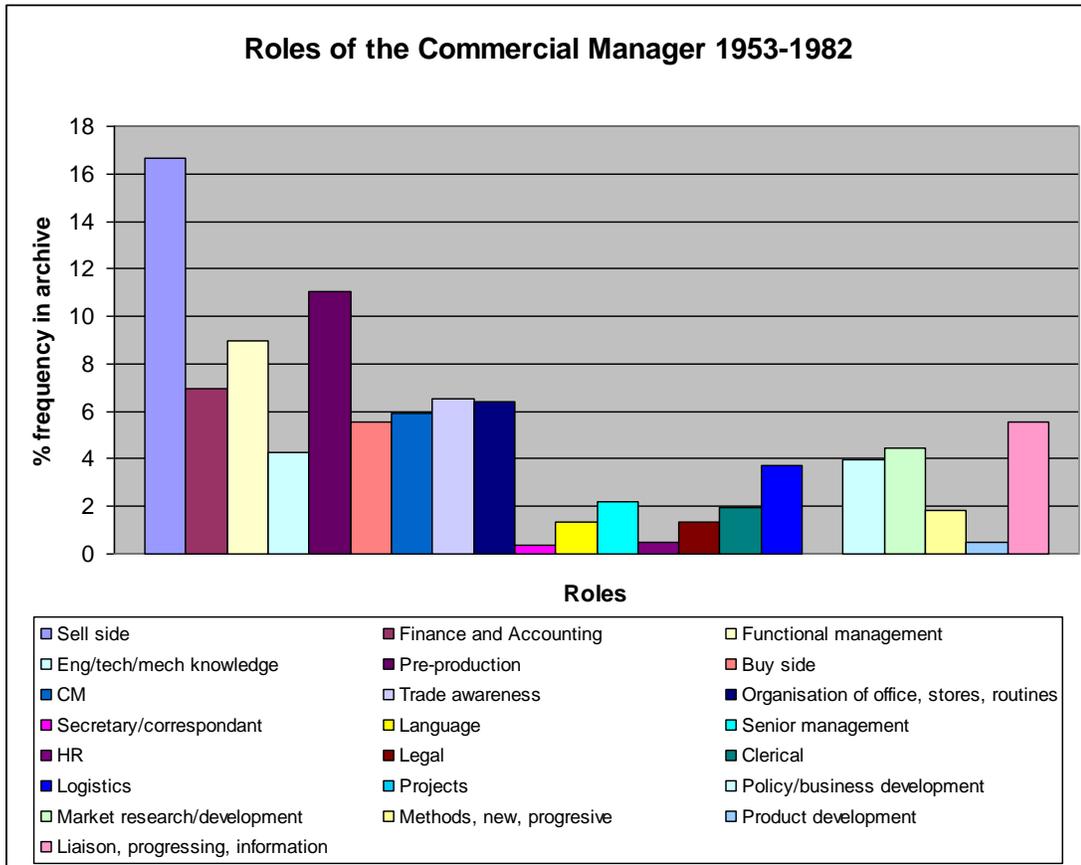


Chart 26 Snapshot in Managerial phase

Sell-side activities remain predominant, preproduction and functional management, organisation and procurement increase. This period is referred to in marketing circles as the period of ‘sales orientation’ (Hollander et al., 2005). This clearly still falls under the commercial manager’s purview amongst the employers in the archive. When this is combined with the negotiation and contracting aspects of preproduction work, it lends weight to the argument that commercial managers were involved in the business-to-business exchanges upon which sales were based. The need for engineering/technical knowledge diminishes rapidly. A new group of activities emerges market research, policy development and liaison, which are things associated with a higher level of seniority; strategic activities. Liaison became more important with the proliferation of multiplant and multidivisional firms that this period was known for.

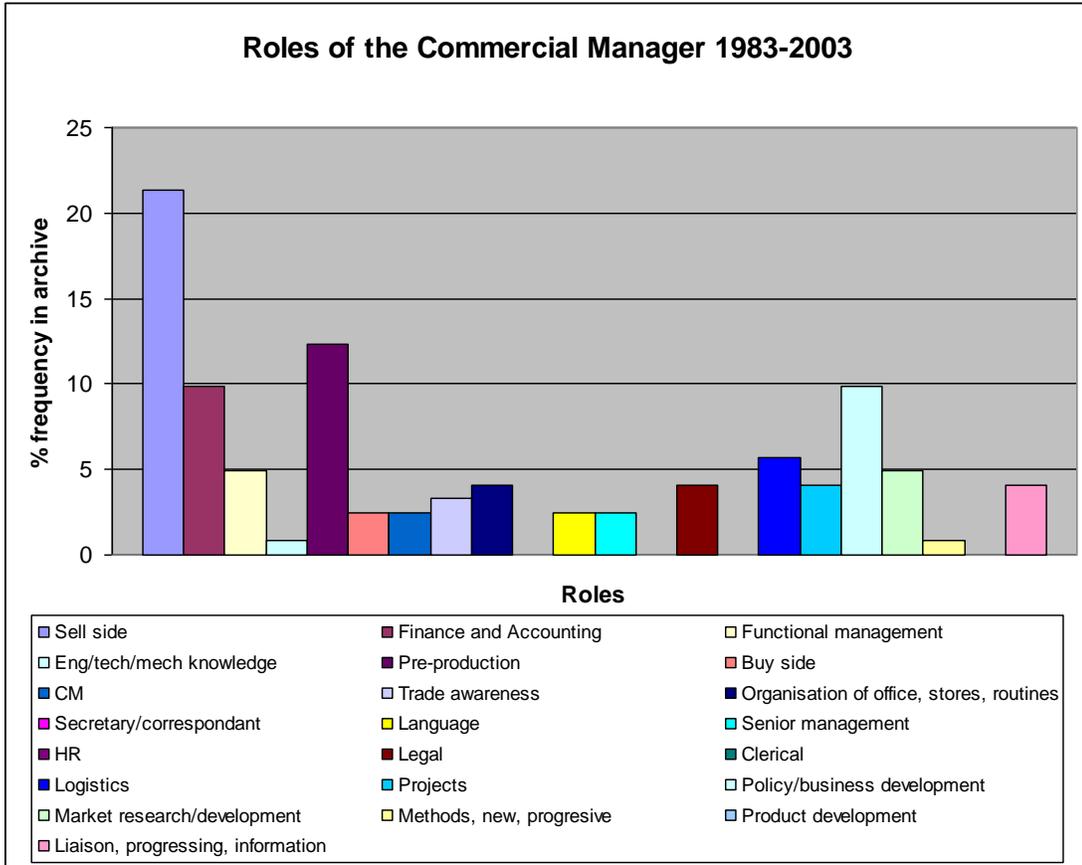


Chart 27 Snapshot in Financial phase

In the final phase, sale-side activities are still heavily associated with a commercial manager’s work, but as presented in the following table, the organisations where this is done are now very different. Accounting becomes more significant. Preproduction – now composed mostly of contracting and negotiation is a strong component, also joined by market research and development. These combine to suggest a role no longer driven by the needs of business-to-business relationships in engineering and manufacture, but the sales and account development of smaller-scale client or consumer oriented businesses.

Table 18 Principle changes in the four ‘Snapshots’ of the commercial manager

Variable	Phase of Capitalism (Wilson and Thomson (2006) approximated to fit with the periodisation of the archival analysis)			
	Early Personal-Proprietorial (1883-1922) ¹⁷	Late Personal-Proprietorial (1923-1942)	Managerial (1943-1982)	Financial (1983-2003)
Top 3 employing industries:	1. Manufacture of basic metals 2. Manufacture of metal products 3. Manufacture of textiles	1. Manufacture of metal products 2. Manufacture of textiles 3. Manufacture of basic metals	1. Manufacture of metal products 2. Manufacture of computer, electronic and optical goods 3. Manufacture of textiles	=1. Activities of head offices, management consultancy =1. Public administration activities 2. Real estate activities 3. Retail
Top 3 Main duties:	1. Unspecified Commercial Management 2. Supply of trade knowledge 3. Finance and accounting	1. Sell-side 2. Supply of trade knowledge 3. Functional management	1. Sell-side 2. Pre-production/negotiation 3. Functional management	1. Sell side 2. Pre-production/negotiation 3. Finance and accounting
Closest role associated:	Secretary	=Secretary =Sales-side	Generic Senior Management	Generic Senior Management
Direct report or prospect:	MD/Owner/On Board	MD/Owner/On Board	MD/Owner/On Board	To Senior Manager
Qualification required:	References	References	Unspecified education	Academic qualification
Personal characteristics:	Conscientiousness	Conscientiousness	Extraversion	Extraversion

Table 18 consolidates at-a-glance many of the trends commented upon in the analysis of the situations vacant archive. Across the first three phases, the activities considered ‘commercial’ are quite consistent, as are the predominant employers of such ones. In the time of early and late personal proprietorial capitalism, personal qualities associated with conscientiousness and endorsements by personal reference were preferred, whereas from ‘managerial’ onwards, also the time of sales orientation, extraversion becomes more

¹⁷ The difference in dates applied to Wilson and Thomson’s phases between tables 18 and 19 is due to table 18 being based upon the situations vacant archive and table 19 primarily upon the situations wanted archive, however both find consistency with the Wilson and Thomson periodisation.

important and education levels are specified. What becomes very apparent in this comparison is that the consistency of employer and position is lost in the final phase. The commercial exchanges driven by an engineering/manufacturing context are completely different to those in a real estate or professional services context. Clearly, the idea of commercial still contains the same types of element, but in such a different working context it is not likely that the work itself would bear much resemblance to that of earlier phases. Senior management in a student's union bar (one of the adverts) bears little resemblance to the role of Waine or Carliz. Reporting is to another manager of some kind rather than a TMT so it is not likely that the responsibilities and decisions being made of these commercial managers would be as strategic as those of previous phases. This comparison crystallises the evidence of the 'fall' of commercial management.

Wilson and Thomson (2006) Phase	Industries in which employment as CM sought/offered		Role Associated With CM by employers/employers		Experience Offered/Required		Distinctive Qualities Offered/Required		Qualifications Offered/Required	
	Sits Wanted	Sits Vacant	Sits Wanted	Sits Vacant	Sits Wanted	Sits Vacant	Sits Wanted	Sits Vacant	Sits Wanted	Sits Vacant
Early Personal-Proprietorial (archive 1876-1909)	Majority unspecified, significant component of manufacturing/engineering	Manufacture in textiles, basic metals and fabricated metal products	Secretary, accountant, generic functional manager	Predominantly secretary. sales, accounts or generic senior manager as minor components	General business or trade, CM and accounting roughly equal, some sales	Predominantly CM, trade awareness and accounting become significant	Conscientiousness, distinctive knowledge and personal networks	Conscientiousness most dominant	Personal references, or none offered	Personal reference most dominant, payment of security and general education also significant
Late Personal-Proprietorial (archive 1910-1939)	Majority unspecified, significant component of manufacturing/engineering with some war effort, textiles, exporting, basic metals	Manufacture in textiles, basic metals and fabricated metal products, electrical equipment emerging	Strongest component only specifies Commercial Manager, also secretary, accountant and generic functional manager declining, generic senior management emerges	Secretary diminishes, still strong with increase in sales-side, and generic senior manager, accounts diminishing	Sell side becomes strongest component but role increasingly diverse, contracting and buy-side activities emerge, accounting begins as largest component but diminishes	Role becoming diverse, generic CM diminishes, sell-side, trade awareness, functional management	Conscientiousness dominant, but extraversion emerging strongly, personal networks and knowledge become negligible, increasingly 'none specified'	Extraversion increases, but conscientiousness most dominant	The personal reference is a strong component but diminishes against none offered. Professional membership and unspecified certification emerge. Investment also offered	Personal references still dominant but falling relative to securities, unspecified and basic education
Managerial (archive 1940-1959)	Majority unspecified, largest component of manufacturing/engineering, fewer other industries	Manufacture in textiles, basic metals and fabricated metal products, electrical equipment, chemicals and chemical products, machinery and computer and electronic products emerging	Strongest component only specifies Commercial Manager, secretary and accountant decline to minority, generic senior management strongest alternative to CM	Secretary still significant but generic senior management strongest component, technical manager becomes strong component	Sell side strongest component, generic functional management, contracting, production and buy-side activities	Role extremely diverse. Sell-side dominant, trade awareness and accounts diminishing, functional management, engineering knowledge, pre-production/negotiation, buy-side increasingly significant	All personality characteristics diminish, variety of other work-related qualities mentioned, 'none specified' most dominant	Extraversion most dominant, conscientiousness still significant	Strongest component is none offered. Professional membership increases slightly, technical and academic qualifications emerge	Most dominant is unspecified education, academic qualification becomes strong component, references and securities cease

Table 19 Side-by-side comparison of elements of the analysis of the commercial manager role from the prospective employee and employer

Due to the earlier end of the situations wanted archive, the side-by-side analysis of table 19 can only go on until 1959, partway through Wilson and Thomson's phase of managerial capitalism. It can be seen that throughout, commercial management tended towards being a general competency applicable to any industrial setting, although this diminishes over the archive, but the main demand arises from engineering and manufacture tending towards higher level manufacturing as consistent with the development of British manufacturing at that time. In the minds of commercial managers and employers alike there was a strong association with senior roles, initially the secretary, later this persists with employers. Both parties see their association with senior management more generally. Cost accounting diminishes within commercial manager's experience and associations.

The experience and activities of commercial managers and the expectations of employers become more diverse in the late personal-proprietary period. The generic 'commercial management' activity declines sharply meaning that employers are more able to specify which aspects of commercial are required in their particular context. Sales-side activities are the most wanted and offered aspects of experience. Over time, commercial managers feel less need to discuss their personal characteristics and are more likely to mention education and professional memberships. By 1959, commercial managers were still more likely to not discuss personal characteristics, whereas employers still mention things associated with extraversion which given the increasing sales orientation of the role is not surprising. Making less of their characters and the importance of personal references is indicative of the decline of the significance of the personal relationship between commercial manager and entrepreneur or owner. During the personal-proprietary era, directors and senior managers involved themselves in the daily running of their firms (Wilson and Thomson, 2006) so personal relationships would be important. However, from the period of managerial capitalism, they were increasingly likely to be dealing with boards of men as another senior employee amongst many others. Potential value of the employee would be estimated based upon academic qualification which was emerging as a requirement towards 1959.

What this comparison establishes it that up to the growth period of the commercial manager designation, the changing understanding of commercial was reflected on both sides of the employee/employer relationship. The consistent convergence of these two entirely separate sources of opinion and insight into the commercial manager role indicates that something intersubjectively real was being invoked by the term ‘commercial manager’ which maintained a consistent identity amongst communities of such men and their employers until at least 1959.

Table 20 Comparison between early management texts, roles of the commercial manager in the archive and the role of contemporary commercial managers according to Lowe

Elbourne (1914) and Burton (1895)	Archive in order of popularity	Lowe and Leiringer (2006;2005) Lowe (2006)
Raising of finance from external sources Draughting and requisitions Purchasing and receipt of materials Cost accounting Sales Publicity Promotion Management of travellers Correspondence Estimating Tendering Work orders Dealing with works managers Financial accounting Dealing with auditors Routine organisation of the office Wages	Sell side activity Pre-production/negotiation Functional management Trade awareness Finance and Accounting Commercial Management Organisation of office, stores, routines Eng/tech/mech knowledge Buy side activity Policy/business development Logistics Liaison, progressing, information Market research/development Clerical activity Language skill Senior management activity Implementation of new, progressive methods Legal Secretary/correspondent HR/Welfare Projects Product development	Contract formulation Contract negotiation Risk management Dispute resolution Bidding Pricing Payments Cash flow management Creation of outline proposals Cost management Cost/value reconciliation Value management Subcontracting administration Procurement Acquiring approvals Marketing Supply chain management Business plan development Sales Estimating Quality assessment Development appraisal Supplier evaluation Image/reputation management Performance measurement Innovation management

In table 20, it can be seen that there is a high degree of similarity between descriptions of commercial management in the main British management texts of the personal-proprietary era and the priority of activities that emerged from the archive of situations vacant for commercial managers. This is especially so in the areas of sell-side activities

which included sales, marketing, management of sales forces; preproduction in areas of negotiation, contracting and price setting; finance and cost accounting; procurement; liaison with other functional managers and general organisation. There are similarities also between the archival set of commercial management activities and the research carried out by Lowe and Leiringer (2006) on modern commercial managers. Again, these are in the areas of preproduction contracting and price setting; cost management; procurement and sell-side activities although these rank much lower in the modern. There were clear differences also; in the modern commercial manager role there is a lack of need for specific engineering or technical knowledge; lack of strategic and business development activity; lack of requirement for innovation and development of new methods and processes.

From the sources of table 20, spanning over a century, the snapshots of the role in charts 24 to 27 and table 18, the comparison of the expectations of prospective employees and employers in table 19, it can be seen that the specific role of the commercial manager changed in response to the contextual changes in the phases of development of British business organisation as depicted by Wilson and Thomson (2006). However, the understanding of what constitutes commercial activity has remained constant into the present day, namely sell-side and buy-side activities and the contractual arrangements therein. As Carlioz described it in 1918, “By procuring the raw materials that are to be processed, it feeds the operation and by ensuring the sale of its finished product it facilitates the achievement of objectives.” Exchanging ‘operation’ for ‘project’ gives a relevant definition of commercial management for today.

Conclusions

From the analysis of the situations vacant and situations wanted archive it is clear that ‘commercial manager’ was a distinct managerial role which persisted from the first situations wanted advert in 1867 to the end of the situations vacant archive in 2003. The emergence and predominance of employment in engineering and manufacture is clear and the decline of opportunities in this sector with its move towards higher value manufacturing is consistent with UK economic history as is the rise of distributive trades

and professional services. According to Pollard (1983), between the index year of 1963 and 1981, mechanical engineering declined forty points, ferrous metals fifty, construction thirty, whereas professional services from an index year of 1970 rose twenty five points, public administration nine. According to Pollard at this time family ownership declined to the point where in 1972, of his sample of firms, only 0.46% of all shares were owned by the board.

It can be seen that from one end of the archive to the other:

- Emphasis moves from practical and diverse experience towards academic qualifications
- The early association with secretarial and accounting diminishes; secretarial duties are lost though a familiarity with accounting remains
- The relationship with immediate superiors is transformed from being closeness to and conservation of the entrepreneur or family owner vision, to being an independent functional worker with the expectation of entrepreneurial, extrovert attitudes. This is also indicated in the comparison of qualifications, moving from personal endorsements representative of an agreement between gentlemen who can establish an understanding to being an employee as any other, rated by the qualifications of trusted third parties such as universities and professional institutions.
- The general idea of ‘commercial’ and what it meant to be a commercial manager did not change, although seniority, the degree of generalism, relationship with the business leaders and the growing emphasis on sell-side activities did
- The background of commercial managers changes from upper working/lower middle class to fully middle class, as indicated by the rise of graduate and professional certifications. Or possibly, this demonstrates the diffusion downward of those qualifications.

The type developed from analysis here is identical to the example of Carlioz, especially from 1923 – 1943. From this point, the diversity of activities assumed under the title ‘commercial manager’ suggests that it was not likely to be under the control of one person alone and that in a managerial culture shaped by functional specialisation, the role

was ripe to be separated out for control by specialists. The move towards multidivisional, multiplant working may also be evidenced by the emergence of the role of 'liaison' from 1953, as commercial managers oversaw informational connections between elements of the diversified firm.

Commercial manager as a designation was emptied out by the decline in engineering and manufacture from where it obtained its fullest meaning, to being a sales related activity more closely associated with the OED definition of commerce; 'mere matters of business'; responsible for business development of their little organisations primarily through sales. The decline of engineering marked the 'fall' of the commercial manager in the traditional sense. However, the commercial manager in the original sense, as developed in the hermeneutic analysis, had already fallen with the fading away of family capitalism and the move towards shareholder capitalism.

Chapter 5

Debates Around The Historical Commercial Manager

Introduction

This chapter will converge the historical context, debates around professionalisation of British management, vertical integration, the archival research and hermeneutic interpretation and associated ‘snapshots’ to establish the identity of the historical commercial manager, why the role appeared to emerge, rise and fall as well as present some alternative theories regarding this class of manager. It is worth pointing out that the majority of historical theorists Pollard, Urwick, Wilson included, consider management from the demand side, whereas the archival work presented here also features the supply side, represented by the words of the men themselves attempting to become managers and working to improve their status.

Does the Evidence Regarding Commercial Managers Fit with the Accepted Histories of British Management?

Wilson’s analysis of the state of British management (in Wilson and Thomson, 2006; Wilson, 1995) during the late industrial revolution until the 1950s is justifiably negative. Wilson’s arguments for the path-dependency of market relationships and merchants and family dominance have been identified as restraining development of a professional managerial class and vertical integration in industrial organisation, especially towards sales. The strength of traditional family-oriented management structures and the small size of firms and managerial hierarchies would also likely stifle emergence of new classes of manager. How does the archive evidence developed in this thesis relate to the accepted historical picture?

