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## **RENDERING THE UNFAMILIAR INTELLIGIBLE: DISCOVERING THE HUMAN SIDE OF ACCOUNTING'S PAST THROUGH ORAL HISTORY INTERVIEWS**

*Abstract:* Two paradigmatic schools are presently exploring twentieth century accounting history. Conventional historians typically examine archival data to determine the origin and development of modern accounting practices. Alternatively, more critical scholars often question the motives of accountants and managers in the design, collection, and use of this same data. Although each school has a different primary objective, both focus on documented events and both usually ignore the more personal, human side of history — the attitudes and perceptions of accountants, managers, and workers regarding accounting numbers and reports.

This undocumented, human aspect of accounting history is best revealed through oral history interviews. This paper initially discusses the benefits and limitations of oral history interviews. It then includes examples from a recently completed oral history project to illustrate how recollections about the past help illuminate aspects of twentieth century cost accounting history that neither conventional nor critical historians have clearly revealed. The paper concludes by identifying three current accounting topic areas that appear befitting of oral history investigations.

Key Words: Oral History, Historical Methods, Standard Costing,

### **INTRODUCTION**

An increasing number of accounting scholars are examining the history of their discipline. In general, scholars undertake historical inquiries to understand the past for its own sake, to explain modern developments, and/or to precipitate social change. Within the field, paradigmatic differences have arisen between two different perspectives on accounting history —

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conventional (traditional) historians who examine business archives to discover the origin and describe the development of modern accounting procedures [Edwards and Boyns, 1992; Fleischman and Parker, 1991; Tyson, 1992 & 1994] and critical historians who focus instead on how the reports were used by owner/managers to maintain class distinctions and social arrangements within the firm [Hopper and Armstrong, 1991; Hoskin and Macve, 1994; Miller and Napier, 1993].<sup>1</sup> Merino and Mayper [1993, p. 262] have encapsulated these differences as follows: "Critical historical research has provided important new insights by rendering the familiar, strange; while conventional historical inquiries render the familiar, intelligible."<sup>2</sup>

Notwithstanding the disparities between critical and conventional historians, both typically focus on particular documented events in the past and utilize written material for information about these events.<sup>3</sup> This paper argues that oral history interviews can best reveal the previously undocumented, human side of accounting's past — the perceptions and recollections of individuals who designed, implemented, or were impacted by accounting procedures. In doing so, oral histories can illuminate a side of accounting history that has been long neglected. Oral histories can also provide data to evaluate whether conventional or critical interpretations best clarify particular past events. For example, conventional and critical historians typically disagree about the relative importance that economic, social, and political factors have had on recent accounting developments such as standard costing. Conducting oral interviews with individuals who helped to develop and/or implement particular accounting procedures might illuminate the discourse. The value of an oral history project may rely on the unique insights that informants provide about the past or on the belief in the merit of "history for its own sake." In addition, oral history interviews generate newly documented evidence which can be used to evaluate the efficacy of competing paradigms.

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<sup>1</sup> Recently, Fleischman et al. [1995] have urged a more peaceful coexistence between conventional and critical accounting historians.

<sup>2</sup> Merino and Mayper [1993, p. 242] differentiate these perspectives in another way: "The traditional historian's non-problematic acceptance of the documentary model's focus on motive, a rationalistic discourse, also would seem to be a distinguishing feature between critical and traditional historians."

<sup>3</sup> As an exception, Hammond and Streeter's [1994] paper on U.S. black CPAs incorporates oral history interviews and adopts a critical perspective.

This paper initially describes the benefits and challenges of conducting oral history interviews. Specific examples from a recently completed oral history case study are then presented to show how informants' comments can provide unique and revealing aspects of standard costing's development and implementation, insights which are typically unavailable from conventional and critical histories that are based exclusively on documentary sources. The paper concludes by identifying three current accounting issues which lend themselves to oral history research.

