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Profit Through Technology

by Anthony Wedgwood Benn,
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Britain's Ministry of Technology (commonly known as "Mintech") today, differs greatly from the organisation formed in October 1964. Its overall objectives remained basically unchanged, but its scope has widened considerably. When Mintech took over the bulk of the Ministry of Aviation's activities in 1967, it assumed responsibility for industrial policy towards the engineering industries—including the key aircraft industry—, defence procurement and overall managerial responsibility for most of the nation's research establishments. Mintech's main objective is commercial. Industry must become more efficient and more profitable to serve better the national interest. For this reason the Ministry has now adopted as its guiding philosophy, "profit through technology". It exists to help Britain make money—or in some cases save money—through the application of technology. Accordingly, it has had to take account of the structure of industry, its resources and its associated management capability.

Encouragement of Mergers

If British industry is not competitive Britain will be deprived of the wealth on which everything ultimately depends. This is the reason behind the positive official encouragement for the industrial mergers of the last few years. While "profit through technology" may not, strictly speaking, cover Mintech's defence procurement functions, there is complete compatibility between its activities in this field and elsewhere. The objective in the pro-

curement of arms and equipment for the Services is to obtain the greatest possible value for the money available. The aim is to provide more and better equipment for Britain's defence forces. The profit motive finds expression in more goods for money spent. The growing partnership between Government and industry has been considerably strengthened by this new philosophy of profitability. The present Government is adopting highly commercial criteria, which bring its thinking more into line with that of industry. Because the Government must acquire many of the management techniques used by the best firms, management courses at London, Manchester and elsewhere have high priority in Civil Service training.

Mintech's research policy is also being increasingly guided by commercial needs. New advisory boards and committees, representative of Government, industry and the academic world, have been set up. Direct links between Britain's research establishments, industrial organisations and universities are being fostered. The establishments are being encouraged to accept more contract work from industry. Some 2,850 qualified scientists and engineers are employed by Mintech to carry out its research and development programme. Such a large concentration of highly-qualified manpower and its associated resources must be deployed for national economic ends. For this reason the results of as much as possible of the research at the defence establishments are being made available for civilian exploitation, and joint committees have been established to ensure that

staffs are kept familiar with the needs and problems of industry.

Available to Managements

To help raise the profitability of smaller firms throughout Britain, Mintech has established regional offices in nine main centres. Backed by the resources of the Department, and profiting by its links with industry and the universities, the regional staffs are able to give on the spot help and advice to local firms seeking to master particular problems or to increase their general productivity. Working with them are industrial liaison officers based for the most part on local technical colleges. The resources of 43 industrial research associations, which Mintech supports by grants, are also available to individual managements. They include technical advice, training facilities and practical assistance over a wide range of industrial activities including design, production technology and management methods.

On a wider front the Ministry has given substantial financial backing to the computer industry and to the development of electronics. It has helped firms to equip themselves with advanced machine tools, initially provided at Government expense so that managements can evaluate their potential for raising productivity. Over the industrial front generally support on a much bigger scale is available under the Industrial Expansion Act for programmes of modernisation, the promotion of technological advances and the encouragement of industrial investment. But the key to the efficient deployment of Britain's technological resources

lies increasingly with the calibre of industrial management. The most urgent task facing any advanced society is rapid improvement in its management techniques.

Demand at Top

Modern manufacturing processes demand at the top people who understand not only what these processes can do but their limitations also. For the most part such people are found among the engineers and technologists who, from the start, have been closely associated with their introduction to industry. This is not to condemn the older style of management out of hand: the criterion must be whether they operate efficiently. The Ministry is most concerned with this urgent problem of management efficiency. It has pressed short-term remedies and is working, with colleagues in other Government departments, to provide long-term solutions. It recognises that sound management will use to the best advantage the talents within its organisation and outside, will seek to modernise its processes and welcome progressive ideas. Obviously therefore nothing will bring about a radical improvement in design and production techniques so rapidly as a radical improvement in management standards.

"Profit through technology" has been adopted as the overall objective of the Department's industrial policy. Its adoption generally by industrial managements would represent a major step towards the transformation of Britain's industry and the stabilisation of its economy.

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