Wilson and Pollard state that owner-proprietors in the phases of personal and personal-proprietorial capitalism would not be seeking to recruit new managers using newspapers. The presence of an archive of many managers and vacancies for these ones stretching back to the early 1800s clearly challenges this statement. If Wilson’s comment was

generally true though and combined with the ‘leaders are born not made’ philosophy and nepotism of early British industrial leaders, then the self-advertising commercial manager could have been a desperate man whose previous employer or family background was of no help. The expansion of players within the salaried workforce and specialisation of functional areas such as costing could well have been applying pressure to the role which was traditionally the commercial manager’s. These things could have contributed to concern over unfulfilled potential and fear of failure.

Alternatively, the self-promoting commercial manager could have been a brilliant innovator, a true ‘player’ a la Coleman, with a clear understanding of his bargaining position, the needs of the employers and in some cases an extensive history of beating the nepotistic system. He would understand the constraints of family control and that through loyalty he could resist the encroaching independent, professional managers rising through management accountancy. The employers searching for outside commercial managers could have been innovators also, the relatively low numbers of both managers and employers advertising indicating a suitable degree of rarity in the early phases, which is to be expected in the case of innovators. There were many references to employers seeking and commercial managers offering to introduce new methods, new organisational forms and direct control of sales people and elements of integrated marketing functions, which would have been decades ahead of the majority of their competitors in manufacturing, if Wilson’s path-dependent theory is correct. On the other hand, were not Marx and Engels witnessing the growth of commercial wage workers and sales integration in the mid 1800s? The archive puts the emergence of the commercial manager around this time.

However, the fairly low occurrence of such advertising, even of generic ‘managers’ amongst all employment advertising has to suggest that seeking outside the family or social group for senior managers was exceptional. The sudden upsurge between late 1940s and early 1960s would seem to correlate with the end of family dominated capitalism. Board driven firms would seek the most qualified men, not the most known. It is notable that the shift in demand occurs almost exactly with the start of Wilson’s phase

of managerial capitalism. The use of commercial rather than marketing managers in such firms (i.e. the example of BICC) could be evidence of Wilson's claims regarding production orientation that marketing was more about selling what was made, in the early days of vertical integration.

The British merchant system or market-based distribution, whether it persisted or died away, is not as relevant to the rise of commercial managers as it might seem. Both could create opportunities for commercial managers. Popp (2002) makes the point that extensive contracting and negotiation skills were not required for firms trading using the merchant system, which would suggest that if a notable demand emerged for managers with that competency, then it could be because the established patterns and relationships of the merchant system were declining and men more directly attuned to deal making for sales were required, which was an early and persistent competency of the commercial manager in the archive. There are comments in the archive requiring commercial managers to have traveller experience or of managing travellers, to be capable of 'organising for sales' and possessing extensive sales contacts in specific industries. These are elements indicating the requirements of a firm with integrated sales organisation, or moving towards one, else these would have been provided by the merchant system. If sales and marketing was being integrated by some innovators, then it would make sense to have a commercial manager oriented towards sales within the senior management. Examples of such ones are below.

1903

***Commercial** Manager, first-class. Wanted, for a large Iron and Steel works. Must be a good organiser, with experience in buying and selling and with a knowledge of commercial law and usages: as the office staff will be under his change, he must understand books and the best method of costing: state experience: with age, references and salary required. Address M 122, at the printer's.*

1904

Wanted, at an Engineering Works, a thoroughly qualified Commercial Manager, with experience in the manufacture and sale of machine tools, ships sidelights, steering gear and other specialities: must have first-class connection amongst shipbuilders, &c: all applications (received in confidence) with full particulars. Address C 120, at the printer's.

1908

Commercial Manager requires right-hand indoors man, with good selling experience to work up inquiries into orders: Midlands: must have held responsible position in selling department and be capable of acting on his own initiative: mechanical knowledge essential: must be a good, clear and incisive correspondent, able to clearly handle a job in all its details and dictate to shorthand writers: applicants should state full particulars of past experience, salary required, age and when at liberty. Address T 75, at the printer's

The textile industry, dominated by the merchant system and market-based distribution method, also employed commercial managers, as below.

1906

Cotton Piece Dying and Finishing Works: output 6,000 pieces per week: high-class goods: private concern. – Energetic Gentleman required to take Commercial Management in town: must have first-class knowledge and experience of the business and all other necessary qualifications. Written applications, treated as strictly confidential,. Stating qualifications, experience, age and remuneration required, to Fullagar, Hulton, and Bailey, solicitors, 25 Wood-st, Bolton.

As Nicholas, Church, Chapman, Lloyd Jones and Lewis and many others show, many British firms in the mid to late 1800s vertically integrated and competed abroad demonstrating that they were not necessarily locked into the paths of personal capitalism. As Lloyd Jones and Lewis (1994) concluded, “Deliberate choice rather than market constraints shaped the business strategy of the personally managed firm.” Chapman (1979) indicates that merchants were becoming acceptance houses bearing the risk in the more lucrative business of exporting, so progressively less available in their traditional home role from 1800-1860. He also identifies 1860-1880 as a period when manufacturers in metals and textile began controlling marketplace relationships with direct sales and branding to protect against foreign imitators and competitors. However, Chapman (1979) calls these only a ‘vanguard’. If the appearance of the commercial manager is associated with the bringing of commercial exchanges in-house, then it would appear from the archive that such innovators were rare until the 1930s. So, Wilson’s argument regarding

the persistence of externalised market relationships being a barrier to integration of commercial, especially sales-side functions holds up at least until the 1930s.

There is a clear relationship between these managers of the archive and British salaried managers in the phase of personal-proprietorial and managerial capitalism as described by Wilson and Thomson (2006). To what extent does the historical evidence contribute to the theory of a rise and fall of this occupation? Firstly, the evidence that the archival adverts represented a distinct occupation.

- The market conditions and organisational evolution required managers as assistants to owner-proprietors, able to operate marketplace relationships
- Commerce was recognised as the work of certain social classes, who in turn saw it as a means of social mobility, therefore desirable employment
- The relationship between situations wanted and vacant is consistent and changes occur simultaneously in both groups – *something* is clearly inter-subjectively real to both those on the demand and supply side of the relationship
- Several commercial managers were identified in historically valid sources i.e. board minutes which demonstrate the same span of control and career trajectory which emerged from the archival analysis
- Evolution in the occupation can be matched against change in socioeconomic conditions and organisational evolution using recognised theories of such and evidence from literature review

Secondly, evidence of the rise of the occupation,

- Direct reports and prospects indicated high status within the organisation, corroborated by archive evidence and biographies of historical commercial managers. This corroborates the statement by Lowe regarding the status of commercial managers in the mid 20th Century, though as has been demonstrated, the occupation had such status far earlier.

- In order for an occupation of individualists to have such status, then the occupation can only claim to rise as individual commercial managers themselves ‘rise’, which they did, initially through association with commercial activities and through proficiency or other initiative, developing close relationships to the owner-proprietor, then through the functions of the early functional-oriented manufacturing firms.
- At its emergence in the archive commercial managers were classified by newspaper editors as clerical, then as managerial, then executive. Its rise in status must have been recognisable to public outsiders such as newspaper editors, likewise, employers recognised this as reflected it in the prospects advertised.

Finally, evidence of a fall:

- Rapid decline from the early 1960 in all references to the role in the archive, in general advertising, news articles and recruitment advertising.
- Complete and ongoing ignorance of the role in modern academic discourse; in management history, in business studies generally.
- In companies which feature them, commercial managers no longer operate at board level.
- Their rise and fall seem to be correlated to the fall of early employing industries such as basic metals and the decline of the family-owned firm.
- Functional aspects considered subordinate to the commercial manager are now recognised as specialisms of their own; marketing, sales, procurement.
- The evidence of the archive in the phase of financial capitalism has commercial manager reporting to lower levels of much smaller organisations, there are no references to their traditional indicators of status.

Failure to Professionalise – The Reason for a Fall?

The majority of commercial managers of the archive were not ‘professional’ managers by Wilson and Thomson’s (2006) definition of that, those whose knowledge base was developed explicitly and institutionally and therefore not dependent on functional skill or

organisational position for legitimacy and authority. Such were a development beginning in the phase of managerial capitalism, by which time commercial managers had already reached their peak demand. Would professionalisation of the commercial manager role have changed this outcome? Would such even have been possible? Firstly, Wilson et al.'s, (2010) trait proposal of professionalisation will be applied to the historical record of commercial managers. This consists of obtaining control over work, coherence around knowledge and gaining public acceptance and support. Then the concept of professional mobility will be applied to see if there were resources available to the historical manager to professionalise. As professionalisation is something desired by contemporary commercial managers, it is relevant to consider how close to 'profession' the role came in the past, something which occurred to the managerial roles subsumed within or led by historical commercial managers such as Carlioz and Waine.

Obtaining Control Over Work

The commercial exchange, which was and is driven by the price/value conflict, with the search for unique and proprietary sources of advantage, required individualism on the part of the commercial manager, also subservience to the individualistic interests of the entrepreneur or proprietor, plus the direct competition against the methods and interests of the commercial managers of competitors. In this then, the commercial manager oriented themselves to the needs of their client - their boss, rather than a body of commercial managers, which was typical of managers generally in the personal and personal-proprietary phases.

Wilensky (1964) identified the following conditions as encouraging this client orientation; dependence on powerful clients or bosses unreceptive to independent professional judgment, a pace of technological change administered mainly by employers and a desire for stable attachment to the enterprise and 'solo practice'. This well describes the industrial context of the phase of personal capitalism when commercial management was becoming established. British management history evidences that solo practice and individual mobility were at the core of managers' expectations, which required a stable attachment to an employer. As evidenced in the situations wanted and vacant archive and argued in the hermeneutic account, conscientiousness was the main characteristic offered

or looked for. In the early part of the archive, commercial managers were in most cases to be a source of stability for the owner, or innovation, on the owners' terms. The knowledge and processes by which work was done may have been under the control of the commercial manager, indeed they specifically wanted independence and authority to act, but the technological means and the ends of the work belonged to the employer.

Professionalisation prioritises ethical considerations towards peers and clients, dictating that the professional "...be impersonal and objective (limit the relationship to the technical task at hand, avoid emotional involvement) and impartial (not discriminate, give equal service regardless of personal sentiment)" (Wilensky, 1964). Given the nature of competition and the work required by their loyalty to the entrepreneur or owners, it is difficult to see how the professional qualities of altruism or lack of self-interest would have made a more successful commercial manager or afforded them more control over their practice, or how one not oriented towards profit and ready to vie against peers, the commercial managers of other firms, would be useful to an entrepreneur, owner or managing director.

At the individual level, ethical concerns would have been associated with the desire for stable attachment, the 'positions of confidence' sought by many early commercial managers. That would be ethics towards their employer rather than the customer or other commercial managers. Commercial managers may have belonged to professional associations such as the ICWA but there was no record of these bodies influencing the work of the wider body of commercial managers or there ever being an institutional body with authority over the work of all commercial managers. Loyalty to the entrepreneur would also have precluded sharing of 'best practice' common to institutions, or formation of unions which according to Crossick (1977) would have been distasteful to the lower middle classes.

Coherence Around Knowledge

In practice, the commercial manager's work was a combination of bodies of common knowledge as represented in textbooks (i.e. Burton, 1895; Slater-Lewis, 1896; Elbourne, 1914) and taught as 'commercial education', primarily at trade schools and technical

colleges, as evidenced by the lack of those claiming or requiring graduate status in the archive. This was combined with more esoteric elements arising from their individual experience and contexts, the results of 'solo practice' (Wilensky, 1964). This tends to preclude absolute statements of what was and was not the role of a commercial manager, generalisable to the population of commercial managers. Uniqueness again tends to promote individualism rather than professional community. As Pollard (1965) noted about management in general; knowledge and behaviour was seen as was valid only for each industry separately rather than any managerial class.

Wilson et al, (2010) associated professions of the 19th century in the UK and USA with the new occupations of the middle class. With lack of presence at universities it is not likely that middle class graduates would initially aspire to be a commercial manager. Therefore, the body of knowledge is not immediately associated with that of an elite profession. There is no evidence that entrepreneurs or business leaders called for the education of commercial managers in an organised manner. Establishing trade schools was Wilensky's (1964) second phase in professionalisation, but control over the specialist knowledge which made them desirable remained in the hands of the commercial manager, accumulated by varied work experience. The predominant 'certification' of knowledge and competence to practice as a commercial manager was the personal letter of recommendation, especially in the early years.

Public Acceptance and Support

Public acceptance is a process of adjustment between the occupation and the people within its external environment; general public, other occupations, other professional associations and the state. There was evidence of a general acceptance of what a commercial manager was and how one could claim to be one and an awareness of this within prospective employees, entrepreneurs, proprietors, merchants and boards of directors. In addition to this, Hickson and Thomas (1969) emphasise acceptance through deliberate organised action by the occupation, particularly their elite (Barber, 1963). During this research, there was no evidence of this with commercial managers. There was no reference in the few textbooks to 'hero' commercial managers, no evidence of any commercial manager claiming an elite status for himself. Of the most widely known,

Calioz, after leaving the employ of Fayol went into teaching at HEC Paris, encoded his knowledge (i.e. Carlioz, 1918) and taught people who subsequently could have become commercial managers, as was the intent of the institution, but there is no evidence that he drove awareness of professionalism within the community of commercial managers or sought recognition of it from outsiders. British state interest in commercial education compared to that of France, Canada and the USA, did not appear anywhere to be directed towards developing a professional management or an occupation of commercial management.

As evidenced in table 21, the commercial manager typifies almost exactly Wilensky's (1964) 'Careerist', a type found mostly within engineering/manufacturing, as were the majority of commercial managers. This analysis also demonstrates and acts as a summary of the structures active upon the commercial manager in their empirical experience, as evidenced by the archive.

Table 21 Wilensky 'Careerist' applied to historical commercial managers

Wilensky 'Careerist' Attribute – structural elements	Evidence from Archive – actions and contexts of individual commercial managers
Role orientation	
Highly identified with incumbent leadership of his organisation	Commercial managers advertised themselves as ready to identify with the entrepreneur or owner, prioritising gentlemanly characteristics of trust, loyalty and duty. Early commercial managers were willing to make financial investment into the companies they worked for, possibly as a means to reduce the owner's sense of risk in allowing the outsider a senior stake in the business. They sought 'positions of trust and responsibility.' For the owner they were a solution to their problems of resistance to or acceptance of growth forced by exogenous conflicts, therefore they needed the commercial managers to identify strongly with them or their families.
Oriented toward career within workplace hierarchy	Commercial managers were offered the prospect of places on the board by employers, sought such positions and others of 'trust and responsibility.' The owner had to offer the commercial manager sufficient reason to remain as demand for their skills was high, by offering places on the board as the firm obtained limited status, it caused the

	commercial manager to change to satisfying their fears though loyalty to the company rather than moving on. Some career trajectories of commercial managers, i.e. Waine at BICC give evidence of climbs through hierarchy.
No ideological commitments, no dilemma-producing non-organisational goals	Goals appeared simple – work for the entrepreneur or proprietor, use specialist knowledge, secure profitable outcomes and get paid a handsome salary. Toward the middle of the archive in the boom years for commercial management the goals would have been more complex but ultimately the same; secure profit for shareholder dividends. As the commercial manager was at heart a pragmatist who in the early stages was working against some of the norms of societal elites, ideologies were not their concern, possibly only that of the lower middle classes – self improvement and the pursuit of status in the community.
Little professional identification	Few professional memberships were reported amongst commercial managers – those that were, were for specific aspects of the commercial role, i.e. cost accounting. The commercial manager was to identify more strongly with the entrepreneur or owner, who ultimately identified only with themselves. Joining a professional institution could lead to labour mobility and orientation away from the interests of the owner which would clash with the requirements of loyalty and duty.
Wants chance for social mobility, rewards recognised in local community - money, promotions, security	Straightforward rewards were requested such as positions of responsibility and trust and expectations of senior positions with associated rewards. Salary was not mentioned in situations wanted. Trade directories indicate that commercial managers were known as such within their communities. Social mobility desired would be that of the lower middle classes – self improvement and the pursuit of status in the community.
Roots in structure	
Role carries prestige in community	The trade directory and archive evidence demonstrate the role was recognised as something worth identifying oneself as and initially would be known within the community as. Carlioz experience as commercial manager for Fayol was useful to him in obtaining professorship at HEC.
Structure provides opportunity for much job progression	Access to board-level in many appointments, senior management of functional areas associated with commercial exchange. Also alternative roles were board-level actors such as secretary. The few examples of commercial managers in literature and board minutes reveal senior positions were attained.

Career climb associated with residential mobility	There was not much evidence in archive to comment upon this, although at no point do advertisers in situations wanted specify a geographical location implying that they would be prepared to relocate. Some situations vacant advertisers offered assistance with relocation expenses or the provision of housing, so perhaps there was an expectation of relocation in return for a position of significant status.
Roots in biography	
Origins: middle class; medium to low status ethnic-religious groups (esp. Catholics ¹⁸)	Historical analysis of British management and evidence of the archive suggests background of lower middle and upper-working class. The archive contains no reference to religious background; however Carlioz was likely to have been a nominal Protestant given his child's marriage to Fayol's granddaughter. Fayol was Protestant. It was also highly unlikely that a member of the French social elite would want employment as a mining engineer, later commercial manager.
Education: college dropout or 4- year grad. with low exposure to liberal arts; weak graduate training, if any	The employment archive indicates little graduate education, but given the historical context of education for commerce and also the times in which the early commercial managers would have become established, this is unsurprising. Later, there was some education beyond the minimum, particularly technical education in accounting or engineering. Significant barriers existed towards obtaining commercial education in a liberal mode. Towards the end of the archive, graduate education becomes more apparent.
Less orderly career (e.g., several tries before got on present ladder).	Work histories in the situations wanted were diverse; advertisers were early 30s to middle age, generally seeking opportunity to move on which implies working in a series of jobs which had insufficient progression for the actor. Early British management was heavily tied to the owner of the firm, so if a prospective commercial manager was working outside of that it could suggest that they were comfortable with being out in the market – possibly they were once a market-based actor such as a merchant or traveller, or possibly they may have become redundant after a business failure or by falling out with the owner. Perhaps career progression was not less orderly as much as it was pragmatic, driven by the fear of

¹⁸ Wilensky exhibits American cultural bias here. In Latin countries such as France, Protestants were more likely to have been the lower status religious groups.

	not achieving the status that was possible for that one, or loss of that status.
Little participation in professional affairs, more in local community	There is no evidence in archive of participation in local communities, except for commercial managers working in public utilities then later working in the public sector.

On all these counts of the trait model, commercial management can not be said to have been a profession, with significant structural limitations to ever being one, although the analysis has revealed that the occupation did have some of the required attributes in terms of a specialist body of knowledge and limited public recognition. The unique aspects of the role and context oriented them more strongly towards the individualistic aspects of their work and employers and so away from any professional body. Commercial management could be described as a ‘career’ though, using Wilensky’s analysis. They could well be described as a prototypical ‘organisational profession’, called into existence by the concerns of capital and enterprise. However, cost accountants also shared a similar start in industry with similar context and were able to institutionalise and mount a successful professional collective mobility project, as has been discussed. The following section will consider what resources for such mobility were missing for the commercial managers, which leads to interesting questions regarding mobility for the modern day commercial manager, also currently a careerist ‘occupational profession’.

Potential for Professional Mobility?

Table 22 below, uses the mobility tactics framework developed in chapter 2 and applies it to the case of the historical commercial manager.