### THE BENEFITS OF ORAL HISTORY

Oral history can be defined as a research method embodying recalled events and experiences which emanate from the interaction between an interviewer and informants regarding actual or contemplated prior events. This definition underscores the point that oral history is a creative process which relies on hindsight, recollection, and interaction in its reconstruction of the past. It is much broader and differs significantly from the one presented by Collins and Bloom [1991, p. 23]:

[Oral history] constitutes verbal recollections of events and circumstances that have occurred in the past from individuals knowledgeable by virtue of their position at the time of their expertise.

The Collins/Bloom definition is less inclusive in two ways: 1) it excludes projects that involve 'ordinary' people, and 2) it disregards the interaction between interviewers and informants. Unlike written history, in which the scholar culls and reconstructs evidence developed *in* the past, oral history is a dynamic process that creates evidence *about* the past and allows undocumented perspectives to emerge, perhaps for the first time. Thus in its essence, oral history "is a history built around people" [Thompson, 1978, p. 18] rather than a history based on written records.<sup>4</sup>

Because oral historians generate evidence which emanates from an interpersonal relationship, they are not prone to argue for the "objectivity" of the past. In addition, oral historians are not as concerned about the cause of particular historical events

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<sup>4</sup>Frisch [1990, p. 188] expressed a similar sentiment about oral history: "Oral history is unique in that it creates its own documents, documents that are by definition explicit dialogues about the past, with the "subject" necessarily triangulated between past experience and the present context of remembering."

as they are about the range and context of choices that were available to individuals who participated in these events. Because oral historians focus on the process as well as the product of decision making, they are more likely to recognize the inherent subjectivity of the interview process and to acknowledge the role of the conditioning environment on the individual. Merino and Mayer discussed the importance of this latter issue [1993, p. 258]:

It is critical for all researchers, whether using archival data or doing a laboratory experiment, to take into account the conditioning environment that they are trying to understand and relate this environment to their assumptions, research questions, and research design.

Oral history can also minimize the related problem of belief transference, a problem often associated with historians who attempt to interpret the past.<sup>5</sup> When effective, oral history empowers informants to tell their own stories about the past in their own words, rather than through the translation and reinterpretation of the historian. Thompson [1978, p. 99] discussed the importance of enabling informants, rather than historians, to reconstruct past events:

While historians study the actors of history from a distance, their characterizations of their lives, views, and actions will always risk being misdescriptions, projections of the historian's own experience and imagination: a scholarly form of fiction.

As a process that reaches back in time, oral history connects the present with the past as "living history, the remembered past that exists in the present" [Frisch 1990, p. xxii].<sup>6</sup> Informants can share their reconstruction of past actions, the alternatives they faced, and their thinking now and at the time of prior events. The opportunity for the same person to experience the past and

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<sup>5</sup>According to Merino and Mayer [1993, p. 245]: "Belief transference occurs when researchers impute current beliefs to people in different time periods or in different cultures."

<sup>6</sup>Porter [1981, p. 163] similarly described how oral history interweaves the past and the present: "In a process approach to historical explanation, then, change is a function of continuity. Both stem from the creative, temporal nature of historical events. On the one hand, the past is filled with momentum and inertia; on the other hand, the past is incomplete and indeterminate regarding the future."

share recollections with an interviewer is unique to the oral history process. The end product is far different from one which is reconstructed exclusively from documents. Thus, according to Eller [1990, p. 45]:

. . . the primary advantage of an oral historical method is not properly "historical" at all: oral history in this sense has little to do with reconstructing what actually happened in the past (though this may be a beneficial side effect), and everything to do with examining how the past is remembered. After all, oral history does not take place in the past, but in the present, as a present reflection on the past.

