TOP MANAGEMENT AND ITS DEVELOPMENT*

I. The Nature of Top Management


The data presented, often statistical, are concerned with the selection of the boards of directors and the presidents of the largest corporations, as well as with the training, experience, and family background of the chief executives and how they rose to the top. Three generations of executives are included in order to trace relevant changes. Newcomer finds that inside boards of directors are increasing, especially in expanding industrial firms, and, on the whole, have better records than outside boards. This may be explained as one corollary of the “professionalization of business leadership.” Among the current generation of executives 6 percent are foreign-born, two-thirds are sons of men with independent business experience, 75.6 percent have some college education. However, the advantage of the wealthy is diminishing compared to fifty years ago, and there is an increase in the number of promotions from within a corporation, indicating that today’s executive is an administrator rather than a risk-taker and innovator.


A sociological and statistical study of the mobility of executives today as compared to 1928. The sample, over 8000 executives, is drawn from all types of business and industry. Mobility as construed by the authors is a complex phenomenon interrelated with the broadest range of social variables, many of which are presented in tabular form. Considered, among others, are occupational origins, occupational succession, psychological foundations of personality, education, and the social lives of the executives. Even though rank and status strongly influence the selection of the American business elite, there is more flexibility and mobility today than a generation ago. For the layman the findings were

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* Items in each division of this bibliography are arranged as follows: (1) books which treat the subject in broad, general terms, (2) books which deal with specific material, and (3) significant periodical articles.

Items from this list should be ordered directly from the publisher. Addresses are given in connection with each reference.
also published in *Big Business Leaders in America* (Harper & Brothers, 1955. $3.75).


Analysis of business management in view of the twentieth century production revolution, illustrated with specific examples from Sears, General Motors, Ford, and International Business Machines. Drucker feels that the chief executive's job cannot properly be organized as the job of one man. It must be the job of a team of men acting together. However there should be no collective responsibility of the team; rather each member should be assigned areas for which he is responsible. Further, Drucker feels that the board of directors should be an organ of review, appraisal, and appeal, working directly with the chief executive team.


Case study of a manager in action written for the practicing executive. Illuminates the leadership pattern of a successful executive in relation to his subordinates. A leader constantly interacts and commands. His goals, values, and feelings are primarily organizationally centered and he makes the organization a part of his self picture. He handles his supervisors as individuals, emphasizes the present, and sets realistic goals. The attitude of the subordinates, the hidden costs of such a leadership pattern, and guide posts to a new philosophy of leadership are also discussed.


A Fortune survey attempting to define the essential nature and function of the modern executive. He "(1) directly helps to set his company's objectives and overall policy; (2) is required to make or approve decisions that significantly affect profits and future plans; (3) coordinates several major corporate functions . . . ; (4) maintains and develops an organization of trained subordinates, to achieve the company's objectives; and (5) delegates responsibility and authority to the organization, and controls performance and results through at least one level of supervision.”


Nine hundred and fifty members of the Young Presidents' Organization (limited to executives who were presidents before reaching the age of forty) analyze their performance and point out the nature of their difficulties. The main difficulties are using time effectively and overcoming personal procrastination. Mr. Spencer also draws a composite portrait of these presidents of average-sized organizations (average sales volume, $3.5 million per year).

An example of the professionalization of the new management in operation. To date, President Cordiner’s vast managerial reorganization program has transformed GE’s structure from an extremely high degree of centralization to about as broad a degree of decentralization as can be found anywhere. Individual departments can be encompassed by one manager who is responsible for both decision making and control at the operating level. To provide for future expansion (a sales goal of $6 billion by 1963) Cordiner has instituted the “Office of the President” in which the seven top executives are almost exclusively limited to management research and long-term planning for the great markets ahead.

**II. Management Development—Theories and Cases**

Mace, Myles L. *The growth and development of executives*. Boston 63. Harvard University, Graduate School of Business Administration (Soldiers Field). 1950. 200 pp. $3.25.

Focused on “beliefs, conclusions, insights and judgments of responsible administrators who are growing and who are developing others.” Since qualifications of executives do not conform to a pattern, the most effective way of developing top administrators is through a program of planned job progression and conscious coaching of subordinates by their immediate superiors.


Practical advice, often illustrated by specific case histories identified with actual companies, for the modern executive. Executive development of middle and top management is considered the most urgent problem. The need for emotional reeducation, the uses and dangers of formal training programs, and the improvement of the mental powers of managers are discussed. Also included are interesting chapters on top executive testing, compensation, job-seeking, and retirement.


Newman feels that effective selection and development of executives is of highest significance to an enterprise and society generally. The distinctive aspects of executive personnel development are that it involves a small number of people, fosters close personal relationships between the executive and the potential executive, is a long-run project, and is largely intangible. Sound programs should determine what executives are needed, appraise their performance and select for promotion, develop men to fill needs effectively, and should compensate ex-
executives wisely. Newman discusses practical steps for achieving these ends.


Report based upon interviews with fifty well-established corporations known for their progressive policies. It is felt that a good management team gives a firm an important competitive advantage and helps adapt the organization to changing needs and circumstances. The salient features of the current executive development programs were found to be that (a) they are geared to the needs of the whole organization; (b) executives under these programs use the individual case approach; (c) executive development is a long-range endeavor; (d) higher levels of executives are included; (e) the programs are company-wide.


Compilation of American Management Association articles on executive development, supplemented with 17 case studies. The status of management is viewed as "a profession, a science and an art." Basic principles, organization, implementation, and trends of management are appraised.


The coming of age of the large corporations spotlights the concern with executive development. This round table examines what American business can do to attract and develop sufficient numbers of young men who have ability to become mature and competent business leaders. Its aim is to point up the factors involved in the emergence of top leadership. Consequently, it discusses the origins and identification of executive potential, the education and evaluation thereof, and, finally, makes recommendations for policy and research.


Two hundred and four presidents define and clarify their own thinking about the problem of presidential succession. Topics of key interest were personal shortcomings, changing external pressures on the president's job, the new qualities and abilities the president of tomorrow will need, and the most effective methods that can be taken to groom successors. Most helpful steps for future presidents were felt to be annual medical examinations of executives, postgraduate education, job rotation at high levels of responsibility, providing both line and staff experience, and psychological consultation.