Sloan's 'Years with General Motors' describes key management techniques

By Esther Glothober

"That delicate balance between centralized control and decentralization" was the key to the managing policy that built General Motors, according to Alfred P. Sloan, Jr.

Sloan's story begins with the evolution of the present General Motors Corporation from the Buick Motor Company, William C. Durant, then head of Buick, brought about 25 companies into the new General Motors Company between 1908 and 1909.

Sloan felt that Durant followed three rules in organizing General Motors: variety in style and price, decentralization and centralization and Durant extreme decentralization and Durant extreme centralization.

Durant was unable to maintain financial balance, and was eventually replaced as president of General Motors by Pierre Du Pont.

Sloan, who joined General Motors in 1918, was called upon to assist Du Pont. It was during this period that Sloan developed the industrial philosophy which guided his later actions.

A major problem was that of distribution. General Motors had no low-priced model competitor with the Ford, but several middle-priced models were competing with each other for sales volume.

The depression of 1921 prompted the formation of General Motors, according to A.I. A., who describes key management techniques in "Years with General Motors," which appeared serially in Fortune magazine from October 1963 to February 1964, and was published in book form by Doubleday and Company in January.

General Motors' policy that built Ford's policy of one low-priced model designed to please the middle-income group, but he feels that in the long run Ford's policy of one low-priced model would have been more successful than Ford's policy of one low-priced model designed to please the middle-income group, because of the attraction of lower price with comparable quality from below, because of the attraction of better quality at small price.

The most important application of this policy, which has never wholly carried out, was the emergence of the Chevrolet as a major competitor with the Ford Model T.

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Model T goes under

In 1923 Sloan became president of General Motors and began to get his ideas on organization to work.

Several technical and design improvements enhanced the Chevrolet's position in comparison to the Model T. Sloan felt that the factor which finally destroyed the Model T was the modern popularization of the closed body.

The Model 7 had a light chassis suitable for a heavy closed body, and the Ford system was based on a stable market. In 1928 Ford shut down the River Rouge plant for a year to retool for the Model 6.

Depression

In 1929 General Motors had been transformed into approximately the form Sloan had urged for a year to retool for the Model 6.

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Admissions applications climb to all-time high, coed applications increase, more to be admitted

Applications for admission are up about 16% this year, surpassing the all-time peak of 1968-69, according to Professor Rod and B. Greetly, Director of Admissions. Coed applications have increased somewhat, and Prof. Greetly remarked that "we plan to admit more, but a few more young ladies than last year."

Students from two thousand schools are represented by the 3,400 applications that will be submitted to comparative analysis this week. Of these students, about 1,200 will be offered admission in order to obtain an incoming class of 900. To date, there have been approximately ninety "early-action" cases.

Prof. Greetly noted that the probability of a prospective student's obtaining a 3.0 can be estimated with greater than 50% accuracy. He pointed out that both Michigan State and Stanford have recently done some