Recollections and personal insights about the past provide a unique perspective on the complex, human side of history — a side rarely examined other than in historical biography. Skillful interviewers can elicit memories which "sort out the significant from the inconsequential" [Tomes, 1991, p. 608] and draw out insights which are absent from most other histories. Jones and Osterud [1989, p. 564] noted that unlike documents, "interviews capture paradox and reveal a complex reality in which constraints and choices are inextricably interconnected." Allen and Montell [1981, p. 20] similarly described the key distinctions between oral and written history:

Written records speak to the point of *what happened*, while oral sources almost invariably provide insights into *how people felt about what happened*.

(Italics in original)

Adding a human perspective to past events seems especially fitting to the field of accounting, a field often portrayed as comprising a set of mundane, impersonal procedures devoid of expression and judgment. Oral interviews reveal the human drama of the past, the "pivotal moments to life" [Frisch, 1990, p. 163], that are usually absent from histories based on written records.<sup>7</sup> Clearly, the remembered experiences of accounting elites would be an interesting and appropriate subject for oral history research. This type of project could garner interest from individuals who helped to create, implement, and enforce accounting

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<sup>7</sup> Along this same line, Tomes [1991, p. 610] wrote: "By preserving the stories lying beneath the often opaque surface of the written record, the oral history interview reveals the role of influential personalities, the "accidents" of time and place and the context of critical decisions."

principles. But oral history opportunes much more. It can give voice to individuals and their achievements that have been unacknowledged, disregarded, or intentionally suppressed from written records. Thus, unlike document-based histories, which were usually created or edited by dominant members of a society, oral history can illuminate the views of ordinary citizens and minorities.<sup>8</sup> Thompson [1978, p. 5] expressed this point clearly:

Since the nature of most existing records is to reflect the standpoint of authority, it is not surprising that the judgement of history has more often than not vindicated the wisdom of the powers that be. Oral history by contrast makes a much fairer trial possible: witnesses can now also be called from the under-classes, the unprivileged, and the defeated.

Not surprisingly, very few oral history projects have been undertaken in accounting which focus on other than dominant group themes. An exception is the paper by Hammond and Streeter [1994] which includes oral interviews with early African-American CPAs. The authors obtained unique insights about informants' personal experiences and frustrations in attempting to enter a white, male-dominated profession — insights which were unavailable previously.<sup>9</sup> Another "minority" perspective in regard to written accounting history is that of individuals who were subjected to or evaluated by accounting reports. Thus, conducting interviews with information users and other non-accountants can illuminate "the complex environment in which accountants function" [Merino and Mayper, 1993, p. 237]. This hidden perspective of accounting history is examined further in a later section of the paper.

Oral interviews can uncloak the level of association people have had with past events — the intensity and closeness they experienced, the alternatives they considered, and the concerns they may have expressed about actual and unforeseen consequences of the "raw data of history" [Napier, 1989, p. 242].<sup>10</sup>

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<sup>8</sup> See Tinker et al. [1982] regarding accounting literature's focus on dominant members of society.

<sup>9</sup> See Hammond and Sikka [1995] for other examples of minority perspectives that have been revealed through oral history interviews.

<sup>10</sup> Allen and Montell [1981, p. 58] describe this aspect of oral history: "While written documents supply factual information about the whys and wherefores of important events and movements, orally communicated history often expresses how people felt about those events, how they reacted to them, and how the events affected their lives."

This "unwritten" record of possibilities and other "non-events" is best explored through a process which stimulates a recollection of the past that was undocumented or documented incorrectly. The interview process can stimulate certain memories which benefit readers and informants alike. Vansina [1985, p. 13] noted that oral history can "promote consciousness among the actors of the happenings themselves."

Although new and historically significant insights can emerge from an interview, many informants are initially reluctant to discuss sensitive issues unless they shared past experiences or have developed a trusting relationship with the interviewer. The interaction between the interviewer and informants further reinforces the subjectivity of oral history. To obtain noteworthy insights, the interviewer may need to demonstrate a thorough understanding of the topic area and display exceptional sensitivity to informants' personal concerns.<sup>11</sup> Thus, unlike the detachment and objectivity that documentary-based historians encourage, oral historians often seek to establish a close, personal relationship with informants.