Key Elements and Mobility Tactics	Evidence from historical commercial management
<p>Raison d'être (Central Problems)</p> <ul style="list-style-type: none"> • Identify central problems or threats to capital and aspects of knowledge base appropriate for solving these • Identify central problems or threats to enterprises and aspects of knowledge base appropriate for solving these • Define measurable effects of practices upon operation of enterprise and upon other occupations • Identify supporting and restraining changes in organisational evolution 	<ul style="list-style-type: none"> • Evolution of western economy and decline of empire creates issues of control; demanding new markets, consumers, international trade and competitors, decline of the merchant system at home. • Evolution of capitalistic enterprise creates issues of control; to grow or not, family succession problems, marketplace change and international competition at home and abroad • Increased labour mobility and prestige of commerce brings new men with management experience, loyalty and gentlemanly conduct. Their work helps create new marketplace demands and better supply and internal operations • Restraining changes come in the move from personal-proprietorial capitalism into managerial – emergence of professional management, specialisation of functions. Spans of control become too wide for one man. Reorganisation when merging and moving to departmental or divisional status tends to remove the commercial manager from the hierarchy.
<p>Membership</p> <ul style="list-style-type: none"> • Orient membership towards institution and to each other, away from conceptions of status professionalism and individual mobility • Expansion of membership group to involve as many levels of practitioner as possible particularly those already at the 'destination point' of the project 	<ul style="list-style-type: none"> • There was no institution in which men could have 'membership'. • Aspirations of commercial managers were already high, but associated with individual mobility, as indicated by self-advertising. Enough status had already been achieved in the context of personal-proprietorial capitalism that there may have been no need to seek further collective mobility. • There were no levels of practitioner, apart from assistants and clerks

<ul style="list-style-type: none"> • Raise aspirations of membership • Create desirable status levels within group • Identify collective fears and dissatisfactions of membership group • Locate a principal threat to focus membership fears 	<p>referred to in the archive.</p> <ul style="list-style-type: none"> • Collective fears would have been those of class, rather than an occupation as a whole, given the diversity created by individual contexts and practices.
<p>Communications</p> <ul style="list-style-type: none"> • Develop a mobilising bias or brand • Initiate debate over use of the terms and identity • Acquire languages and discourses of senior management • Shape market for expertise with communication on the solutions to the problems of capital and of enterprises • Initiate communication with competitor occupations • Assist members in communicating their value to their employing organisations 	<ul style="list-style-type: none"> • There was no collective amongst which to communicate, or any central institution to communicate with employers, etc. • They had acquired the languages of senior management without any particular higher education as can be seen in their adverts. Possibly this was through background as travellers or clerks, social clubs were unlikely given social background but other kinds of networking in previous employment could have been possible. • Situations wanted advertising could be viewed as an attempt to shape the market for their expertise but this was not in any collective way and still placed them at the mercy of the employer.
<p>Knowledge base</p> <ul style="list-style-type: none"> • Incorporate representatives of the ‘destination point’ bodies of knowledge into the development process of the knowledge base and associated examinations • Control development and transmission of codifiable knowledge • Identify and maintain obscure knowledge or indeterminate practices • Shape transmission of obscure knowledge from senior to junior 	<ul style="list-style-type: none"> • Without a collective, there is no real knowledge base in any objective sense, although there were textbooks and ‘commercial education’, this was not in any way controlled by commercial managers. An exception would be Carlioz at the HEC though his influence was limited to France. • Canadian commercial graduate education was pursued by accountants. In Britain, commercial education was part time and college level courses. The commercial manager emerged at a time when credentials were less

<p>membership</p> <ul style="list-style-type: none"> • Liaison with universities as marketing and knowledge base development • Adjust content of knowledge base upwards through examination • Control production of credentials • Demonstrate a contributory approach to various aspects of management outside the main area of the occupation • Use lower status activities to block off technical aspects from encroachment by other occupations 	<p>important in British management. By the time graduates in commerce came into the labour market, the commercial manager role was in decline.</p> <ul style="list-style-type: none"> • Knowledge was proprietary, part of individual experience. This was what the commercial manager was paid for and upon which he bargained and attained status, therefore not likely something shared. • Some evidence of assistants to commercial managers, so some personal transmission of knowledge from senior to junior. • Higher status activities went to functional specialists in the case of cost accounting and sales and marketing, lower were subsumed by other functions such as production taking responsibility for procurement.
<p>Enemies</p> <ul style="list-style-type: none"> • Specify threat/competitor occupations and assess their position vis-à-vis central problems • Prepare offensive and defensive moves against competitors, using knowledge base • Generate mobilising bias • Specify control strategies over competitor occupations, linked to the central problems • Engage in public conflict with competitors through professional, academic and public channels 	<ul style="list-style-type: none"> • Without a collective, there was no-one to specify threats, there was also no codified knowledge base upon which to base offensive and defensive moves. • There were no real enemies as the role was not recognised as a barrier to any other occupation's work. • The main threat was the changes that put commercial managers in place running their course, demonopolising them, preventing closure and emptying the role out through increasing span of control and specialisation of subfields.

Table 22 Comparison of the experience of historical commercial managers against mobility tactics

As prototypical organisational professionals, the experience of commercial managers had certain elements that would tend towards professional status, related to the static 'trait' theories. They were a solution to identifiable problems for capital and enterprises, which given the wording of their self-promotion, they were quite aware of. A large degree of their value was of a personal nature, a combination of knowledge with experience and personality traits. This would be ideal for generating indeterminate practice and obscure knowledge, which in turn is ideal for closure. Being a solution to a central problem is the beginning of professional mobility, creating demand situations that are recognised by the employer and the public. However, the experience of commercial managers fails on every other element associated with the dynamic aspects or 'tactics' of mobility. This is because, 'mobility tactics' require human action, the presence of a self-aware collective to experience concerns and fears, to realise to ameliorate these being a collective is pragmatically more valid than being an individual, to determine their set of opportunities, prepare for reactions and counter-moves and to act. Then consequently, to evaluate and change their knowledge base if the move has proved pragmatically valid. Without a collective presence, competitor occupations would not recognise them as a target, but on the other hand, no one would be detecting other threats arising from changes in the economic environment.

The fundamental tactic for animating a self-aware membership is to orient them towards the group and away from their employer as the provider of status. For commercial managers, as individualists, this was not likely. Larson (1977) noted that individual mobility tends to follow the pattern of patronage or competitive entrepreneurship. The perception of individual experience would lead to individualistic solutions, as represented by the upsurge of interest in commercial education in the first half of the 20th Century (Crossick, 1977), rather than forming collectives. However, resistance to collectivisation could have been an indicator of strength rather than weakness vis-à-vis the employer, an indicator of the strength of the individual deal and the individual ambition.

Commercial managers became successful in an earlier phase of capitalistic evolution, so that by the time of managerial capitalism, they were embedded in organisations and as

individuals had already achieved that status which for other occupations required collective mobility. Emerging at the end of the phase of personal capitalism they were too early for widespread graduate education within their social class or for their role to be concerned by conceptions of professional managerialism. By the time cost accountants had begun their mobility project, commercial management was on the verge of decline. The encroachment of cost accounting, the professionalisation of sub roles, the diminishing of the role in the growth of organisations did not matter to anyone if the individuals themselves were unconcerned.

The knowledge base of commercial management evolved not under the intentions of any group of actors, but organically, as did the enterprise. As there was no central body to dictate and close what a commercial manager was or was not, how was the role kept so consistent across the decades of the archive? There are at least two possibilities, the commercial managers themselves, in the sensemaking aspect of recruitment and job search, determined the role and described it to each other and to prospective employers. The other is that rather than with the cost accountants, their elite packaging the name of the occupation and what it would stand for, for commercial managers the economic and cultural environment, the concerns of capital and enterprise, did that. The role rose on socioeconomic change and would fall on it. Ultimately, collective mobility would not have prevented the decline of the commercial manager role in either numbers or status. A large number of commercial managers appear to have been sought at the start of the phase of managerial capitalism, but many of the industries which employed these were themselves were on the verge of decline.

Unique, monopolised knowledge and practice is only useful until the problems it is the answer to cease to be a problem. The problems of capital and enterprise had moved beyond the problems of the family owned firm. Cannadine (1984) details the fluctuations in the UK economy after WWI, with deterioration averted by the outbreak of WWII, after which good and bad years alternated until the 1950s boom of the Korean War. Between 1935 and 1948 average employment in manufacturing plants went from 107 to 124, with evidence of amalgamation in larger and more efficient works. However, profits were

more likely for the smaller firms undergoing less change, a structural force against amalgamation or growth, favouring the persistence of family-owned firms. According to Pollard (1983) 1950 was when the worst effects of the war were over and when Britain had returned to a position comparable with that at the outbreak of the war. British industry was showing lack of enterprise, but also high rates of production, only slowed down by government policies of deflation and restriction. It was also the time of new tertiary industries as evidenced in archive. As seen in the archive, this was a time of explosion in demand for commercial managers.

Meanwhile in the US, the move towards M-Form organisation amongst top manufacturing firms was almost complete. Thompson and Wright (1987), Teece (1981), Armour and Teece (1978) and Chandler (1977) place the emergence of the M-Form organisation in the 1920s at General Motors and DuPont. Steer and Cable (1978) places its completion as the dominant form of industrial organisation amongst top US firms as between 1945-1950. The UK lagged behind this, for reasons suggested earlier, with the majority of top UK manufacturing firms developing M-Form organisation between 1960-1970 (Pollard, 1989; Steer and Cable, 1978). Of course, this analysis only covers the Times 1000 (Steer and Cable, 1978) and the 100 largest UK manufacturing firms (Pollard, 1989). All that can be said of small firms (SMEs of <250 employees) is that between 1935 and 1963 their number had fallen by 56% and they had become increasingly tied to the performance of the M-Forms as second and third tier suppliers, in which case a strong market orientation was less required, buyers would become fewer and larger, contracts longer term and enforced more strongly by the buyer. For such firms, this would reduce the importance of sales, but increase that of contracting and negotiation.

The growth of the remaining engineering organisations led to the elements of the commercial manager's purview becoming separated into specific procurement and selling functions. The components of the commercial manager's role became of different levels of importance to the strategic core. Gradually, the competencies within the commercial function acquired their own professional status and place in the boardroom. These

garnered academic interest in their functions and the development of journals and institutions. Marketing and finance people were wanted as leaders, rather than generalists such as commercial managers. Unlike marketing, purchasing became viewed as having a passive role in the organisation (Ellram and Carr, 1994), Ansoff (1987) identifying purchasing as an administrative function, Porter (1985), as a support function, generally limiting its contribution to profitability to simply cost reductions (Nollet et al., 2005). Stock control and procurement became subsumed by the manufacturing department through fashions for just-in-time manufacture and Japanese methods.

Cannadine (1984) identified that from 1974, the British economy moved into a 'post-industrial' phase, initially with higher rates of inflation and greater unemployment, international fragmentation and weakened unions and a turn away from industry in culture and education. This is evidenced as a point of decline for advertisements for commercial managers. If the situations wanted advertisement frequency is taken as a proxy for demand, then this is the phase of 'fall', or perhaps dissipation of commercial into other organisational contexts, now that its primary employer, manufacturing and engineering had gone into decline. Supple's (1994) analysis shows that between the mid 1950s and 1981, the percentage of the British labour force employed in manufacturing fell from 46% to 38% and that by the end of the 1980s it was below 30%. There was also a fall in family owned firms to 30% in 1970, family boards only holding 0.46% of shares in 1972. If the commercial manager was predominantly a feature of such firms, then their fall would signal the commercial manager's fall.

Three Hypotheses on the Descent of the Modern Commercial Manager

This section will present a debate between the ideas developed in this thesis on the historical roots of the modern commercial manager and the effects on contemporary practice in the occupation. The arguments of Lowe will be evaluated against those of the author. In conclusion, an integrative third way is proposed. The commercial managers in the archive during Wilson's phase of financial capitalism bear little similarity with those of the period up to 1962 and little to the modern commercial managers of Lowe's

research, which fundamentally challenges the idea of a line of descent through history of the commercial manager from late Victorian manufacturing down to the project-led organisation of today. There are currently no agreed-upon theories as to the descent of the commercial manager into modern project-led organisations.

So far, this thesis has attempted to answer this problem, by instead of looking back from the present to find suitable ancestors (though this was done in literature review), by identifying the earliest uses of the term in an archive of employment advertising and analysing the context of the actions of identifying oneself as a commercial manager and seeking to employ such ones. From this, the motivating concern for the act of advertising oneself or ones business needs was theorised and from there an argument built for the emergence of this kind of manager. This lends structuring evidence for the theory referred to here as the Stewart H₁ that; the occupation of commercial manager rose and fell and rose, persisting in project-led organisations. There are two main implications of this; the historical commercial manager is the forebear of the current, implying a continuous lineage, secondly, it opens up the possibility that the history of the role is in some way a causal, structuring antecedent to the experience of the contemporary commercial manager.

So far, the historical employment archive and literature review demonstrate the emergence and evolution of an occupation of commercial manager initially in engineering and manufacture, which rose in prominence and frequency in the archive until the early 1960s then fell. It has also been demonstrated that the contents of the occupation by the 1930s bears strong resemblance to the commercial manager of today as reported by Lowe. It has been argued that as the conditions which required the response of appointing the commercial manager changed, so did the role. Can the role be described as something existing and inter-subjectively real? The archive of situations wanted reveals a group of men who wanted similar things, and labelled themselves as or desired the label of 'commercial manager'. It would not be reasonable for them to think and act a certain way as if dealing with something inter-subjectively real and do so consistently over a century and for their potential employers to mean or think something quite different by

‘commercial manager’. In fact, the parallels between the situations wanted and situations vacant archives strongly support a consistent view of the role of the commercial manager, evolving in stages more-or-less consistent with Wilson and Thomson’s (2006) phases of British capitalism.

Stewart H₁ is supported by evidence of commercial management’s emergence. However, it does not describe the exact means of descent into modern project-led organisations. Regarding the strong similarity between the archive commercial manager during the phases of late personal-proprietary and managerial capitalism and the Lowe model of modern commercial managers, it is tempting to use the inductive method of U.S. poet James Whitcomb Riley, “if it walks like a duck...” to argue that what is seen today is a descendent of the historical commercial manager and a consequence of the continuous evolution of industrial organisation, now moving towards projectisation, the logical outplaying of the forces which put the commercial manager into the organisation in the first place. The archive demonstrates that the project-led commercial manager undertakes the same activities as the historical with only two significant differences – they are assigned to a project, rather than a fixed position within a hierarchy and although the majority are not represented at the highest levels, most have a span of contact with other functions, such as may have been directly under the remit of a commercial manager in the mid 20th century.

A possibility for transfer into large project-led organisations is the acquisition and amalgamation of small engineering/manufacturing firms into mutiplant then multidivisional organisations, which happened throughout the post war years into the 1970s, creating an inheritance from the ancestral companies. Amongst these inheritances could have been the commercial manager designation. To an extent, BICC was an example of this, until the late 1960s in that the commercial manager designation lingered in the amalgamated divisions, although not in the parent company. It may have remained in connection with certain competencies in contracting and procurement/sell-side activities that had been constructed within that firm as ‘commercial’. In this case, it can be no coincidence that many modern British commercial managers can be found in long

established engineering and technology firms. If the staff records of a large engineering firm that currently employs commercial managers which also had roots before the second world war, such as Rolls Royce, could be analysed to see in what capacity the commercial manager designation was used and if there was a continuity of it between the post war years and today, this would tend to validate Stewart H₁ in respect of project-led engineering and manufacturing firms of a certain age.

However, this does not really answer the question of how the 'weak' commercial manager of the end of the archive is transferred into project-led organisations, or is even related to commercial managers in project-led organisations, or the presence of many commercial managers in non-project-led organisations in industries unrelated to engineering or manufacture, such as banking or finance. Consideration of the aspects of the role 1983-2003 evidences a fall off in the buy-side activities and fall in the demand for generic commercial management activities as well as specific trade awareness, technical knowledge. Therefore, traditional commercial management per Carlloz or Waine was not required; what commercial management appears to become is the management of some kind of sales-related activity, some responsibility for financial record keeping and business development on a small scale. This raises the possibility that there is more than one 'species' of commercial manager in operation today.

Lowe (2006) presents a different theory as to the history of the modern commercial manager, suggesting that the modern commercial manager is related to the surveyor of the construction industry, referred to from this point as the 'Lowe Hypothesis.' Lowe (2006) states that the construction industry had been using the designation 'commercial manager', as related to quantity surveying, subcontractor management and the management of the cost/price aspects of projects since the 1980s. At this time, surveying became more 'holistic', attuned towards methods of procurement and social aspects of construction (Lowe and Leiringer, 2005). The main professional institute in the area, the RICS (Royal Institution of Chartered Surveyors) has also at that time been amalgamated with the IQS (Institute of Quantity Surveyors), creating an influx of surveyors from commercial contractors into an institute which had up till that point not admitted those in

commercial practice. These views are corroborated by Male's (1990; 1984) work on the professionalisation of surveying in Britain.

Similar to the cost accountants, the quantity surveyor emerged in the mid 19th century as a definite type in the construction industry although it can trace its lineage back to the 'measurers' of the time of the Great Fire of London (Male, 1984). The quantity surveyors also fought a collective mobility struggle against the chartered architects and within themselves as a division arose between the surveyors in private practice and the commercial surveyors working for contractors. Initially, 'commercial' was looked down upon as being contra professional status, being involved with the works of traders and merchants and the implications of competition instead of public service. Over a period of seventy years, this was resolved, but an understanding of what constituted 'commercial' was clearly constructed.

In 1971, the Future Role of the Quantity Surveyor Report first identified the cost estimating and control, contractual and tendering aspects of construction activity as the quantity surveyor's most distinctive competence, based upon their role as intermediaries in the exchanges in completion of projects and the most likely to move them into a decision making, therefore managerial, role. This mirrors the cost accountant's mobility project, in the attempted divestment of technical work for that of a more managerial status. From this solidified a range of activities described as 'commercial'; project appraisal, the establishment of costs and value for money, advising on investment and profitability, contractor selection, tendering methods and processes, the preparation of contract conditions and contract documentation, evaluation and negotiation of tenders, contract settlement, preparation of final accounts, evaluation and agreement of contractual claims, expert advice in arbitration and dispute resolution.

Lowe's argument is that as the amount of industries and organisations becoming project-led increased, the kind of competence in management of commercial issues developed in the entirely project-based construction industry became increasingly relevant beyond the construction industry. As quantity surveyors became more involved in the management of commercial exchanges and this in commercial contracting organisations, the alternative

title of commercial manager rather than surveyor became appropriate. However, what was the mechanism whereby the role travelled from construction to engineering or other project-led industries? A possibility mentioned by Lowe is the Project Management industry. Within the PMBOK, in section five, is featured 'commercial', which covers business case, marketing and sales, financial management, procurement, bidding, contract management, legal awareness (Morris, 2001; Morris et al. 2006) all arguably exchanges with the business environment that would find parallels in the archival picture of commercial. The discourse of construction is a dominant voice in project management. The author of the PMBOK taught in construction at UMIST where the PMBOK was initially developed. Perhaps this acted as a 'carrier' between the construction industry project experience and that of other types of project-led organisation, through the credentialisation of project management practitioners. Therefore, credentialised project managers had to consider the commercial management of projects, although that did not necessarily determine the presence of the role of a commercial manager in such an organisation. Essentially, the commercial management of the project could be carried out by any other occupation that cut across the list of commercial activities.

If Lowe is correct this could seem disconfirming to Stewart H₁. The commercial manager which emerged from manufacturing/engineering and fell is not related to the project-based commercial manager of today, hence, there has been no second 'rise' and the record of historical commercial managers has little relevance to the experience of the modern, any seeming relationship between the archive and modern commercial practice is coincidental. As the archive demonstrates, 'commercial manager' was left to signify merely a sales and accounts responsibility of some kind, which persists as any search for 'commercial manager' in monster.co.uk or other general recruitment website will demonstrate. If modern commercial managers in large project-led firms are compared to these 'commercial managers' then the Lowe hypotheses looks more practical in that the quantity surveyor or contracts manager appears to have more in common with modern commercial managers in project-led firms.

There are a few issues with the Lowe Hypothesis. Are surveyors the most appropriate professional model for commercial managers? Urwick and Brech (1949) associated the term commercial management with cost accounting explicitly and costs are indeed where surveyors obtain part of their distinctive practice, but there are significant differences. Male (1984) makes the point that public concern over professional integrity amongst surveyors forced development of ethical standards, accelerating the development of professional institution, whereas as has been discussed, commercial managers came from and were bound to, competition in the service of their employers with very little public concern or interest. The role of the surveyor was very specific and obtained closure very quickly, far earlier than the cost accountants. No one else except perhaps an architect could be a surveyor, whereas in the archive commercial management could be undertaken by a commercial manager, a secretary, or cost accountant and today given the description of the PMBOK, commercial management could be undertaken by many different occupations.

The elements of commercial work of the commercial manager/surveyor do indeed appear similar to the commercial activities in the archive and commercial management as practiced today in non-construction, project-led organisations, which Lowe demonstrates in table 23.

Table 23 Comparison of commercial manager functions in construction industry and technology-based project-led organisations

‘Commercial’ Function	Involvement in Function (J=job, S=provides support, N=little or no contact)	
	Construction	ICT/Telecoms
Contract formulation	J	J
Contract negotiation	J	J
Risk management	J	J
Dispute resolution	J	S
Bidding	J/S	J/S
Procurement	J/S	S
Pricing	J/S	S
Business plan development	S	S
Creation of outline proposals	S	J/S
Acquiring approvals	S/N	J/S
Subcontracting administration	J	S/N
Supply chain management	S	S/N
Supplier evaluation	S	N
Performance measurement	J/S	S/N
Innovation management	S	S
Quality assessment	S/N	S/N
Cost management	J	S
Cost/value reconciliation	J	S
Cash flow management	J	S
Payments	J	S/N
Claim formulation	J	S/N
Value management	J	S
Marketing	S	S/N
Sales	S/N	S/N
Estimating	S/N	S
Image/reputation management	S	S
Development appraisal	S	S
R&D	N	N

However, it can be seen that in construction the activities of the commercial manager are actually closer to the breadth of the archival commercial manager, whereas the commercial manager in the ICT/Telecoms industry seems more oriented towards contract management and business plan development. According to Lowe and Leiringer (2005) surveyors work features a large component of subcontractor management, unlike commercial management in defence, engineering or IT. In manufacturing, subcontracting for labour or works diminished rapidly after the late industrial revolution, but in construction it obviously remained. This indicates that despite similarities the commercial manager in construction is the result of an evolutionary process, a response to the

problems of capital and enterprise, quite different to that of commercial managers working in manufacturing/engineering.