Conducting oral interviews with a group of individuals who shared past experiences may generate recurring perceptions, stories, and personal anecdotes about the past. If a group of informants tell a common story, the oral historian can describe any collective notions that emanate in retrospect regarding these experiences. Furthermore, the historian will gain insight about the nature of recollection and the kind of stories that emerge as oral tradition. Allen [1992, p. 606] discussed this facet of oral history:

Story, for instance, is one such form that affords rich interpretive potential for historians interested in how narrators perceive and construct historical experience.

By generating insights about events that did not happen, oral history interviews provide a perspective of the past that is rarely obtained from documents. Thus, oral interviews may show that the choices between a set of actions rest as much on human factors (prestige, friendship, family, etc.) as on a particular economic or social theory. Notwithstanding these benefits,

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<sup>11</sup> Many elderly informants, especially those that are not well educated, are fearful of strangers and concerned about the motives underlying academic research. Interviewers should be able to communicate clearly the historical significance of the project in order to obtain key insights.



historians who prioritize the “objectivity” of actual events and require the “proof” of documentary sources may deprecate remarks about actions that were contemplated but never undertaken. Demandt [1993, p. 3] described three criticisms (walls) that historians have identified about events that did not occur:

The first wall is the conviction that what never happened is meaningless. What never became real has no significance. Secondly, there is the alleged lack of any systematic path. Even if it were interesting to know what could have happened, we lack the means to find out. In the third place, there is the fear that occupying oneself with the merely conceivable will diminish respect for what really happened, that the intellect will be seduced into frivolous games and so be spoiled for serious work.

Clearly, insights emanating from oral interviews can be combined with data obtained from documentary sources to produce a history that is richer, more accurate, and more complete than if either method was used alone. In describing the appropriateness of combining oral and written approaches, De Hart [1993, p. 585] described the subjectivity of oral history:

The well-prepared interviewer: (1) elicits from it [memory] the most accurate and objective representations possible of historically significant events and people; (2) subjects that information to critical questions about validity and reliability; and (3) incorporates the data judged to be factually accurate into historical narrative, discarding whatever fails the test.

Oral history can clarify the role of strong personalities in shaping history, as well as the existence of informal networks and undocumented influencing factors. It enables previously unprivileged informants to describe, explain, and interpret their own actions through recollection and reconstruction. The interview process can stimulate the remembrance of the possibilities of the past and those peripheral events that never entered the written record. In summary, oral interviews focus on the human side of history — the process and context of past events — rather than the product of history, the events themselves. Despite its many positive features, scholars should be aware of the challenges confronting an oral history project.

## THE CHALLENGES OF ORAL HISTORY

There are a number of challenges and limitations associated with oral history research that should be anticipated by scholars unfamiliar with this methodology. For one, informants may embellish their actions and misrepresent their influence on particular events, especially if events have receded far from memory. One way to mitigate this outcome is to corroborate informants' verbal remarks against previously written records. Ideally, documents that were created at the time or shortly following particular events are available and can be examined. A related concern is the inability of individuals to reconstruct an accurate chronology of past events.<sup>12</sup> Given this foible of human memory, oral history is not recommended for establishing sequential and/or causal relationships.<sup>13</sup>

Although oral histories can produce many new insights about the past, they also bring about a type of bias that is absent from document-based histories. Clearly, the bias associated with selecting individuals to interview is comparable to the selection of documents to examine; and the questions posed to informants parallel the extraction of particular nuggets of historical data from documents. Notwithstanding, the oral history process is uniquely biased because of the intangible and interpersonal factors that involve the interviewer (age, gender, knowledge of subject, etc.),<sup>14</sup> the informant (age, gender, memory, etc.), and the interview process (questions, rapport, time, etc.). Oral history's limitations and biases bring into question the indiscriminate extension of findings to different populations and

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<sup>12</sup> Allen and Montell [1981, pp. 29-30] noted a positive aspect of this limitation: "The disregard for chronology in orally communicated history makes it seem that there is no order at all to the way people talk about the past. Yet there is a connecting strand in what is said, although it is quite different from what formal historians might expect it to be. The ordering principle is not time, but the emotional associations that people have with the events and the persons being described."