The designation 'commercial manager' predates the 1980s in the construction industry. Examples from the archive are shown below from 1936, 1951 and 1956 respectively. Emphasis on contracts, billing, estimating and costing can be clearly seen, which suggests a fairly clear, pre-existing understanding of what commercial meant amongst subcontractors in the construction industry, which was approximate to the understanding in manufacturing/engineering at that time. Perhaps the title was already operative in subcontracting companies and so when surveyors began to move into commercial practice, they appropriated the pre-existing title from a pre-existing activity that seemed approximate to the commercial aspects of their work?

***Public Works Contractors** (London) require Commercial Manager, fully experienced in the handling of all types of building and civil engineering contracts, apply in own handwriting, giving full details of previous experience, age and salary required. Address T 9. M/c Guardian 2.*

***Construction Engineers**, Bolton area. Commercial Manager requires assistant must be experienced all commercial activities of trade with particular stress on estimating final bills for contracts: position offers good prospects to conscientious man with initiative trained man preferred but ambitious young man having initial experience would be considered: full details, age, experience and salary expected. Address L 385 Manchester Guardian.*

***Commercial Manager required** for large building and civil engineering firm with headquarters in Scotland: applicants for this important post should preferably have training in accountancy, and duties include supervision of branches, costing company taxation and contract conditions, in addition to normal administration: this vacancy is pensionsable and carries an attractive salary commensurate with ability: assistance in housing may be offered: experience of the building and civil engineering industry is essential. Applicants should give full information of their experience which will be treated confidentially. Box 464 Woolward Advertising. 86a George Street. Edinburgh.*

When comparing Stewart H₁ and Lowe from a pragmatic realist point of view, the question has to be asked; which has the greatest explanatory power? The theory of a rise

and fall turns inquiry towards the mechanisms by which the role was made to rise to the board then fall to the peripheries of organisations or disappear entirely. Both archival and board minute evidence has been presented to this effect; its roots in the phase of personal-propiertorial capitalism, the emptying out by the stretching forces of span of control and specialisation/professionalisation of sub roles, the decline of the family-led manufacturing firm, which led to its fall from the TMT and that allowed it to fade from history. The fact that it began and persisted in family-owned, then larger but still family-influenced British firms put them outside of the emerging academic discourse on management and organisation coming from America, with its bias away from non U.S., non M-form businesses and later away from peripheral and routine workers, such as commercial managers became, which contributed to the lack of academic interest in their work. The Lowe hypothesis can not account for these historical facts. Of course, it does not have to if it only recognises the modern role as being active from the 1980s onwards and quite separate and different to the commercial managers of the archive.

However, neither the Stewart nor Lowe hypotheses alone can account for the persistence of the term commercial manager in non-project led organisations, outside of engineering and manufacture, many of which would not have existed during the time of the growth years in commercial management in the archive. From where did these organisations acquire the term? Commercial managers also still exist today in small, older family owned firms. Commercial management also occurs in the public sector and according to the UK Office of Government Commerce it is entirely related to procurement which the DEFRA are seeking to change from 'procurement' to 'contract management'. However, this description of commercial management is far narrower than the Lowe and Leiringer (2006) list. Also, DEFRA do not use the title commercial manager, so it is unclear who would be performing the commercial management.

There is a third possibility. 'Commercial' is a persistent, culturally common construction to identify the exchanges necessary for the production and distribution of things of value. Historically, these have been non-core for the engineer, the entrepreneur or the owner. It has always been necessary to have trusted people monitoring and managing the exchange

and associated processes. Working in the exchange, as per the example of cost accountants, has a tradition in Britain of seeming less honourable and historically there was a preponderance of lower middle class involvement, both of which work against collective mobility or institutionalism. Hence, nobody came to 'own' the term 'commercial' in business, it was a pre-existing part of the cultural commons of Britain and remained so.

Unlike 'cost', 'manager', 'surveyor', 'accountant', 'foreman', very specific concepts with persistent, stable understandings and referents in society, 'commercial' was becoming less specific towards the end of the industrial revolution. All roles associated with profitable exchange and associated men could be considered 'commercial' and gradually each industry would bracket its exchange related activities under that label, but with clear distinctions between industries due to their particular evolutionary paths (i.e. persistence of subcontracting in construction vs. manufacture). These activities would still require management, hence the term 'commercial manager'. Hence, as demonstrated by the archive, clusters of activities appeared to decline along with types of industry.

So, it could still be that all modern occurrences are descended from the emergence of the term, in that someone had to be designated to manage commercial interactions and for this one to be called a commercial manager in order for such an idea to be available to other people. Perhaps the variety of modern commercial managers are not descended from a particular role as much as descended from a particular technocultural response to changes in industrial and capitalistic development. There has been a 'speciation' of derived occupations from it in some industries, which took key elements of the role (i.e. cost accountants) and there were other occupations which took the term and prevented its closure, replacing it so that commercial management was undertaken by people other than commercial managers. Or there could be a process of 'parallel speciation' where similar commercial pressures in different industrial environments result in parallel evolution of managers with seemingly identical traits but which have developed in isolation from other commercial managers in other industries. In this theory the archive, rather than demonstrating the historical development of one occupation, shows the historical

development of a meaning and naming process and the combination and gradual differentiation of roles and emergent responses in evolving industrial organisation.

The diffusion of this naming process could then account for the variety of industries adopting the designation and the similar-yet-different collection of activities bundled into this designation. Therefore when surveyors took on more operations beyond measurement, those could be identified as commercial by the construction industry, as there was a pre-existing understanding of that term in the industry, albeit a negative one from the point of view of the RICS. The commercial manager from engineering and manufacturing came to severe decline. What persisted from that point in the archive till now, was a loose meaning, existing as a cultural commons, that business leaders could tap into when they need someone like that, given the histories of their firms and the already constructed understanding of commercial in that industry or firm.

Therefore, it may be equally possible to have four modern commercial managers, only three of which work in project led organisations:

1. As per Stewart H₁ in a project-led organisation with a long history such as Rolls-Royce which would have a history of the designation dating back to its earliest times and a thoroughly constructed understanding of the term
2. As per Lowe in the construction-influenced-via-PMBOK project-led organisation that has taken on managers to cover what the PMBOK identifies as ‘commercial’ activities in project management
3. In an older family-owned small firm, working in a company with a history of the designation dating back to its earliest times
4. The manager of some form of sales orientated exchange, for example in finance or banking, whose superiors, recognising that these processes are in their minds ‘commercial’ (as per the construction of that term in their industry), designate that one a commercial manager.

Conclusion

This chapter has placed the evidence of the literature review and archive work in context with several debates in management history and demonstrated that the picture developed of the commercial manager is consistent and non-controversial with accepted theories of management development, vertical integration, trait and mobility theories of professionalisation.

This chapter has introduced and demonstrated several novel ideas; the mobility tactic, the Stewart H₁ and Lowe hypotheses and the idea of commercial being a persistent cultural commons and the occupation developing from that in response to the concerns of capital and enterprise as opposed to the specific works of the industrial enterprise such as cost accountants. If this is true then as regards the work of this thesis, what it has done is to map the development of the commercial manager in engineering and manufacture from where it emerges, but it can only be specific in relation to modern commercial managers who work in organisations where the designation has a continuous lineage, rather than being broadly applicable to all workers taking that title in all types of organisation.

Chapter 6

Exploring the Experience of Modern Commercial Managers

Introduction

This chapter explores the experience of contemporary commercial managers, specifically of business strategy and innovation within their work. Strategy and Innovation are particularly significant as the functions of modern business, especially those considered ‘support’, are challenged to locate themselves in relation to and demonstrate their relevance to these discourses and so access the executive ‘top table’, to represent their distinct interests (Baregheh et al., 2009). The majority of research on the subject is biased toward an institutional level, with a focus on products and establishing innovation through idealised processes amenable to rational management, but which presume to ignore the visceral component of the innovating individual, their motivations, their ‘experience’ as noted by Caird (1994) and Smid et al., (2005). Typically the intrinsic questions of why an individual would want to go to the trouble of being innovative in their work, or how their historical experience creates conditions for the (im)possibility of the ongoing innovation experience, for future innovation, are ignored.

This can be addressed by taking a phenomenological interest in a first-person perspective on the matter. As has been detailed in Chapter Three, this inquiry into innovation will use critical incident technique as a means to access commercial manager’s first hand experience of innovation within the commercial exchange. Analysis of innovation behaviour is of praxeological interest. It allows for discussion of a specific set of intentions, fears, discontents and opportunity sets, which turn the mind towards this type of action, materialised in specific antecedents and consequences. By examining experience, not only might the effects of the discourse be evidenced, but also glimpses into practice are given, suitable for the improvement of practice. The use of mastery discourses is also significant for improving the status of occupations. If innovation is permitted and freely engaged in by those with that occupation, it is a significant sign of

the kind of latitude and indeterminacy of practice fundamental to claims towards professional status.

Mastery Discourses, Professionalisation and Organisational Status

Innovation, as an aspect of western management discourse fulfils the description of a 'mastery discourse' (Hoskin et al., 2006). One, that as Hellstrom (2004) and Suchman and Bishop (2000) indicate may also be invoked to overcome resistance to managerial strategies and unleash significant material resources within an organisation and also regionally and nationally, through government and international policy (Welz, 2003). Innovation is portrayed in academic and popular management discourse as a panacea for competitive ills, the only rational response to hyper-competition, uncertainty and globalisation, its absence a sure sign of imminent organisational failure. It is invoked as a proxy for 'new', 'creative', 'exciting', an appropriate behaviour for a business with an interest in the future. Innovation has become an 'organising principle' (Hull and Kaghan, 2000) within firms, an imperative (Suchman and Bishop, 2000), holy grail (Sutton, 2001), even a fetish (Hellstrom, 2004), evidenced in published strategies, marketing and mission statements.

Business strategy, as an educational subject, is around a century old if one were to count the years it had been called 'business policy' (Hoskin et al., 2006; Clegg, 2004; Rumelt et al., 1995). The move away from family-owned firms and the rise of the professional manager working in increasingly complex multidivisional firms, gave rise to the need for methods of legitimating these new leaders as well as for communication and control of the enterprises and increasing shareholder value (Hoskisson, 1999), integrating management with economics (Schneider and Lieb, 2004). American business schools quickly supplied solutions to those concerns of capital and enterprise, which became popularised in business through a dense interaction of business schools, 'hero managers' and consultant firms (Clark, 2004), then exported from America through management exchanges under the Marshall Plan and later, in the contents of MBA education (Rumelt

et al, 1995; Ghemawat, 2002). This created a 'gilded elite' (Clegg, 2004) with a unique language of strategy terminologies.

As has been discussed, purposeful use of the mastery discourses of the times was a significant part of the professional mobility project of the cost accountants, from their identification of 'management' accounting and finance management in the 1950s, to long-range planning – later known as 'strategy', in the 1970s. The adoption of these elements was co-ordinated through debates initiated amongst their membership, the communications with the marketplace and the content of membership examinations. Taking on the languages of the executive, helps ensure public acceptance and market demand, because the solutions of the occupation have come to be associated with the concerns of capital and enterprise. This leads to easier 'closure', based upon the claim that to allow the occupation to be devalued or replaced will impair the solution that they present, which is superior to that of any other occupation. Morris et al. (2006) shows how project management is attempting the same thing by the PMBOK making a very strong play for business/corporate strategy by arguing that the project manager is the only competent person to integrate the multifunctional team and lead the projectised work of the project-led organisation.

Historically, commercial managers were themselves an innovative response to marketplace change and organisational growth. In both situations wanted and vacant archives, there is evidence of commercial managers being associated with new, improved methods; "organise and expand", to be "progressive", "introduce and develop new business", "develop works", "investigate contracting methods", have "unusual organising ability", "implement war methods" or "introduce modern business methods." When the main threats to capitalistic interests at the time of personal-proprietorial commerce are considered as detailed in chapter one, it can be seen that commercial managers were a type of response and this further credentialised them for a place at the executive level of their organisation. Establishing their modern position vis-à-vis the mastery discourses such as strategy and innovation would be another useful element in identifying any potential resources for professional mobility from their current peripheral position.

Problems of innovation's Definition – the Loss of the Individual Experience

According to the OED, innovation and innovate enter the English language from French 'innovare'; to renew, alter or make new. Mankind exploiting their ideational potential for personal and community gain is nothing new. The history of this, what is popularly regarded as 'innovation' has been extensively written about (i.e. Mokyr, 1990). These accounts mainly surround the technological production of things, and the ancient lineage of technological devices, not innovation as a term, or the ideas behind it. Such took place in tools and mechanisms relating to the main means of wealth creation and social order; the land, warfare and the Church and was desirable if it sustained the order, as determined by the craft guild and the Church (Kieser, 1989).

The work of Joseph Schumpeter is widely recognised as a major point of transformation in the modern understanding of innovation as an intentional economic force (McCraw, 2007). In particular, he is recognised for the idea of the business cycle and the ends-oriented entrepreneur who disturbs those cycles through specific kinds of exploitation, an 'adaptive response' to changes in economic conditions materialised in new products, equipment, inventory management, raw materials, labour and organisation. Innovation first appears in Schumpeter's English work in 1928's 'Instability of Capitalism', as an intensely personal thing.

“What we unscientifically call economic progress means essentially putting productive resources to uses hitherto untried in practice, and withdrawing them from the uses they have served so far. This is what we call ‘innovation’... It is a feat not of intellect, but of will. It is a special case of the social phenomenon of leadership. Its difficulty consisting in the resistances and uncertainties incident to doing what has not been done before, it is accessible for and appeals to only a distinct type which is rare.”

Serendipitously, after a decline in use during the early modern period, it would appear the term was 'floating' around at the start of the 20th century to be acquired by Schumpeter

as best fit to the German word 'Neuerung'. Part of the experience of innovation is recognising one's actions as innovation, which requires that the actor have a particular understanding of the term, in order to recognise their actions as such, but there is currently no authoritative definition of innovation (Baregheh et al., 2009; Cooper, 1995). It is not surprising that innovation has been hard to define. In discussing Schumpeter's choice of innovation to represent the Germanic concept of Neureng, Fear stated¹⁹, "The problem is that it is one of those German non-words made vaguer by adding and "ung" (ing, usually) and "er" (some sense of becoming or change). Combine it with "neu" (new) and you have a first class word that can be filled with almost anything." Beckler et al. (2006) and Ferrarotti (1999) demonstrate how Schumpeter's choice of English words evolved over time, therefore the choice may have been an arbitrary one that stuck, but could continue to be filled with, 'almost anything'.

It can be argued that this conception of Neureng found fertile ground in Schumpeter's American capitalist context, where pursuit of the 'new' was "deeply traditional" (Suchman and Bishop, 2000) and which was especially happy with change and idealising the individual bringing change on His Own Terms. Subsequent writers and academics that began the study of innovation in American corporations (i.e. Redlich, 1951) initially echoed these themes. However, the nature of the innovator in Schumpeter; a heroic figure of unusual mental toughness (Welz, 2003; Ferrarotti, 1999) driven by "...the will to conquer: the impulse to fight, to prove oneself superior to others" (McCraw, 2007), would not make them a candidate to fit into any managerial or organisational process. Nor the hierarchies of the M-form organisations in which the academics and consultants were modelling 'innovation processes'.

As the concept of innovation embedded in management discourse, attention shifted to how and where innovation might occur. Ruttan (1959) had proposed that entrepreneurs would be replaced by professional managers responsible for "organising for innovation", thus "routinizing economic progress." Schumpeter (1947) himself seemed to have prophesied this, "the element of personal intuition and force would be less essential that it

¹⁹ Jeff Fear and Tom McCraw, personal correspondence dated 18/07/08

was, it could be expected to yield its place to the teamwork of specialists, improvement could be expected to become automatic.” As with many other products of the modernist American management discourse, the emphasis on systemisation and repeatability becomes evident through the development of ‘top-down’ and linear innovation process models which presumed the economic goals of the organisation as paramount and allowed for ‘scientific’ modelling and generalisable, predictive research, essentially, how the ‘creative response’ of Schumpeter’s innovator could be determined ex-ante. The situational, visceral component of the innovator, their motivations, the ‘wholeness’ of the event, their ‘experience’ was to become irrelevant. As Smid et al (2005) stated, “In the discourse on innovation, one focuses often at the ‘what’ (the idea, the invention) and the ‘process’ (the path from invention to production)” as opposed to the ‘who’ or ‘how.’”

Baregheh et al. (2009) carried out an analysis of sixty definitions of innovation along the course of this development from 1934 to 2007 and found that “new” was repeated seventy six times whereas there were only sixty definitions. The five most common terms in rank order were new, product, service, organisation and process. They noticed that the definitions had made only limited reference to the aim of innovation, only three terms approximate to this were found; succeed, differentiate, compete. Common definitions clearly relate to things that make action possible, and research into innovation evidences many conditions for that possibility (cf. Kanter, 2006; Borins, 2001; Morrison et al., 2000; Amabile, 1997), but there is generally nothing to say why actions would be carried out or goals set in the first place (Hellstrom, 2004). There is nothing regarding thoughts that turn the mind to action in a praxeological sense. What are the personal goals of the actors who innovate? What are the fears that their actions are a response to? How, in acting, do they come to perceive their spatiotemporal limitation and attempt to overcome it? What are the personal consequences of their actions? How do these become antecedents to subsequent action and what are their effects?

Also, if new is taken as synonymous with innovation then such definitions are merely self-referential. Such definitions also ignore the fact that for an object to be judged an innovation, it is contingent on the acceptance of other people. Innovative action alone or

the presence of some new thing does not make the outcome an innovation. The definition of innovation used by this thesis is, “The profitable exploitation of ideas” (Stewart and Fenn, 2006). Profit or gain is the goal and reason for acting and the only meaningful indicator of its accomplishment. Ideas and insights are the raw material. Exploitation is the action. Such a definition evidences the move from ideal to material, an economic impact, something worth paying or being paid for, something which creates gain for the innovator and the intended recipient. If the action of innovation has no impact on the commerce of the organisation (i.e. its exploitation has not led to profit within the exchanges, or relationships, that sustain the organisation), then no innovation has actually occurred, no matter how many ‘new’ objects might subsequently exist. Praxeologically, the thing intended as innovation was not the answer to anyone’s fears other than the innovator.

Baregheh et al.’s work, as most of the innovation literature, is marked by a significant conflation; the social activity of innovation, known as innovation, with the instantiation of innovation-as-action; innovation-as-object, also known as an innovation. The focus on the new is an example of this. This has two effects. In the historical references, the new object was not the object of fear or disgust; it was the action that was described as innovation. Over time, with the focus on the object, the actor is removed. Secondly, Kimberly and Evanisko (1981) point out that a ‘positive bias’ pervades the study of innovation. New ideas and action that lead to new objects that are useful are bracketed together as ‘innovation’, new ideas and action that lead to objects that turn out to be less useful are called ‘mistakes’, or are prevented. In reality, both are as the result of innovation-as-action, both are the product of intentional actors. Research that reflects this bias ignores perhaps the predominant share of the experience of innovation-as-action: the failure, the stymied, the disallowed, the ‘contranovation’²⁰. This study will overcome these biases by taking a phenomenological approach to the commercial manager’s experience of innovation, in both success and failure in acting.

²⁰ A coining necessary for this thesis. If in-novation is action towards-making new, then logically contra-novation could be coined to denote action against-making new and a state wherein innovation-as-action comes to rest in nothing due to the effect of forces external to the innovator.

The Experience of Innovation - a Literature Review

The decision was made in support of the phenomenological intention of this thesis to prevent ‘contaminating’ theorising of the commercial manager’s experience of innovation with exposure to the norms and values of contemporary positions on innovation. Rather than producing an extensive account of the total literature on the subject of innovation, the focus has been on the search for existing research into firsthand accounts of innovation experiences. There were a small number of studies that engaged directly with practitioners and few were found that presented a phenomenological analysis that sought to recreate and explain innovation experience; innovation as a social action, not just a material instantiation (Hellstrom, 2004). This can be argued as an effect of the aforementioned turning away from the actions of the individual innovator by the dominant discourse on the subject.

A literature search for ‘experience of innovation’ reveals the generally institutional or firm-level research that this term is associated with (Lemanski, 2009; Welz, 2003). This means that feelings, thoughts, values, flashes of inspiration, politicking “and the occasional outsized ego” (Montuori, 2005; Gomes et al., 2001), as well as the more objective factors that lead human beings to engage in innovation (Unsworth, 2003) are ignored. This creates an incomplete and context independent picture of the phenomena (Gomes et al., 2001) entirely lacking in the historical contingency and social agency which make innovation possible (Welz, 2003). Herzberg (1979) when discussing innovation strategy noticed that proposed structures for innovation in academic literature seemed unrelated to the structure of what people did on the job. Therefore, there is a need for “rehumanising” the objects of study and studying individuals’ actual practices of innovation (Lemanski, 2009; Sele and Grand, 2008).