<sup>13</sup> Porter [1981, p. 35] argued that the concept of causality is very problematic: "The fact that two events are associated in a sequence a great number of times does not mean that one causes the other. It simply means that they are associated. Causation is a kind of fiction that we attribute to the association to make it intelligible for the purpose of controlling our environment".

<sup>14</sup> An alternative view was put forward by Starr [1984, p. 4] who argued that oral and written sources serve the historian in a similar fashion: "It [oral history] can convey personality, explain motivation, reveal inner thoughts and perceptions — serving scholars in much the same way as private letters and diaries."

time frames. Thus, oral history interviews may be better used to evaluate theories that have been propounded by other scholars rather than to form the nuclei of new speculations.

There are a number of mundane, procedural issues regarding oral history data that must be confronted and resolved. For one, the volume of interview data can be overwhelming and the subject matter wide ranging. Each one-hour interview can generate ten or more single-spaced typed pages of transcribed text. If a project includes 30 interview hours, representing as few as ten informants, the cost of data transcription and analysis are not insignificant. The researcher must also address the use of vernacular, remarks made in confidence, varying tone and intensity, and other subjective issues when converting oral remarks to written text. Because transcribed interviews necessarily reflect interviewer bias, some oral historians argue that only verbal remarks represent primary oral history data.<sup>15</sup>

Once transcribed, the data should be presented to informants for review. Many informants are embarrassed by the written version of their verbal remarks and want to "improve" them by correcting slang, incomplete sentences, and awkward statements. This form of editing is not a problem for some historians, although others may think that altering prior remarks is akin, albeit in a small way, to rewriting history. Similarly, some informants are reluctant, both at the time of the interview and when reviewing transcriptions, to disclose sensitive material (e.g., personal names, places, dates, etc.) that they proffered in conversation. These concerns do not directly confront the documentary historian, although they are a hidden factor in the creation of original documents.

Another problem may occur because the respondent is talking in the present and has adopted modern world views which they carry with them into the past. For example, a woman who was paid far less than a man in the 1920s or 30s may be angry about it now and say she was angry about it then even though at the time she accepted the wage differential as a fact of life for her and other women. Alternatively, some informants may expunge key events that were traumatic when they occurred but are not so in retrospect because of information they later obtained.

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<sup>15</sup>Ideally, oral interviews can be videotaped as well. Seeing and hearing an informant's responses can enrich the data and clarify interpretation.

The next section of the paper illustrates how oral history interviews can be used to evaluate theoretical arguments about accounting practices. If the view holds that innovative propositions are more likely to receive favorable publication decisions, then scholars may be inclined to promote unique or unconventional theories about the past. Furthermore, if documentary evidence is inherently privileged and biased, then both conventional and unconventional theories about the past may be best evaluated through the recalled memories of individuals who had first-hand, participatory knowledge about the events to which these theories relate. For example, a theory regarding the development of a modern accounting institution like the Financial Accounting Standards Board (FASB) may be evaluated by interviewing individuals who interacted with the FASB rather than by examining written records that were prepared by FASB staff. This facet of oral interviews was pursued in regard to competing attributions about the development of standard costing.

### INSIGHTS ON STANDARD COSTING

There is an ongoing discussion between conventional and critical accounting historians concerning the nature and role of historical evidence. Conventional historians [Edwards and Boyns, 1992; Fleischman and Parker, 1991; Tyson, 1992 & 1994] have examined business archives to discover the reports prepared for owner/managers and to determine, in part, the origins and uses of modern accounting practices. Typically, their studies incorporate evidence from primary sources; are specialized by time, place, and subject; and fail to question the neutrality or bias of the source material they utilize.