In the firsthand accounts of table 24, the principle antecedents for innovation-as-action were problems and the consequence for success were positive emotional states. Caird’s (1994) analysis discovered the antecedents in the experience of innovation were problem driven, discussion with colleagues and customers with a strong focus on solving complicated problems, market driven, work behaviour and ‘eureka moment’. There was

frequently no clear beginning to the innovative work, which was often an evolution of ongoing work. Van de Ven (1986) proposed that people needed to experience personal confrontations with problems to make them pay attention and recognise the need for innovation. For Unsworth (2003) innovation arose from the dialectic between external context and internal desires of the individual in the face of ‘necessary problems’ which also carried expectations of performance. Of the few researches aimed explicitly at the individual actor in table 24, it is notable that there are only three that remain at the level of the individual experience throughout; Caird, (1994), Cooper (2005), Smid et al. (2005). Others begin at that level, but then move towards prescription or processes. Some are ethnographies of innovative workplaces such as Sele and Grand (2008), but these do not discuss the individual experience as would a phenomenological account.

Table 24 A literature review of studies of innovation experience

Author	Title	Methodology/Intention	Participants	Insights/Limitations
Sele, K. and Grand, S. (2008)	Routinization of Innovation	Single-case embedded ethnography	AILab of the University of Zurich	Rich description of situation at lab/not any one actor, not phenomenological
Lemanski, R. (2009)	Passion for Creativity and Innovation at the Corporate Periphery	Method unclear/ "rehumanising" objects of their study	None	Identified that initiatives originated from employees with the biggest practical business experience, earned at companies from the same or related industry/not actual peripheral actors just units of MNCs
Morrison, P., Roberts, J. and von Hippel, E. (2000)	Determinants of User Innovation and Innovation Sharing in a Local Market	Unclear	Library users of OPAC information search systems in Australia	Insight into characteristics of lead innovators and sharing innovations not 1st person
Caird (1994)	How do Award Winners come up with Innovative Ideas?	Unclear (structured interviews) "encourages innovators to introspect about their perceptions of how they come up with innovative ideas"	24 senior managers in SMEs participating in Small Firms Merit Award for Research and Technology	Direct experience of managers/somewhat anecdotal due to unclear underpinning theory
Coopley, J. Keegan, O. and Elmer, N. (1997)	Managers innovations as sense making	Grounded theory study of 18 innovations	IT, university and local authority	Research agendas make no reference to personal agency
Cooper, P. (2005)	A study of innovator's experience of new product innovation in organisations.	"phenomenological and empirical research approach to explore the world of this group	8 innovators from four organisations in IT and biotech	Participants were all motivated by 'tangible benefit' for organisation or

		of principal actors within innovation” along with content analysis		customer/Unclear on analysis or derivation of categories
Smid, G., Bernaert, G, Derksen, B. (2005)	Innovation-as-Practice, Implications for Management & Education			
Herzberg, F. (1979)	Motivation and Innovation: Who are the workers serving?	Unclear	U.S. Airforce	Requires: feedback, self scheduling, direct communication authority, personal accountability, control over resources, new learning and unique experience
Barnett, E. and Storey, J. (2000)	Managers' accounts of innovation processes in small and medium-sized enterprises.	Unclear	50 SMEs, but as firms, not as individual innovators.	Unclear
Van de Ven and Poole (1990)	Methods for Studying Innovation. Development in the Minnesota Innovation Research Program	Various, including grounded theory ideas, people, transactions, context, and outcomes Sequence analysis	14 different technological, product, process, and administrative innovations in public and private sectors longitudinal field studies of 14 different technological, product, process, and administrative innovations in public and private sectors	Studies innovations in real time over 6 years, seeks generalisability abstracted into event constructs through statistical processing/ does not maintain focus at the level of the individual
Unsworth, K. (2003)	Engagement in Employee Innovation: A Grounded Theory Investigation	Diaries and interviews based on CIT, interpretive phenomenological analysis, grounded theory	Employees working in a design process. 65 engineers and related professions, month long diary work.	Biased towards managerial prescription for innovation.

The anthropological position of Welz (2003) is more specific on problems, “Culture change results precisely from the effort to maintain and perpetuate established cultural constructions of reality in the face of an unprecedented situation...when established routines of action fail because they encounter resistance from the social or physical world.” The explanation here is reminiscent of the praxeological position. The spatiotemporal limitation of the actor leads to inevitable clash with the known and unknown structures of reality creating a discomfort that can only be ameliorated by action outside of the established rules of action, innovation. Individuals make sense of disturbing stimuli in ways that protect and preferably enhance self-identity (Coopley et al., 1997). The overcoming of a problem, would lead to a restoration of the positive mental/emotional state. For Caird’s innovators, the need for achievement and recognition was strong. Amabile (1983, 1997) concluded the consequences of success as innovators were increased self-worth and enjoyment from delivering real-world requirements for their organisations and their customers. For Coopley et al. (1997) success satisfied identity needs and promoted self-efficacy.

The guiding research questions were:

- What exactly is innovation within the commercial space?
- What are the antecedents and consequences of innovation in the commercial actor’s experience?
- What are commercial managers’ beliefs and expectations regarding innovation?
- What indicators are there which might suggest elements present for professional collective mobility projects as desired by the IACCM?

Presentation of the CIT results is in the style required for phenomenological analysis; an identification of the invariant constituents followed by Phenomenological Redescription. Each section of results is presented as per the CIT questionnaire, which can be seen in appendix A.

Results - Identifying Invariant Constituents

Table 25 contains the quantitative features of the CIT sample. It can be noted that participants took more words to describe success than failure, 31% more on average, which was surprising given the supposedly more visceral nature of the failure experience. This is the case whether the participant was male or female. It would appear that female participants contributed more than male, as suggested in Burns et al. (2000). The average male response was 472 words, female 741.

Table 25 Quantitative feature of the CIT responses

	Total words	Mean response	Minimum response	Maximum response
All accounts	6467	539	293	1003
Answer length	-	19.62	9.76	35.83
Group 1 Self	1800	150	71 ²¹	387
Group 2 Innovation	1854	154.5	71 ²²	376
Group 3 Contranovation	1297	108.08	70	222
Group 4 Strategy	1516	126.33	97	200

Group 1

Question 1 ‘What is the objective of your job and what are you expected to do?’ produced 71 descriptors which formed 42 categories with no saturation up till and including the addition of the twelfth account, indicating no closure to the question. A larger sample is required. The top categories that emerged are in table 26; the remainder are not shown for sake of clarity. This demonstrates that despite the diversity of organisations from which the participants were drawn, the role of the commercial manager is consistent. These findings are also consistent with the work of Lowe (2006b) and Lowe et al. (2006), indicating that the participants are indeed commercial managers and therefore likely to have had the experience of commercial innovation.

²¹ Minimum *useable* account. Four accounts of the initial 24 were unusable, though containing useful comment, bringing the usable sample for this element down to 20.

²² ditto

Table 26 What is the objective of your job and what are you expected to do?

Rank	Categories of job objectives and expectations	Frequency of terms
1	Contractual	7
2	Provide support function/commercial services	5
=3	Risk, Management	4
=4	Negotiating, Bidding, Professional	3
=5	Projects, Customer, Financial, developing services, leadership, business development, advice, corporate clients.	2
Total	16	45

Question 2 ‘Please describe your position (buy side, sell side, other (please describe)) and rank within your organisation’ demonstrated that the participant sample was dominated by commercial managers of middle rank (commercial manager is taken as a middle rank, above commercial officer, below commercial executive), from the ‘sell side’, as in table 27.

Table 27 Please describe your position and rank within your organisation

Position Descriptor	Number of participants	Rank Descriptor	Number of participants
Sell side	9	Commercial manager	5
Buy side	2	‘Middle’ manager	1
Both	1	Division head	1
		Vice President Commercial	1
		Consultant	1
		Owner (commercial services firm)	1
		Commercial sales engineer	1
		Commercial team member	1
Total	12	Total	12

Responses to Question 3 ‘What would be considered ‘effective behaviour’ in this line of work?’ contained too many unique terms for meaningful categorisation, being an entirely subjective appraisal of effectiveness in a role which as can be seen with question 1, itself provided a great diversity of explanations.

Question 4 ‘When are you happiest in what you do?’, although as subjective as question 3, produced more consistent descriptions. There were 25 individual descriptors of situations that created happiness, which formed 12 categories with no saturation up till and including the addition of the twelfth account, as in table 28.

Table 28 When are you happiest in what you do?

Rank	Categories of happy situations	Frequency of terms
=1	Working in a team, Creating win/wins for business and commercial partner	4
=2	Achieving results, large or challenging activity	3
=3	Developing contracts, recognition, benefiting the business	2
=4	Being in control, having significant authority, learning, teaching, negotiation	1
Total	12	25

Question 5 ‘When do you feel the most frustrated in what you do?’ produced 16 descriptors of situations which created frustration, which formed 5 categories, saturated before the addition of the twelfth account. This indicates that as far as this sample is concerned, these categories describe all ‘frustrators’ common to all participants, as in table 29.

Table 29 When do you feel the most frustrated in what you do?

Rank	Category of frustrating situations	Frequency of terms
=1	Waste (especially time), lack (of managerial or customer commitment, authority)	4
=2	Being circumvented, obstructive processes	3
3	Interpersonal problems	2
Total	5	16

Analysis of question 6 ‘Please define what you understand by the term ‘innovation’. Secondly, please provide 3 words that you would associate with it.’ combined the word association part with the free response part to produce 80 descriptors, which formed 11 categories, saturated before the addition of the twelfth account, as in table 30.

Table 30 Please define what you understand by the term ‘innovation’

Rank	Categories representing the participants meaning of innovation and examples	Frequency of terms
1	Temporal discontinuity – New, latest, novel, unique	21
2	Change – difference, improvement, flexibility, efficiency	17
3	Idea – concept, thinking	12
=4	Creativity	7
=4	Serving a purpose – result for business, filling a specific need	7
=5	Materialisation – product, service, technology, technique	5
=5	Activity	5
6	Organisational process	3
7	Financial outcome	2
8	Emotional content	1
Total	12	80

Groups 2 and 3

Groups 2 and 3 contain the main part of the inquiry, the accounts of innovation and contranovation. The responses to questions 1-3 were classed as antecedents;

- What led up to the moment of insight?
- Why did you decide to act on your insight? Why did you believe that this would work?
- How then was the insight acted on?

The responses to Questions 4-9 were classed as consequents. For successful innovation,

- What do you think made your insight successful?
- How did you know that you had been innovative
- What was different after than before?
- How did this make you feel and why?
- What was the benefit to you/your organisation?
- How did this affect yours or others subsequent actions in this area?
- To what extent do you think aspects of your experience were predictable or inevitable?

For unsuccessful innovation

- From where do you think the barriers to exploitation arose?
- How did you know that you had been prevented from being innovative?
- How did this make you feel and why?
- What was the cost to you/your organisation?
- How did this affect yours or others subsequent actions in this area?
- To what extent do you think aspects of your experience were predictable or inevitable?

The accounts were already categorised into successful and unsuccessful attempts to innovate. To obtain a finer-grained analysis it was intended to inductively create categories directly from the data. The theory suggested in the preliminary test, that there was a distinct practice level and value level space for commercial innovation, was tested. Using the theoretical description of practice and value level innovations below, the twenty four accounts were categorised using the text of the entire account, as either practice, value or unusable, by two independent coders. The results are in table 31.

The description of Practice-level innovation was “Innovation that arises from routine work that is implemented by the actor themselves within their own work, for their own benefit or that of their team or organisation.”

The description of Value-level innovation was “Innovation that arises from interaction with the buyer or supplier that is implemented within this relationship, for the benefit of the organisation and commercial partner.”

Table 31 A comparison of practice level and value level innovation

‘Space’ for Commercial Innovation	Number in sample	Examples
Practice level	12	Creating a succession system for a change of team members Created new workflow maps for improving procurement Transferring good practice from one part of the business to another

		Developing a hybrid sourcing model A solution to a long-standing organisational difficulty Developing a new method to assess commercial risk
Value level	8	Being first to develop a niche offering Developing a mechanism to cope with changing oil prices in a particular contract Responding to customer demands for innovation New contracting framework based on collaboration with long-term customer Rescuing a commitment that the business was no longer capable of delivering
Unusable	4	Incomplete accounts
Total	24	

The reliability measures were; Holsti at 0.83, Scott's pi at 0.597, Krippendorf alpha of 0.605. This implies that the descriptions of spaces for innovation and the accounts provided are adequate, with an intercoder agreement that can be considered good, beyond chance and beyond the bias of one coder, although short of the 0.7 excellent of Krippendorf. This means that the theory of distinct spaces for commercial innovation is supported by the current participant's accounts.

As further evidence to support this theory, the antecedent conditions (questions 1-3) of the practice group and the value group of accounts were collected and analysed using 'SPSS Text Analysis' software, and can be seen below in figs 8 and 9. Categories were extracted using semantic analysis, any unused extractions were then categorised by frequency. Some further sorting by hand was required for some uncategorised extractions and the removal of some irrelevant terms from the categories.

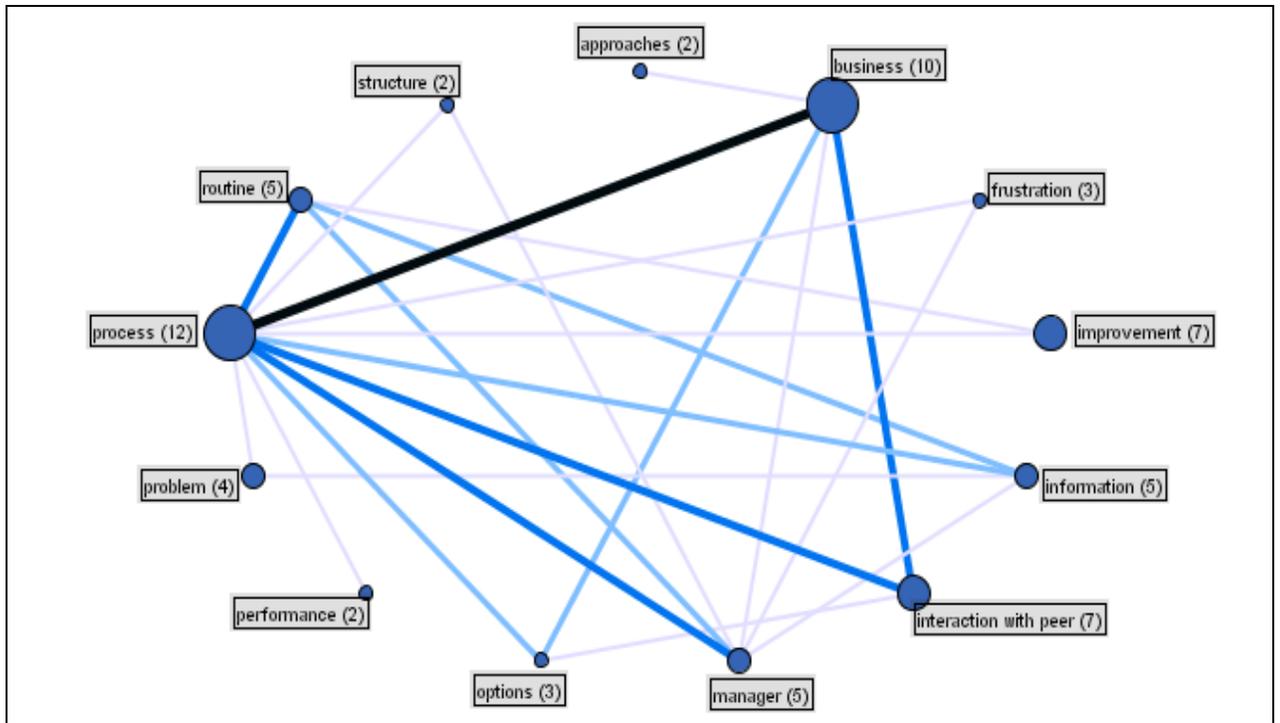


Figure 4 Category network for antecedents of practice level innovation

In fig. 4, it can be seen that the significant antecedents of the experience of practice level innovation-as-action are business processes, routines and interaction with peers and more senior managers. There is also a significant category of improvement correlated with processes and routines. This is consistent with the theory of a practice-level for commercial innovation.

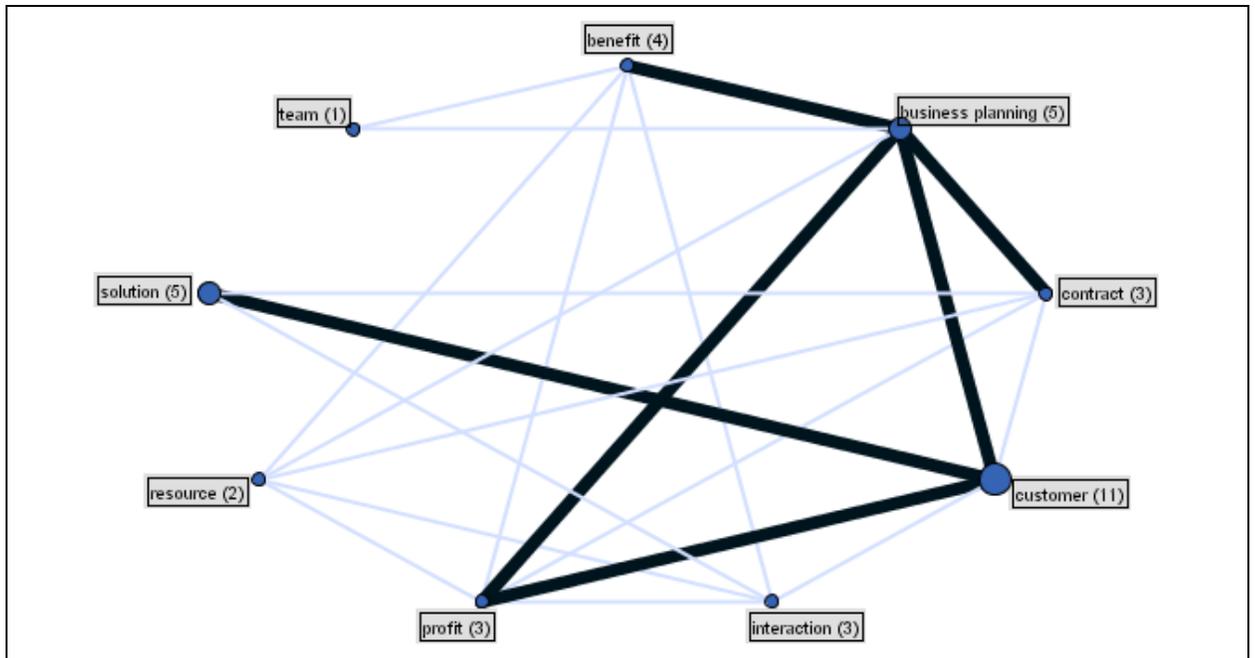


Figure 5 Category network for antecedents of value level innovation

In fig. 5, it can be seen that the significant antecedents of the experience of value-level innovation-as-action are business planning, customers, profit, contract, solution and benefit. The correlations between these terms are very strong across all the accounts. This is consistent with the theory of a value-level for commercial innovation. The bias of the sample towards sell-side commercial managers is also evident.

At this point, with evidence from the grounded observation of the preliminary test, manual coding of the CIT responses, intercoder agreement and finally processing by software, the theory of practice and value level commercial innovation is defensible. The concept of two levels explains the difference observed in accounts of experience and retroduces to the two main aspects of the commercial managers working experience in project-led organisations, that of being a staff member working in routine commercial processes and that of a specialist in a multidisciplinary team, dealing with the value exchange. Further, this categorisation lends weight to the argument that commercial managers are peripheral managers, facing the customer (predominantly in this sample) and engaged in routine processes. It is a pragmatically useful theory in that if innovation

is to be supported in commercial work, it indicates the areas where this will naturally be found and the principal components of that experience.

The consequences of innovation (group 2 questions 4-9) and contranovation (group 3 questions 4-9) were grouped together and analysed using SPSS Text Analysis and a category network developed, as in figs. 6 and 7.

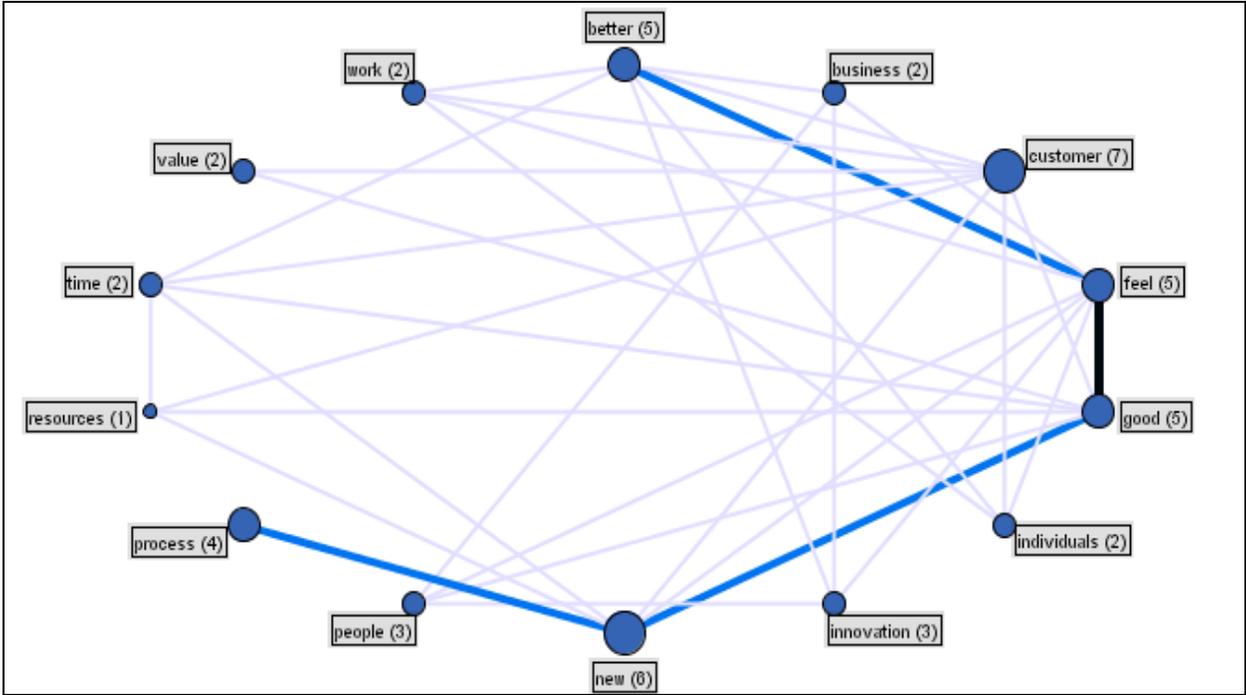


Figure 6 Category network for consequences of innovation

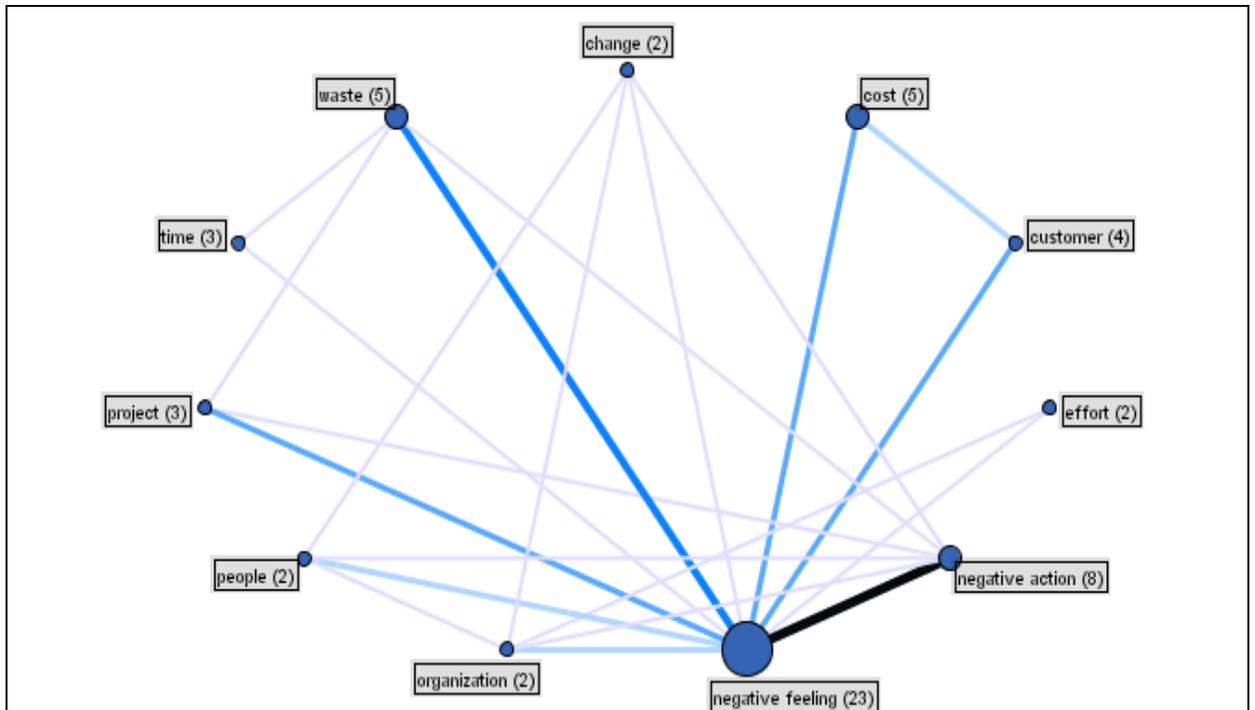


Figure 7 Category network for consequences of contranovation

It can be seen in fig.6 that the invariant constituents of the experience of innovation as a consequence of innovation-as-action are categorised as new, processes, good, feeling, better. There is also a strong component of customer, but the strongest correlation is between good and feeling. This is in strong contrast to the experience of contranovation as a consequence in fig.7. The invariant constituents are categorised as negative feeling, negative action and waste, also with correlations to project, cost and customer.

The above are analyses based upon grouping the questions of groups 2 and 3 into antecedents and consequences. However, when it came to analysing the questions of groups 2 and 3 individually, there was an unexpected difficulty. The responses were diverse, which given the request that participants undertake reflective description of their experience should have been expected. For each question there were too many unique and idiomatic terms, little seemed invariant. SPSS Text Analysis software was used to attempt to create some basic categories. However, this proved futile. Categorisation of question 1 across all group 2 accounts generated fifty categories, which each contained one or two terms at first pass. The software seemed unable to recognise the context of some phrases,

for example, “It provided a more compelling solution than one that did not benefit from collaboration” was categorised as “no benefit from collaboration.” Further, because these were reflections of first hand experience in the participants own words, the texts contained idiom, nuance, contradiction and sarcasm, which the software was unable to process, requiring a human mind to interpret and ‘read between the lines’. The degree of manual sorting required would have entirely negated the advantage of objectivity of the software analysis.

However, to the phenomenological purist, the difficulty of quantitative categorisation either manually or by computer would be pointed at as the limitation of these methods for dealing with the meaningfulness of human expressions and the benefit of phenomenological analysis as corollary. Basic invariant constituents of antecedents and consequences when considered as a whole have been extracted. The responses of groups 2 and 3 will be used to fortify the phenomenological description of the experience of commercial innovation.

Figs.8 and 9 below demonstrate the past/future interpenetration, or ‘spread’ of the experience of innovation-as-action that the CIT was able to capture.

Figure 8

Innovation experience based upon account B2-1

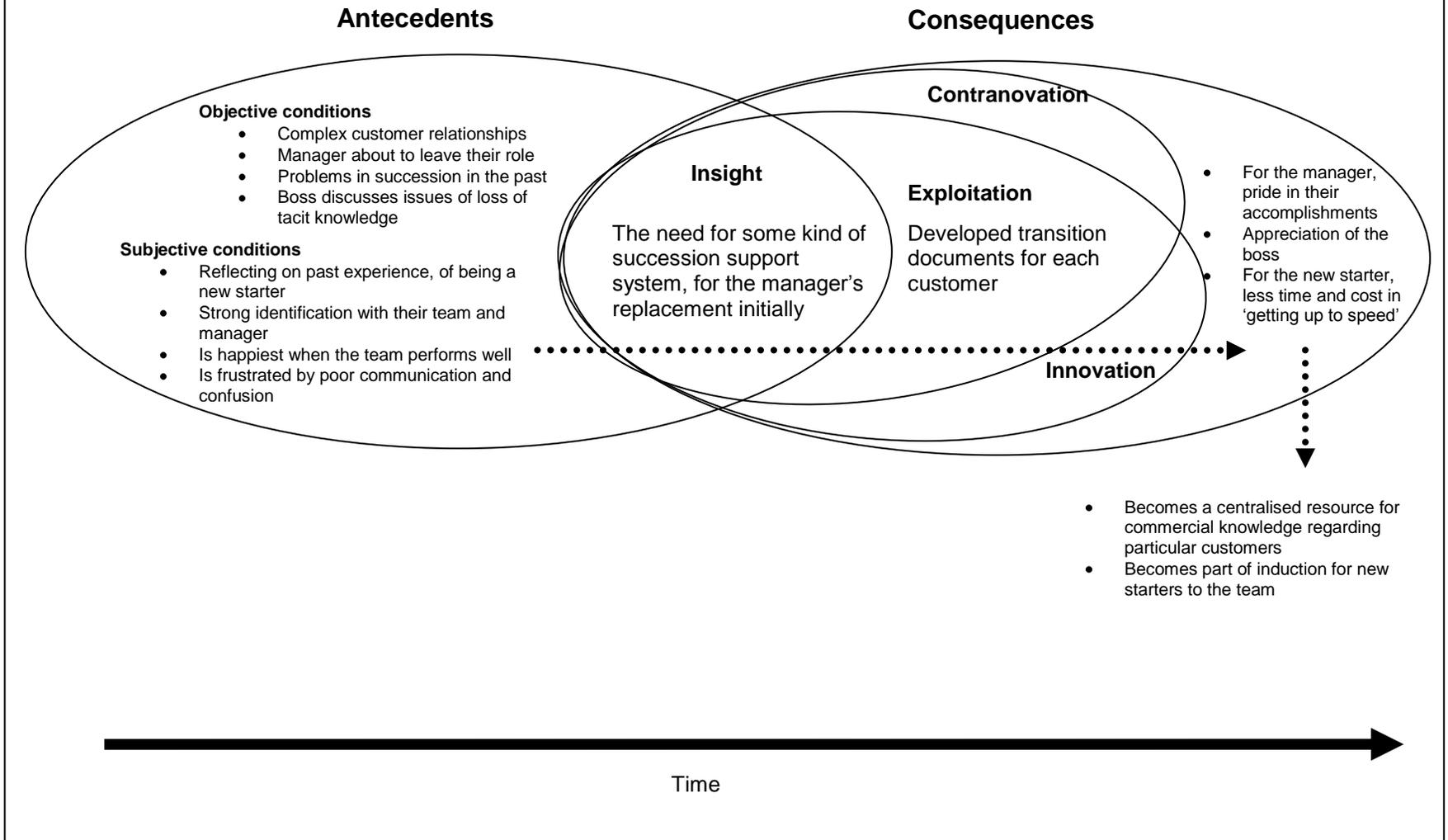
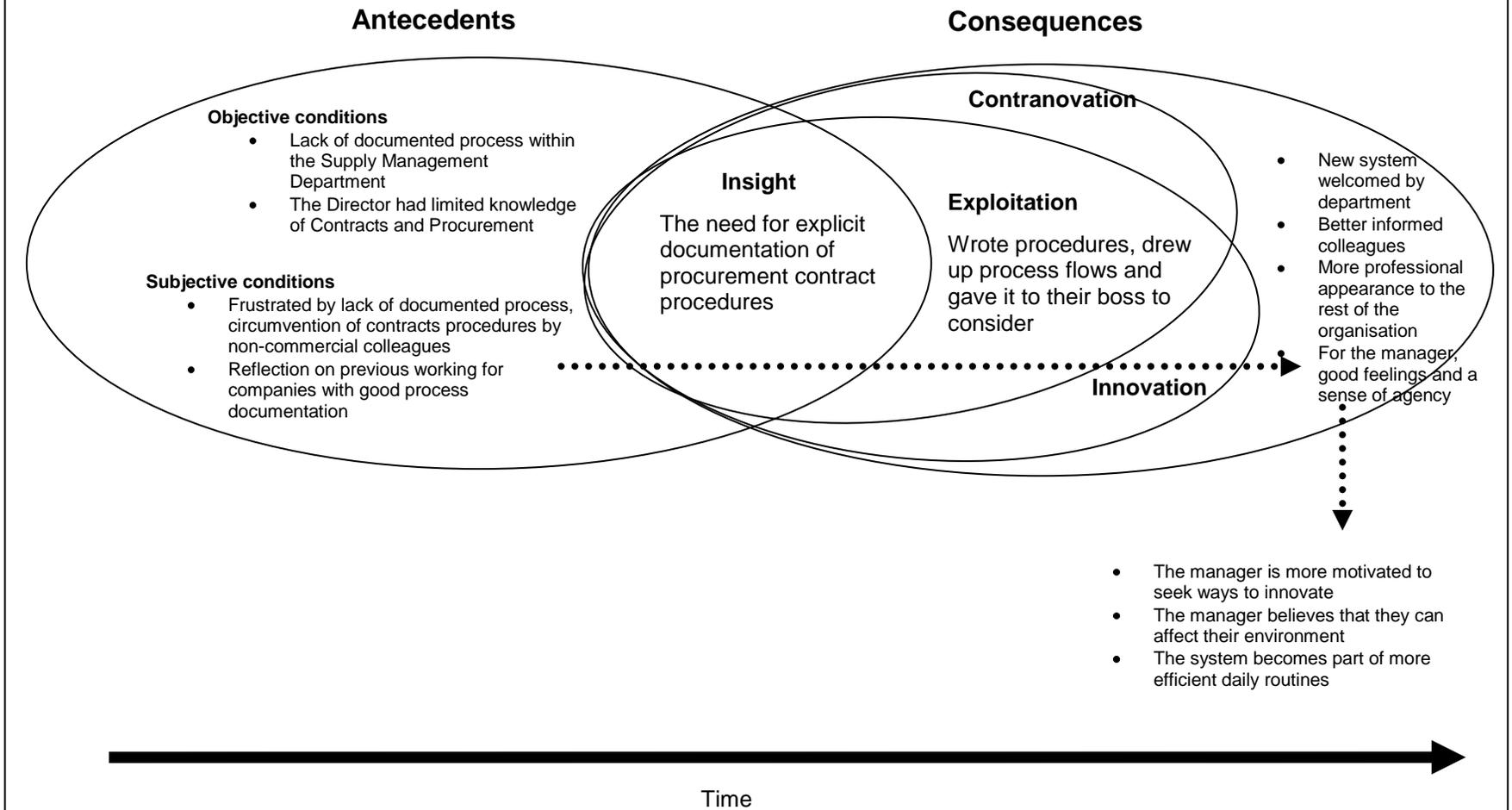


Figure 9

Innovation experience based upon account C3-1



Group 4

Question 1 ‘In your opinion, what are the three most common points of conflict in yours or your department’s interaction with either buyers or suppliers which require your insight and ideas to resolve?’ produced 34 descriptions of conflicts in commercial manages routine activity which were in their opinion causal to their applying commercial insight to resolve. The top five categories are presented in table 32. Frequencies are included for clarity.

Table 32 The three most common points of conflict requiring insight and ideas to resolve

Rank	Category of conflict	Frequency of terms
1	Value vs. Price (‘customer wants more for less’)	10
2	Interpretation of contract	4
=3	Inability to be flexible enough for customers, timescales	3
=4	Buyer/supply inflexibility in negotiation, unclear objective of stakeholders, IPR ownership, complexities of parent organisation	2
=5	Post award conflict, innovations forced by the customer, competitor analysis, customer expectations, multiparty complexity, lack of foresight of customers	1
Total	14	34

Question 2 ‘In your opinion, what role specifically does your business strategy play in causing or resolving these conflicts?’ Eleven opinions on strategy’s role in causing or resolving the conflicts are in table 33. This was a straightforward sorting into predetermined categories. One account was incomplete at this point.

Table 33 What role specifically does your business strategy play in causing or resolving these conflicts?

Opinion category	Frequency
Cause	3
Resolve	5
Both	3
	11

Question 3 ‘In your opinion, does your business strategy make a difference to you personally in achieving the aim of your work? How, specifically?’ Thirteen opinions on strategy making a difference to achieving the actors aims were categorised into two

groups, as in table 34. This question differs from the one before in that it is focussed on the work of the participant rather than their opinion on the effect of strategy on the work of commercial managers in general.

Table 34 Does your business strategy make a difference to you personally in achieving the aim of your work?

Category	Approximate examples
Favourable (enabling)	Helps me to obtain top-down support Makes it easier to say yes or no A means to assess whether a thing is working or not Provides resources to deliver customer satisfaction Provides me with work – qualified opportunities
Total favourable	5
Unfavourable (constraining)	Makes us risk averse and less flexible than I would like x2 Forces me to offer customers more or less than they need x2 Forces me to deal with fewer customers x2 Can make it harder to obtain top-down support Makes my position more difficult in negotiations
Total unfavourable	8
Total all	13

Question 4 ‘In your opinion, what specifically is the effect of your work on the business strategy of your firm or business unit?’ The question of whether the commercial manager recognised their effect on the business strategy produced ten statements, categorised into two groups as in table 35.

Table 35 What specifically is the effect of your work on the business strategy of your firm or business unit?

Category	Approximate examples
Positive	My work produces a feedback loop to influence business x3 We are the public face of the company to the supply community I enable the customer to trust my employer I achieve the goal set by the strategy and modify it I bolster good customers, encourage weaker ones We deliver its value We support the strategy
Total positive	9

Negative	None – my opinion is not sought
Total negative	1
Total all	10

How commercial managers felt about strategy and its role in commercial innovation could at first seem contradictory, when considering group 4 questions 2-4. Strategy is viewed as both causing and resolving the conflicts of question 1. For some it provided a basis for action, for clarifying decision making as to whether to pursue an opportunity or not; for monitoring and measuring achieved results; for communication with commercial partners, helping commercial partners to understand what is ‘good value’ for each other; for motivational incentives. Access to an understanding of strategy helped some determine effective behaviour and the intentions for innovation. For others though, business strategy was perceived as a source of conflict, constraining their response, forcing them to work against customer interests; creating potential conflicts of interest that have to be resolved individually; forcing their business unit into a more challenging position for the benefit of other parts of the organisation.

Although strategy is viewed here as a source of conflict, it is arguably this conflict and the ensuing friction that is the very start of commercial innovation. Rather than feeling strategically disenfranchised by their peripheral position, even though generally recognising their lack of input into their business strategies, whether business strategy was viewed as enabling or constraining commercial action, question 4 revealed that the commercial managers of all ranks were strongly aware of their effects upon business strategy. They were the strategy’s eyes, ears and hands when it comes to dealing with the buyer or supplier.

The Final Question

‘What do you think that you have been asked to do in this survey?’ The responses to the final question were all different, making manual categorisation difficult, however SPSS Text Analysis was able to categorise the responses as in fig.10. It can be seen that participants clearly identified that they had been asked to answer questions regarding their experience of strategy and innovation. The linkage between the key aspects of the inquiry, their experiences of strategy and innovation was clearly perceived. Therefore it

can be further asserted that this CIT tool was valid for purpose of gaining insight into the experience of commercial innovation and that by the participants own admission, the accounts created were representative of the phenomena which are the object of this inquiry.

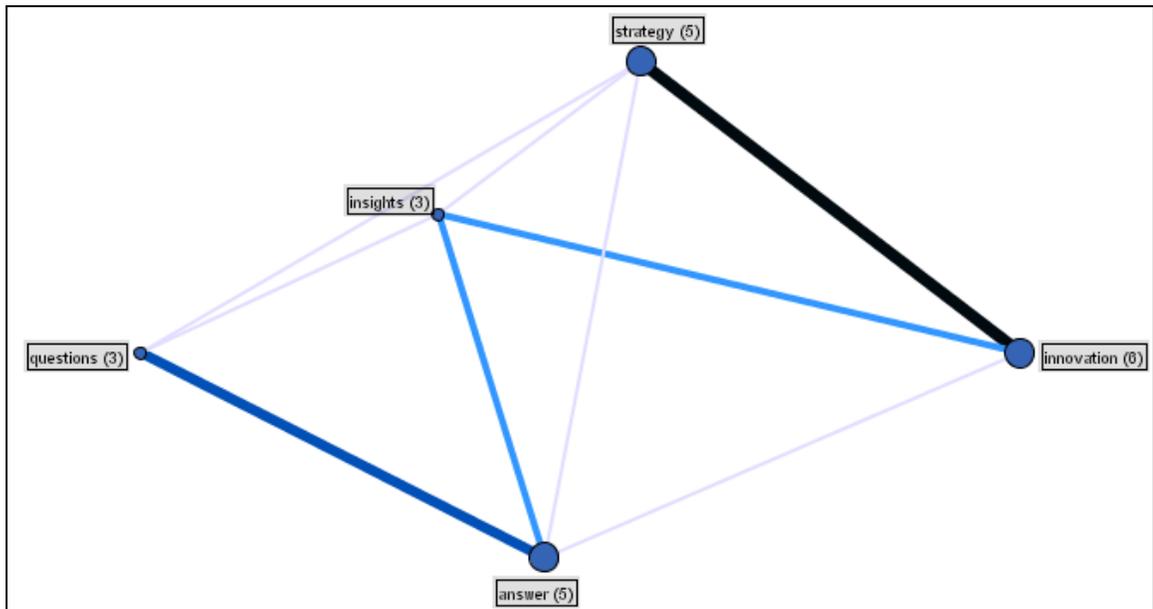


Figure 10 Category network for ‘What do you think that you have been asked to do in this survey?’