Critical historians, on the other hand, often reject the validity of primary source materials because they were created by dominant groups (accountants, managers, accounting institutions, etc.). Critical studies describe how accounting reports were used to maintain class distinctions and social arrangements within the firm.<sup>16</sup>

Not surprisingly, conventional and critical historians view U.S. cost accounting developments far differently. Conventional historians often support transaction cost theory which holds

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<sup>16</sup> See studies by Braverman [1974], Clawson [1980], and Hopper and Armstrong [1991] who adopt a critical, labor-process perspective regarding U.S. accounting and business history.

that cost accounting developments as well as other managerial actions arise from market pressures and are implemented to achieve coordination, control, and greater cost efficiency. Their histories usually disregard political, social and behavioral issues and conclude that competitive forces and the need for rational decision making fully explain and justify the use of cost accounting measures and reports.<sup>17</sup>

Alternatively, critical historians who adopt a labor-process perspective, focus on how accounting and related information was used to maintain class distinctions and social arrangements within the firm. They argue that managerial actions were undertaken to extend and intensify the labor effort and augment profits. These historians are more concerned with the motives and impact of cost accounting reports than with their specific content. They portray accounting as a management tool that is one-sided and impervious to worker influences.<sup>18</sup>

Hopper and Armstrong [1991] adopted this perspective in interpreting particular developments in twentieth century, U.S. cost accounting history. In contrast to transaction cost theory, Hopper and Armstrong [1991, p. 406] described an unconventional and far more critical perspective of standard costing and other accounting-related control devices:

Recognizing the need for a broader, more critical institutional analysis of capitalistic development, the core presupposition of this perspective is that social and economic conflicts arising from the modes of control which characterise particular phases of capitalistic development stimulate the creation of new forms of control intended to eliminate or accommodate resistance and to solve the associated problems of profitability.

Throughout their paper, Hopper and Armstrong posed many persuasive arguments, but they cited secondary sources exclusively to bolster their views. The perceptions of first-hand par-

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<sup>17</sup> Chandler [1977] and Johnson and Kaplan [1987] typify the traditional document-based business historians who ignored social factors. Recent archive-based studies [Fleischman et al., 1995; Boyns and Edwards, 1995] have been more open-minded and eclectic in their discussion of accounting history.

<sup>18</sup> Other critical historians [Hoskin and Macve, 1988; 1994; Stewart, 1992; Walsh and Stewart, 1993] have reexamined business archives and attributed Foucauldian power/knowledge rationales to explain certain accounting practices. Foucauldian scholars tend to provide specific evidence, in sequence and in context, and to promote a general theory of hierarchical surveillance regarding the use of standard costing procedures.

ticipants in the history they describe were noticeably absent. Consequently, many readers may have been uncertain about the validity of either perspective, both as a general theory or in regard to particular case studies. Oral interview data provides an excellent opportunity to illuminate the debate concerning the development of standard costing.

In a recent study, Tyson [1996] conducted oral interviews with individuals having first-hand involvement in the U.S. men's tailored clothing industry. Seventeen interviews were conducted with owner/executives, middle managers, and union workers who had varying degrees of experience over the past 75 years with procedures which were related to and included standard costs. One purpose of the study was to explore if a conventional (transaction cost) or critical (labor process) interpretation better explains the development, use, and impact of standard costing and related procedures.

Through oral interviews, informants provided insights which helped to personalize a superficially mundane procedure like standard costing. Their remarks revealed facets and considerations that occurred beneath purely theoretical discourse. Whilst the biases of selective questioning and reporting still exist, oral interview transcripts, in their complete form, can provide readers an opportunity to examine data that is largely untainted by an historian's interpretation and help them determine if either the critical or conventional view should be promoted without qualification.