Praxeological interest causes analysis to consider the possible connections between the goals and motives of the commercial manager and the accounts of innovation-as-action. If innovation is an action, then what is the thought that turns the mind towards action? As there are two distinct spaces for commercial innovation, is the thought that turns towards action in these spaces different? Mises and others stress that the fear of loss is causal, and the restoration of this, the pursuit of happiness. The innovation antecedent sections in group 2 and 3 for each account were compared to the participant’s own description of their frustrators, happiness and effective behaviour (questions 3-5 of group 1). These are significant in the description of the individual manager as questions 1 and 2 are objective descriptions of their role whereas 3-5 are entirely subjective – the difference between merely holding an occupation and enjoying peak experience within it. Within this group, the idea of effective behaviour is a personal extension to the factors of question1, their

professional self image. Questions 2 and 3 are emotional states caused by the structures of question 1.

This comparison will determine if there was any similarity wherein it could support the theory that the antecedents of practice and value innovation whilst already demonstrated to be different in terms of their location and in representation in the activities of the innovator are also different in terms of the personal motivation to action of the actor. If this theory is consistent then the consequences of innovation should demonstrate a restoration or amelioration of the frustrator (or praxeologically; care, discontent, fear) and the consequence of contranovation should demonstrate the prevention of this and the sustaining of the frustrator. The results of this are in table 36 and 37.

Account	Space	Antecedent/ Consequence	Happy (H)	Frustrated (F)	Effective behaviour (E)
1	Value - I	A			
		C			
	Value - C	A	y		
		C			
2 – example on fig. 12	Practice - I	A	y	y	
		C	y		
	Value - C	A			y
		C		y	prevented
3 – example on fig. 13	Practice - I	A		y	
		C	y		
	Practice - C	A		y	
		C		y	
4	Value - I	A			y
		C			y
	Value - C	A			y
		C			prevented
5	Value - I	A			y
		C	y		y
	Practice - C	A			
		C		y	
6	Value - I	A			
		C	y		
	Practice - C	A		y	
		C			
7	Practice - I	A	y		
		C			
	Practice - C	A	y		
		C		y	
8	Practice - I	A			y
		C			
	Practice - C	A			
		C			
9	Value - I	A			y
		C			
	Practice - C	A			
		C		y	
10	Practice - I	A		y	
		C	y		
	Practice - C	A		y	
		C		y	

Table 36 Are antecedents of innovation at practice and value levels praxeological motivators?

	Practice n=12				Value n=8		
	H	F	E		H	F	E
H=Happiness F=Frustrator E=Effective behaviour							
Innovation Antecedent	3	6	0	Innovation Antecedent	1	0	5
Consequence Innovation n=5	3	0	1	Consequence Innovation n=5	2	0	2
Consequence Contra. n=7	0	5	0	Consequence Contra. n=3	0	1	Prevent E 2

Table 37 Are the antecedents of innovation at practice and value levels praxeological motivators?

The sample size is too small to make an authoritative statement, however, the results of table 37 are suggestive of the following; frustrators are more significant in the antecedent of practice-level innovation-as-action, although in some cases the action was to preserve what made them happy at work, whereas at the value-level it was effective behaviour. At the practice level, innovation as a completed action appears to remove reference to frustration, whilst contranovation maintains it. At the value level, innovation enables happiness and effective behaviour, whereas contranovation creates frustration and the opposite of effective behaviour.

Phenomenological Description of Commercial Innovation Based upon Groups 2 and 3

The commercial manager is engaged in routine work, within the description of an effective commercial manager, at times they move into non-routine where their conception of effective behaviour is tested. Their happiness in acting depends upon a mix of making more certain the achievement of effective behaviour for example in collaborating, creating solutions to business problems that benefit all in the commercial relationship, leaving no dissatisfaction for customers, seeing the results of their work, improving the detail of deals with customers and winning contracts. But happiness is also a range of things beyond effective behaviour, mostly to do with their professional self-image and proving to themselves that they are worthy against criteria created by themselves. They become frustrated when this is prevented or their reflective analysis of a situation might indicate that it will be. What makes them most frustrated is waste and lack, or scarcity and waiting for that to be resolved. Being circumvented or in some other

way professionally disregarded is frustrating, in the words of one, “frustration arises when other people perceive commercial to be a contract drafting service that could be done better by lawyers.”

At the value-level, the antecedents of innovation are the functional conflicts of the commercial exchange, which may emerge over the course of a relationship “A gradual insight into the limitations of current working, gained over several meetings with my customer” or may suddenly emerge “the customer demanded innovation!”, “we made a contractual agreement but realised that it was... not achievable in the required timeframes.” Other notable conflicts were pricing vs. value, the alignment of the needs of individual cases to a general policy and the advantages of standardisation of offerings vs. the individual needs of the customer who may be under or over-served by these. The specific points of concern for the commercial manager are their business plans, their customer, profits, contracts and the pursuit of a solution. Fundamentally, these conflicts causal to innovation-as-action arise from the value-maximising behaviours of commercial partners. Insights are gained as commercial actors work to maintain the strategy of their respective firms at the ‘surface of contact’ with the strategy of their supplier or buyer. As both parties work to maintain their profits in the face of this necessary relationship, friction is caused through the functional conflict of needing to satisfy their own profit-maximising goal, yet still permit the trading partner to profit enough to remain in the game.

At the practice-level, the antecedent thoughts to innovation-as-action seem to be regarding the situations that would get in the way of their happiness; they are very similar to the frustrators; emergent interruptions to routine activity. These include; reflecting on a dissatisfying situation with a colleague “Discussion with organisational peer examining business processes – questioning each other”; personal reflection on a situation identified as dissatisfying by themselves or a third party, such as a more senior manager or an object such as a business strategy; a historical reflection on a past experience in another company, “Many hours reviewing a particular business challenge, thinking about how it had been addressed in the past and assessing alternative approaches.” This creates

conflict, arising from dissonance between desired business objectives, personal objectives and those things as rendered by the current situation. At times, this conflict is objective in the repeated failure of some process preventing their effective behaviour; at times, it is ideal in that there is no immediate failure, but a belief that things could be better, a feeling that something is missing. Scarcity was a common theme throughout; a lack of opportunities, or lack of means of identifying them, improving process to free up human expertise to be allocated to more challenging projects, a lack of timely information. Scarcity itself in turn leads to conflict.

Once the mind has been turned to motivated action, following the initial insight, innovation begins. Insight comes in a moment, or a short period of time, but exploitation can take years. The first choice is whether to expose the insight. “Innovation requires bold and involved senior leadership or a project that can be implemented “under the radar”. If the project has visibility, and senior management is not actively promoting it, it will go nowhere.” If the choice is made to not go ‘under the radar’, with who should the insight be shared? There are two groups of Others; supporters and the intended recipients. This involves meetings with colleagues, teams, line and senior managers and commercial partners, locating and storing relevant information. This contact has to be maintained for innovation to become an accomplished act. The innovator now has to mediate between the contents of their mind, the fears that have moved them to action and the minds of the others, who must accept this innovative action in order for it to come to rest as an innovation. Therefore the innovator must make them accept the fear of the innovator as their own fear. There needs to be mutual understanding if any action is going to be sustained. This can take on formal aspects such as contractual negotiations. There is also a need to mediate with objects such as business objectives to secure approval and embodiments of accepted practice.

During this time, the objective conditions of the environment and the spatiotemporal limitation of the commercial manager will reveal themselves to the manager. Oversight arising from spatial limitations is reflected in ignorance of countervailing policies, the real conditions of the customer, and unknown activities on the part of competitors.

Opponents are revealed that may have been hidden, or only activated upon the action of the innovator, as the innovator crosses into their 'territory'. The spatial, or organisational, context of the innovator may automatically invalidate their actions, due to expectations from other parts of the organisation regarding where innovation should be seen to be coming from. Temporal limitations become apparent with the inability to predict emergent events as they progress in innovation such as rising oil prices or the resignation of a key contact in the recipient organisation. The manager has to decide how to deal with these things as they arise, in some cases it is beyond their capability, even beyond their perception in the case of opponents who purposively choose their time to strike against the idea or the innovator themselves, whilst previously not seeming to be bothered by it. This is a time of uncertainty requiring mental effort to persist through.

The consequences of innovation for the organisation are the completion of projects and deals and most commonly, the adoption, imitation, or reproduction of the innovation elsewhere in the organisation, it becoming part of routine practice beyond the innovator; "the best thing to come out of it is that everyone sees the value in it and it's something we do for all of our customers", "[I] allowed the knowledge of innovating with one customer to be passed onto other individuals to do the same" or to see that it has generated cost or time savings or saved a deal. A piece of them has become part of the objective surroundings, from ideal to tangible and now exists as a reference point for their claims towards effective behaviour. It is also an ameliorant to the fear that turned them towards action. Success is evidenced by the presence of a new thing that was not there previously and would not be but for the agency of the commercial manager. The emotional effect on the innovator is profound; satisfaction, exhilaration, increasing feelings of accountability in team success, "I felt satisfied and proud, as this was my initiative and I drove it through to a successful conclusion."

Others witness this and see the manager differently, "Others saw me in a different light, offered their new insights to me." For the innovator there is a greater sense of personal agency, personal and professional pride in the effect of the individual and whoever helped them "It makes me feel both proud of all that I've accomplished in this role and also

makes me feel good because I know my boss really appreciates it.” The awareness of agency changes the way they see themselves and the function of their organisation, either they have ‘beaten’ their business strategy that was a constraint to action, or they have validated it and therefore identify more with their business strategy and parent organisation. There is encouragement to support other organisational initiatives and for colleagues to do so too, “it encouraged others to join in a sense of ‘I can make more things work than my own individual area alone.” There is also a stronger identification with their profession in the face of the wider organisation, the external critics who might be tempted to circumvent or minimize the function of the commercial manager “Me – I protected [the company’s] position against our competition.”

The consequences of contranovation for the individual manager seem to vary. Some managers seemed encouraged to take on the barriers and could identify learning experiences in failure; how to overcome obstacles, the importance of timing, political moves and social infrastructure of their environment, “I waited until the timing was better and resurrected the proposal under a different name and attached to a wider corporate initiative that was well-favoured.” For others the effects were described as demotivating, frustrating, “a total rebuff”, a sense of the impossibility of change. Unsurprisingly, ‘negative feelings’ was the most significant invariant constituent. At the value-level, contranovation works against the individual’s stated effective behaviour. The individual observes the organisation suffering loss and waste and possibly questions their own abilities, “It made me feel frustrated & disappointed because of all of the time & effort I had spent on it and because I felt like I let the organization down” The manager witnesses negative behaviours; sabotage, slowing things down, people becoming territorial of rank and role. “People jealously guarding territory, not willing to give ground for fear that they might be giving up a role or a job, we had a lot of people doing the wrong things. People sabotaged or slowed the project at every opportunity.” This can act to suppress further innovation-as-action, or influences them to perhaps not try again. Contranovation leads to a denial of personal effectiveness and an affirmation of the things that frustrate. In the face of contranovation the manager realises that they have been unable to convince others of the potential within their innovating action, the outsiders see things or respond to

things beyond the conscious spatiotemporal realm of the innovator. Their ends in acting are not achieved. There is reflection upon what the action has cost them in terms of lost opportunities to do something else “I am a little de motivated, it will be a while before I volunteer for a corporate project that I do not believe has a 75% chance of success.” Other managers may observe this treatment and feel less inclined to innovate or to doubt the degree of their personal agency, “I’ve never been allowed to be innovative.”

Discussion

The findings in the invariant categorisation and the phenomenological description are valid in terms of the limited body of knowledge on commercial managers and certain aspects of praxeological theory.

The nature of innovation described here both at value and practice level is indeed the profitable exploitation of ideas, but possibly not Schumpeterian innovation where this action results in the destruction of a process, commercial innovation is essentially conservative, resolving conflict and maintaining the capitalistic venture of the parent company. As Sweezy (1943) put it, “We may instead regard the typical innovator as the tool of the social relations in which he is enmeshed and which force him to innovate on pain of elimination.” Kanter (1982) holds that such things are not innovation, but managers performing competently. But Kanter suffers from the objectification of innovation, not seeing it as a social action aimed towards the removal of fears. If an action is successful, that is innovation for that actor. “Innovation is the goal directed search for as yet unknown conditions that will achieve the result” Hellstrom (2004). This is evidenced in the actions taken from the moment the commercial manager decides to act upon their insight. Besides, commercial innovation does result in new objects that would not have existed but for the work of the individual such as terms, contracts and deals and ultimately, the work of commercial managers validates and transforms business strategy.

A divide between value and practice level innovation is consistent with Epstein (1926) “At the level of the individual, change is more utilitarian, at the level of value [there] has to be a commercial drive [increasing] the surplus value of the product.” In Beckler et al.’s

(2006) neo-schumpeterian theory of the firm three changes were required which were evidenced here; incremental changes in existing routines on the basis of experience; inter and intra firm diffusion of routines and endogenous generation of new distinctively novel routines. This was evidenced strongly at the practice-level. From Kirzner's (1973) point of view the most sustainable innovations are those that takes place within routines, "all activities undertaken increase margin but allow a lower price." Welz (2003) found this also, "Innovation often emerges in the interactive routines... that are created in a work setting by actors who are cooperating on a daily basis.... Effective interaction among a group of individuals who tackle the same problem and proceed a solution where no previous pattern of adequate action existed before." Hellstrom (2004) discusses the Marxian concept that work transforms the world around us and immediate thinking that is connected with carrying out a work task is where the ideation that underpins innovative action is found.

Commercial Innovation – Evidence of Professional Mobility?

Using the analysis of the cost accountant's mobility project in chapter two, the study of innovation in the commercial space reveals elements within their work that indicate traits of professionalism and elements which could contribute to collective mobility. Firstly, there is clear evidence from their accounts that they are able to reflect upon their work and take the initiative to improve it without being told to do so. They are also able to communicate their insights to others within their staff line, outside in their projects and with clients and these are willing to respond, which is critical for innovation-as-action to become innovation-as-object. So, their work also carries a degree of respect or at least recognition. The changes that they bring, when successful, become embedded in organisational practice so that they not only reproduce the routines that they are a part of, but also change them endogenously. This indicates that they are allowed latitude within their work and use this with independent thought, which is fundamental for professional mobility. The fact that other commercial managers feature as reference groups within the staff function also indicates a degree of collectiveness, though there is no indication that this extends outside the organisational group to commercial managers in other organisations.

Innovation is triggered when routines cease to deliver expected outcomes or become sources of frustration. Routines are examples of codified knowledge, which is required as a professional trait, but professional mobility and more importantly, closure, also requires obscure knowledge or indeterminate practices. Obscure knowledge and indeterminate practices are often demonstrated in the response to threatening or challenging situations, as these are often discontinuous and require a response to match, wherein the actor has to draw upon what is within them and to hand at that moment; their subjective experience. Within the routine of the commercial manager's work, for example in negotiation and client relationships, much arises from their personalities, personal reflection upon their situation, their experience and influencing skills. This degree of judgement and its effects could suggest skilled solo practice, which is not sufficient for collective mobility. However, the fact that such comments are made across the sample group suggests that this aspect of indeterminate practice could be representative of the occupation. If it can be demonstrated that these capabilities and knowledge are indicative of commercial managers rather than other occupations operating in the commercial space, then this could be an aspect of obscure or indeterminate knowledge which could contribute to closure.

Another central element in generating collective mobility is the ability of the prospective professional institution to identify the collective fears and dissatisfactions of the membership group as well as principal external threats. These can be revealed by a study of innovation, as this is also a study of commercial managers dealing with the unexpected, drawing on their subjective experience and increasing their proficiency. Occupations which consistently prevent or negate their innovative actions, these would be candidates for threats. The happinesses and frustrators give strong clues as to collective fears, for example, of being circumvented, of wasted time or lack of authority. The consistency of these in such a diverse, though small sample group suggests generalisability but the size of the sample group requires this be tested further.

In relation to the mastery discourses of innovation and strategy, from their responses they are aware of strategy, of its role in their business and their work, that it exerts both

enabling and constraining forces. Their understanding of innovation tends towards the popular view of newness, discontinuity and objects, rather than the more nuanced view presented here, that it is firstly an action common to reflective actors who are motivated to gainfully resolve the conflicts which threaten them. However, they can recognise within their own work times when they have profitably exploited insights emerging from their own work, or have been prevented from doing so, therefore they have sufficient awareness of these discourses that they could communicate their effects in terms of innovation or strategy to the higher levels of management. Clearly, they must be able to do this at the level of their projects, business relationships or staff functions in order for them to have had any experience of innovation to speak of. Given comments made by the IACCM and the respondents themselves about lack of status, commercial managers might need the assistance of an institution to communicate the effects of their innovations and practice to the higher levels.

However, what will get the attention of the higher levels of management is if the innovations and indeterminate knowledge, the things emerging only from the experience of the commercial manager can be aligned to the concerns of capital and of the organisation. This will assist in obtaining the closure and monopoly granted by employers and public bodies. What enhanced the status of cost accountants was not just the use of the executive discourses but how they were able to express their particular value in terms of them and market it at the concerns of capital of that time, i.e financial control of publicly limited multidivisional companies and the concerns of the organisation, i.e. the managerial control of such companies. Related to this was the key aspect of the timing of their moves in relation to the evolution of capitalistic enterprise; where the IACCM stands in relation to this will be considered in the concluding chapter.

Conclusion

Commercial innovation is a logical consequence of commercial interaction undertaken by reflective commercial managers dealing with the conflicts and scarcities common to the commercial space. With the provisos of the limitations of this inquiry, both in method and in sample size, CIT has proven valid for eliciting and supporting the reconstruction of the

‘innovation experience’ of commercial managers. It was able to isolate conditions of ‘concern’ fundamental to action and the process by which these concerns were acted upon, resulting in innovation or contranovation. What made participants happiest or most frustrated in their work was surprisingly uniform given the diversity of levels of seniority and organisations in which they work. There appear to be two distinct, though interrelated, spaces for innovation in the commercial experience and subjective statements as to professional effectiveness and emotional states were found to be implicated in the action of innovating in those spaces. Functional conflict appears to be the strongest explanation as a theory of commercial innovation – conflict between profit maximising partners and conflict between the dissatisfying present and ideal future of the reflective actor.

The account of commercial innovation developed here bears little resemblance to the popular discourse on the subject, either in terms of what enables innovation to occur or in the persistently phenomenological, human-level of the study. The emotional element in the aetiology of innovation is important as is the way in which it acts as an indicator of success in the consequences of commercial innovation. This element is ignored in models of innovation processes. Although undeniably resources, participative management and the like must have assisted in the innovation as action, there was no reference to explicit innovation processes or innovation projects or any other corporate mandate towards innovation. Instead, the motivation for the action of innovation appears to be conflict, scarcity and the pursuit of happiness. There is the seemingly perverse implication here that making workers happier might reduce innovation, rather than having happiness as a semi-unachievable goal. Their accounts of innovation-as-action also reveal elements of their work that could be resources for professional mobility.

Chapter 7

Conclusions

Summary Comment

This thesis set out to explore the experience of historical and contemporary commercial managers and this was done. With regard to historical commercial managers, it did this by reconstructing the experience of the historical commercial manager from their self-generated texts and those of potential employers, in combination with hermeneutic analysis and a praxeological interest in motivators and actions. The outcomes of this were evaluated according to acknowledged histories of British economy, society, industry structure and management and were found to be consistent, shedding first-person 'supply-side' light on the development of management during the phases of personal-proprietorial and early managerial capitalism in Britain. Commercial managers were themselves a response of the concerns of British capital and enterprise to changes in the commercial exchanges with marketplaces originating from a range of political and socioeconomic changes and associated organisational responses, during the late industrial revolution. Embedded in family firms and engineering/manufacture and achieving high status before the concerns of organisational professionalism emerged, when their individualistic patrons declined, so did the individualistic commercial manager.

Of the experience of the contemporary commercial manager, innovation behaviour was of particular interest due to its vogue as a mastery discourse and concern of capital and enterprise. It is also of praxeological interest as it is future-oriented behaviour, which reveals much about the motivations and orientation of the worker and the structures of their workplace. This was accessed using critical incident technique and subjected to phenomenological analysis. It was found that commercial innovation is a logical consequence of commercial interaction undertaken by reflective commercial managers, acting as organisational professionals, dealing with the conflicts and scarcities common to the commercial space, a social activity separate to and a necessary precondition of any materially identifiable change in the exchange of commerce; innovation-as-object. CIT

was adequate to isolate the conditions of 'concern' fundamental to this type of action. Commercial innovation is defined here as, "Acting to resolve and exploit the results of functional conflicts arising from the practice of economic exchange."

The discussion of professionalism which has run through this thesis links the historical commercial manager to the present day in that, once again, commercial managers are a response to the concerns of capital and enterprise, yet will their putative institution the IACCM be able to create the kind of collective mobility that was impossible for their historical forebears? The example of the successful mobility project of the cost accountants supported the development of a framework for identifying aspects of professional mobility. It was concluded from the innovation study as well as evidence presented below, that modern commercial managers do have traits of organisational profession and some resources for professional mobility, but more work remains to be done by their institutional body to overcome the historically persistent structures that have created their current status level. Particularly these are the inheritance of individualistic mobility, the diffuse term 'commercial' and the prevention of closure by the shifting concerns of capital and enterprise. The timescales of professional mobility could also be beyond the IACCM's expectations.

Unique Contributions

This thesis has made several unique contributions to knowledge.

- It has identified from the historical record a previously unrecognised actor in the history of British management, the Commercial Manager and:
 - Developed the first history of the role
 - Argued for a theory of a rise, fall and rise
- Although job advertising has been used before to trace out the development of occupations, this thesis is the first to use situations wanted advertising, the self generated texts of prospective managers, in their own words
- The development of a framework for assessing traits, resources and progress towards professional mobility project

- The formulation of recommendations for the collective mobility of modern commercial management based upon this
- An analysis of the early theories of the descent of this type of manager in modern project-led organisations. The development of a theory of the descent of modern commercial managers featuring the idea of a persistent cultural commons which accounts for the range of similar roles going under the same title.
- The use of Critical Incident Technique as the basis for a phenomenological inquiry into the experience of modern commercial managers, specifically their experience of acting as innovators, or attempting to. This is unique in several ways:
 - It inquires into the practices of commercial managers, which are still an under-recognised feature of project-led organisations
 - It used eMail as a means of distribution
 - It recognises the full spread of the experience of innovation-as-action, antecedents and consequences; innovation and contranovation.
 - It used the CIT to study innovation as a lived experience, which has never been done before and it attempted to maintain the analysis at the level of the actor, rather than operating at an institutional level, as most contemporary research into innovation.
 - It found that there were two distinct spaces for innovation in the routine work of commercial managers, the ‘practice’ and the ‘value’.
 - In doing so, this thesis responds to Rickards (2003) call for more realistic research into innovation and more practical models of the actual practices of innovating people.

Limitations of the study

There have been two basic areas of primary research for this thesis, historical archive work and the CIT-based phenomenology of innovation. The archival analysis is subject to several weaknesses. ‘Survivor bias’ created by the records of the archive. Analysis can only be carried out upon and theories in turn built upon surviving data. Potentially

disconfirming data could be inaccessible. The thinness of the record over the period before the late personal-proprietary and after early managerial capitalism phases could reduce the validity of the conclusions drawn from it. Further, there is no information regarding the physical or financial size of the organisations involved. It can be surmised that towards the end of the archive the organisations that the ‘weak’ commercial managers are working for are generally smaller than during the early phase of managerial capitalism. However, it would have been useful to know of the sizes of organisation at the earlier stages of the archive, for example to determine whether commercial managers were found in smaller family businesses or merged divisions of larger companies, or in larger multidivisional enterprises and for how long they were able to persist in these different venues.

In the CIT aspect, the procedure of eliciting data and its analysis were both sources of limitation. Eliciting data is dependent on recall, the respondent must firstly be able to identify appropriate incidents of the kind inquired about and be willing to describe it completely. Some of the accounts were low on specifics regarding projects, people or actions. This may have arisen from fears of revealing competitively sensitive information. As the inquiry was via eMail, ‘probe’ questions that could have prevented this and enriched the descriptions could not be used. From a theory building point of view, potentially disconfirming evidence might not have been presented, although just as valid a part of the commercial managers experience as the evidence that was presented and that has formed a basis of theories. Problems of recall also bring into question whether the true nature of experience is ever really available to the reflective actor.

Recommendations

Recommendations for Historical Research into the Commercial Manager

- There are references to commercial managers in the theatre, predating appearances in industry. The theatre is a commonly overlooked type of business organisation. This could well lend weight to the ‘persistent cultural commons’ theory for the emergence of the commercial manager (Stewart H₂). The Stewart

H₁ and Lowe hypothesis still deserve further examination, as they create conditions for the presence of types of commercial manager, if just to create further evidence for Stewart H₂.

- The argument made here for the descent of the commercial manager into project-led organisations (which was narrowed in chapter 5 to descent into engineering firms with a history in time of the rise of commercial managers) requires analysis of personnel records of a suitable company (i.e. Rolls-Royce) to validate.
- The history developed here would be improved by further development of correlations with British social and economic history in particular the role of education in society and the emergence of other specialisms in British management. The method used here could also be repeated with other managerial actors to further test the analyses of Wilson, Chapman and others.
- Widen out internationally, there is historical evidence of commercial managers in France and Italy. Where did the designation go in the U.S.? The U.S. had a persistent share of family-owned firms, but the commercial manager disappears far earlier.
- More sophisticated statistical analysis of the dyadic relationship between the texts of the employers and the commercial managers, particularly, the direction of influence and the timing and movement of clusters of industries with aspects of the commercial manager role.

Recommendations for phenomenological/phenomenographic research into the Innovation experience

- Many CIT studies focus on issues concerned with the interaction between customers and employees, however, the data collected almost always capture a single, rather than dyadic, perspective (Gremier, 2004). Given the highly interactive and conflict-based nature of commercial innovation, it would be revealing to capture innovation on both sides of a commercial relationship over the course of a particular project or in reflection on a historical engagement.
- Alternative methods of data collection could also be explored, for example the use of a website for anonymous reporting of results which some researchers are indicating to be more effective than eMail based enquiry. Phenomenological

interest could be served by the use of diaries, following the actions of one commercial manager and recording multiple instances of innovation and contranovation, for example identifying the specific types of interaction that were required to bring about practice or value-level innovation after the initial insight.

Recommendations for research into professionalisation

- The framework for identifying traits and resources for collective mobility developed in this thesis requires further testing against the accounts of other successful and unsuccessful mobility projects or the varying status levels of occupations.

Recommendations for Commercial Innovation

- The praxeological theories of two classes of innovation-as-action in commercial management, of frustrator-motivated innovation in the practice level of commercial management as well as conflict and personal effectiveness at the level of value require quantitative testing with a larger participant group, to validate the praxeological turn in research into innovation demonstrated by this thesis. Also, is there any relationship between the two; that a commercial manager allowed to act to innovate at the level of their own practice may be or feel more capable of doing so at the value level?
- The question of the history of the innovation discourse affecting contemporary practice has only been peripherally addressed. How this conditions their self-identity as innovators remains to be tested. In some ways, they are reproducing the dominant discourses with the talk of Schumpeterian heroics with its attendant limitations.
- The CIT tool itself requires further testing, perhaps in the context of an ongoing project, or within a specific commercial team or department. This is also likely to create outcomes of greater utility. Seeing how the insights generated could then inform policy or practice would be another test of the method's validity.

Recommendations for the IACCM and their professional mobility project

The project-led organisation, in an increasingly interrelated, risk-laden economic context creates new concerns for capital and enterprise and once again, the commercial exchange that connects and transforms the relationships of enterprise into sources of profit is called upon to respond so that commerce continues and capital is created. The commercial manager's role is once again shaped by the concerns of capital and enterprise. The difference between this and the phase of late personal-proprietorial capitalism is that commercial managers no longer have the same organisational status, however, they do have a putative professional association, the IACCM, which is keen to generate collective mobility and take ownership of the commercial role. Using the mobility framework developed in this thesis, this section considers the progress of the IACCM and the work of others in developing collective mobility for commercial managers. The IACCM state that, "Professional status depends on identifiable communities of practice, operating to consistent standards and methods, supported by continuing research and a mission that leads to measurable improvement" but as has been established, as with all trait models, it is not enough. It is also questionable whether the IACCM recognises the timescales of collective mobility – around 70 years for the cost accountants.

Their clear drive towards 'Contract Management', renaming their association newsletter accordingly, as opposed to 'commercial management', may be more appropriate for the U.S. and be a somewhat easier term to 'close' than the culturally common 'commercial'. However, it could be argued as creating a mobilisation slogan and orienting their knowledge base towards complex, yet codifiable practice where a more powerful, older professional already sits – the lawyers. Lowe and Leiringer (2006) call commercial management a discipline that bridges traditional project management and organisational theories. Yet the prioritising of contracts removes the organisational component implied by 'commercial' and its 'spread' into all profit-generating exchanges and resonates with the easily proceduralised, which is a retrograde step. Their identification with procurement also shifts attention towards operational concerns. It is commerce that is the concern of capital, it is commerce that connects the enterprise to its marketplaces and from which profit is secured. Contracting and negotiation is only a subset of this and to

prioritise it loses much of the opportunity for indeterminate knowledge and obscure practice that the term commercial allows to be placed inside it, including things that might assist in mobility projects. Commercial is a commons, which may make it difficult to monopolise and close, but if no attempt is made, then other occupations will move in and claim that space, taking contracting and other commercial arrangements with them.

It can be seen in the analysis below that the IACCM has achieved much towards the collective mobility of its membership and has done well in identifying the concerns of capital and enterprise that its member's work is a response to. However, without consideration of the dynamic elements, such as the orientation of members away from corporate patrons and towards the association, the responses of other occupations to the mobility of commercial managers in monopolising 'commercial' in projects, offensive and defensive use of their knowledge base, it is likely that the IACCM will remain a loose work association, affording little protection for the status of its members.

Raison d'être (Central Problems)

1. Identify central problems or threats to capital and aspects of knowledge base appropriate for solving these
2. Identify central problems or threats to enterprises and aspects of knowledge base appropriate for solving these
3. Define measurable effects of practices upon operation of enterprise and upon other occupations
4. Identify supporting and restraining changes in organisational evolution

Following Western recession and continuous crises in financial institutions, trust between commercial partners, between public and business organisations and professions is a major issue threatening to prevent the global movement and creation of capital. Trust in business relationships is an ethical problem that commercial managers are well placed to offer a solution to. IACCM (2010c) mentions a statement from the G20 leaders that "Staff engaged in financial and risk control must be independent, have appropriate authority, and be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the firm. Effective independence and appropriate

authority of such staff are necessary to preserve the integrity of financial and risk management.” Certainly, there is potential here for foundational components for mobility, most importantly a state mandate for the commercial manager.

The project-led organisation and associated temporary business relationships place emphasis on contractual relationships in complex, uncertain, multimarket environments. Just as commercial managers were called forth to manage commercial exchanges in times of complexity and uncertainty for industrial entrepreneurs, so today they are being called upon by multinational organisations to deal with complexity and uncertainty in commercial exchanges again, with offshoring, outsourcing, cross-cultural issues all creating new challenges to enterprises. IACCM (2010b) comments on this, “One of the few certainties in today's business relationships is that circumstances will change during the lifetime of a contract and those changes will place poorly managed relationships under tremendous stress”. The conflict of collaboration whilst still profit seeking is resolved through skilful commercial management. The effects of the operation of skilful commercial management are successful contracts, productive terms, delivery on time and to cost, specification, improved and retained customer relationships, cost effective services and post contract service. The IACCM membership take part in benchmarking and sharing best practice, but as to effects on other occupations, there is currently no comment.

Flatter organisations have removed opportunities for promotion; on the other hand, accountability is more personalised, as are rewards for performance (Wilson and Thomson, 2006). Personalised rewards could create further emphasis on skilful ‘solo practice’ and maintaining ‘corporate patronage’ (Male, 1984) against that of an independent institution. This could direct commercial managers to remain local, preferring in-house training, local knowledge, local prestige against an international association of professionals who are intent on career, rather than loyalty to an employer. Outsourcing could well remove commercial managers if they simply remain a contract drafting service.

Membership

1. Orient membership towards institution and to each other, away from conceptions of status professionalism and individual mobility
2. Expansion of membership group to involve as many levels of practitioner as possible particularly those already at the 'destination point' of the project
3. Raise aspirations of membership
4. Create desirable status levels within group
5. Identify collective fears and dissatisfactions of membership group
6. Locate a principal threat to focus membership fears

Commercial manager's peripheral status and generally high identification with their staff function could make orientation towards the association easier, although flatter organisations and projectisation could drive individual mobility. The IACCM make exhortations towards sharing knowledge and behaving as a profession, although as there is an entrepreneurial, competitive element to organisational professions it is not clear how far people will go in sharing the means by which they actually get paid.

Membership is expanding. Currently there are 19064 members worldwide in an extended network of 8273 corporations from 128 countries Members include around half of the Global 500, according to their website. Aspirations are discussed in their in house magazine 'Contracting Excellence'. Many of these articles are the work of their President and CEO, rather than the membership.

There are status levels from Associate to Fellow, based upon IACCM's own certification. There is little evidence that this creates status recognised by the public. There are different types of membership available but these are based upon what the member is willing to pay and why. 'Vendor membership' for those who wish to promote services to the membership potentially undermines the association's claims to neutral service in pursuit of ethical business relationships.

Nothing has been undertaken by the IACCM in terms of understanding the praxeological fears and motivations of the membership, but Lowe and this thesis have taken steps toward understanding these. The IACCM has identified the possibility of contracting becoming an outsourced service, which would be a motivational threat to some members. However, being an international organisation, it is not likely that they would be able to identify a threat universal to all members.

Communications

1. Assist members in communicating their value to their employing organisations
2. Develop a mobilising bias or brand
3. Initiate debate over use of the terms and identity
4. Acquire languages and discourses of senior management
5. Shape market for expertise with communication on the solutions to the problems of capital and of enterprise
6. Initiate communication with competitor occupations

Apart from exhortations in ‘Contracting Excellence’, it is unclear what systems are in place for helping members communicate their value to their own senior management. On the IACCM site and newsletter, ‘Contract management’ is being promoted heavily, whilst commercial management is mentioned peripherally. This could be close to a mobilising brand, but it is not clear how collectively mobilising it will be as ‘commercial manager’ has a stronger presence amongst their UK membership. It is unclear if mobilising brands have been established, although the ideas of contract vs. commercial would be an interesting debate. The IACCM uses languages and discourses of senior management, as represented in the articles of the newsletter. However, research amongst membership (i.e. Lowe et al, 2007) demonstrates that not all terms common to senior management are well diffused amongst commercial managers.

The IACCM does appear to be shaping the market for their expertise to an extent with relationships with a range of large companies who employ their membership, however,

without any kind of state endorsement it is unlikely that they will speak to the concerns of capital yet, except through conspicuous success with the concerns of enterprise. It is unknown whether the IACCM has initiated communication with the associations of competing occupations. In the UK these could be project managers, lawyers, the Chartered Institute of Logistics and Transportation, Chartered Institute of Purchasing and Supply or the Institute of Commercial Management

Knowledge base

1. Incorporate representatives of the 'destination point' bodies of knowledge into the development process of the knowledge base and associated examinations
2. Control development and transmission of codifiable knowledge
3. Identify and maintain obscure knowledge or indeterminate practices
4. Shape transmission of obscure knowledge from senior to junior membership
5. Liaison with universities as marketing and knowledge base development
6. Adjust content of knowledge base upwards through examination
7. Control production of credentials
8. Demonstrate a contributory approach to various aspects of management outside the main area of the occupation
9. Use lower status activities to block off technical aspects from encroachment by other occupations

There is evidence of the IACCM developing an explicit knowledge base since coming into existence, awarding its own certifications since 1999. There has also been a long standing relationship with Manchester University and the development of an MSc in Commercial Management. The MSc course also includes modules on leadership and strategy, connecting the students with organisational life outside the provision of services to a project. The IACCM has also sponsored academic symposia at its conferences in the mid 00's, with the publication of official proceedings, although these have since ceased, which loses a traditional channel to the public taken by many institutions; encouraging

academic interest in the problems of their work. IACCM does still promote research in its subject areas through its website and self-commissioned research such as its annual survey of negotiated terms. However, there is little evidence of the knowledge base being used in any offensive or defensive way. Therefore many elements of this section go unanswered and must become recommendations for future consideration.

The work of commercial management creates much scope for obscure knowledge and indeterminate practice. Commercial innovation is particularly important as it improves the practice of the individual but can also act as signals of value to the concerns of their enterprises and lead to development of powerful new routines for their organisation. At the value-level too, the IACCM (2010a) recognises that “Risks must also be reduced through greater creativity. Deals get stuck on the issue of allocating legal risks - penalties, liabilities etc. - or reduced prices, when instead the need is to focus on superior value and lower costs.” This leads to the area of negotiation and deal-making where codified knowledge combined with personality, skill and indeterminate practice can improve outcomes. As this becomes experience, the commercial manager develops knowledge that is increasingly obscure from other functions in the cross-functional team that might not have the same understanding of the business, the client, or the support of the network provided by the IACCM.

Enemies

1. Specify threat/competitor occupations and assess their position vis-à-vis central problems
2. Prepare offensive and defensive moves against competitors, using knowledge base
3. Generate mobilising bias
4. Specify control strategies over competitor occupations, linked to the central problems
5. Engage in public conflict with competitors through professional, academic and public channels

There was nothing from an external view to determine whether these aspects had been considered. In the project-led organisation, Lowe and Leiringer (2006) identified project managers as the latest threat to the closure of commercial management. Morris (2006) subsumes commercial into project management. Despite project management “capturing the zeitgeist of ‘fast capitalism’” (Cicmil et al., 2009) and making a strong play for the language of corporate governance and strategy (Morris, 2006), there has been resistance from senior management to project managers attaining leadership positions. Being subsumed in the work of project managers, as cost accountants were by works managers would be a further barrier to mobility. Project management and its associated discourse could be taken as an ‘enemy’ to commercial manager’s professional mobility and acquisition of monopoly over commercial activities in projects

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Appendix A

The following questionnaire forms part of a PhD enquiry into the lived experience of innovating commercial actors and the sources of innovation in commercial management. Its intention is to capture from beginning-to-end incidents of innovating behaviour in routine commercial work, as well as your opinion as to the role your business strategy plays within your work. Completing the questions should take approximately fifteen minutes. Participation in the study is entirely voluntary and no further obligation is implied by your participation. The study has been carefully developed to preserve privacy and confidentiality. The identity of individuals, organisations or organisational division will not be traceable as this information is not required. Your response will be removed immediately from the eMail it arrives on, which after acknowledging your contribution, will be deleted. Your response will be kept in the anonymised electronic format, exactly as you offer it, all reasonable measures will be taken to protect it. Any potential identifiers which may remain by reason of the accounts presented will be completely eliminated by data processing. The responses will be subject to content analysis, which is principally a statistical procedure where participant accounts are reduced to categories and correlations. Your response will be used solely for the purposes for which it was provided and not be disclosed to third parties, except that a sample of anonymous responses might be seen by the research supervisor and examiner, as is normal for this kind of research. If your response contains any statement of worthy of representing whole, your permission will be sought first and can be withdrawn at any time. I hope that this statement of confidentiality is sufficient to reassure you of your safety in participating.

Ian Stewart

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Please type your responses into the table

Group 1
You and your work
What is the objective of your job and what are you expected to do?
Please describe your position (buy side, sell side, other (please describe)) and rank within your organisation.
What would be considered 'effective behaviour' in this line of work?
When are you happiest in what you do?
When do you feel the most frustrated in what you do?
Please define what you understand by the term 'innovation'.

Secondly, please provide 3 words that you would associate with it.

Group 2 Consider the last time that an insight or idea of yours had been gainfully exploited in ANY aspect of your work
What led up to the moment of insight?
Why did you decide to act on your insight? Why did you believe that this would work?
How then was the insight acted on?
What do you think made your insight successful?
How did you know that you had been innovative? What was different after than before?
How did this make you feel and why?
What was the benefit to you/your organisation?
How did this affect yours or others subsequent actions in this area?
To what extent do you think aspects of your experience were predictable or inevitable?

Group 3 Consider the last time that an insight or idea of yours had not been, or was prevented from being gainfully exploited in ANY aspect of your work
What led up to the moment of insight?
Why did you decide to act on your insight? Why did you believe that this would work?
How then was the insight acted on?
From where do you think the barriers to exploitation arose?
How did you know that you had been prevented from being innovative?

How did this make you feel and why?
What was the cost to you/your organisation?
How did this affect yours or others subsequent actions in this area?
To what extent do you think aspects of your experience were predictable or inevitable?

<p>Group 4</p> <p>As a commercial manager/executive, please consider your most common set of interactions with your customer/supplier or commercial partner (if you are not currently a commercial manager, please answer you see fit)</p>
In your opinion, what are the three most common points of conflict in yours or your department's interaction with either buyers or suppliers which require your insight and ideas to resolve?
In your opinion, what role specifically does your business strategy play in causing or resolving these conflicts?
In your opinion, does your business strategy make a difference to you personally in achieving the aim of your work? How, specifically?
In your opinion, what specifically is the effect of your work on the business strategy of your firm or business unit?

Final question: What do you think that you have been asked to do in this survey?