Tables 1 and 2 have been prepared to help clarify the debate for those not totally familiar with the theoretical issues. Table 1 describes the conventional (transaction cost) perspective and Table 2 the critical (labor process) perspective regarding standard costs and related procedures.<sup>19</sup>

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<sup>19</sup> Clearly, an either/or approach eliminates a middle ground position that many authors may hold; thus, these tables should be viewed as representing somewhat extreme positions.

**TABLE 1**  
**CONVENTIONAL VIEWS**

**Piece Rates and Time Studies**

- \* Implemented to motivate workers to increase output
- \* Replaced by time wages when market signals were unavailable
- \* Ensured uniform and predictable costs
- \* Generated lower unit costs than time-based wage schemes

**Production Standards and Standard Costs**

- \* Established to improve efficiency
- \* Became increasingly scientific and accurate
- \* Represented what costs and quantities should be
- \* Represented best practices and methods
- \* Were used to evaluate the efficiency of internal processes

**Introduction of New Technology**

- \* Implemented for competitive reasons
- \* Not employed just to reduce costs
- \* Provided more output at greater consistency

**Industrial Relations**

- \* Characterized by compromise and consensus

**TABLE 2**  
**Critical Views**

**Piece Rates and Time Studies**

- \* Cut when workers' earnings became too high
- \* Geared to the performance of the fastest workers
- \* Imposed on the workforce by industrial engineers

**Production Standards and Standard Costs**

- \* Depended on weakened resistance from organized labor
- \* Established for social, political, and ideological purposes
- \* Derived from scientific decisions on the pace of work
- \* Implemented to extend and intensify the work effort
- \* Created a deskilled and fragmented labor force
- \* Monitored individual effort and accomplishment<sup>†</sup>
- \* Were invulnerable to workers' influence<sup>†</sup>
- \* Pinpointed the inefficiencies of individual workers

**Introduction of New Technology**

- \* Implemented to subdivide jobs and lower labor costs
- \* Labor received few if any benefits
- \* Increased speed and effort levels

**Industrial Relations**

- \* Inherent conflict between management and labor
- \* Bargaining outcomes resulted solely from power differentials

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<sup>†</sup>These two comments were made by Miller and O'Leary [1987] in their critical history of scientific management and standard costing.

The study, Tyson investigated the practices that directly underscore the use of standard costs for control: piece rates, time study, production standards, and the implementation of new technology. In brief, the interviews were conducted by the author and transcribed professionally. A sample of convenience was used to identify informants who were classified as owner/executives, middle managers, and workers/union officials. The author completed an oral history workshop prior to undertaking the project and followed many recommended oral history proce-



dures prior to conducting interviews.<sup>20</sup> Because informants were drawn from the U.S. men's clothing industry exclusively, generalizations beyond this industry are cautioned. Even so, their comments may help assess whether the conventional or critical perspectives best captures the nature of standard costing in this particular industry.

The subjectivity of the oral history process and the biases of the oral historian manifest in the selection of particular remarks to provide in condensed, summary form. With this caveat in mind, the data in Table 3 are presented. Like other oral history projects, the data uncover human aspects of a particular procedure, in this case standard costing. For example, informants revealed that standards were geared to average workers; workers were given time to achieve standards; time studies were not important in setting piece rates; most disputes were resolved at the shop floor; and new technology did not require workers to exert more effort. At a more abstract level, the data suggest that the interests of capital and labor were generally accommodated and both economic and social factors had an impact on the eventual standard cost numbers. Several remarks are worthy of further discussion.<sup>21</sup>

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<sup>20</sup> For example, questions were open-ended and original vernacular was retained when possible. Informants were mailed a copy of their transcription and were asked to verify content and authorize public release.

<sup>21</sup> See Tyson [1996] for a detailed discussion of informants' remarks and their biographical data.

**TABLE 3**  
**ORAL INTERVIEW INSIGHTS**

**Piece Rates and Time Studies**

- \* Produced higher earnings for many workers
- \* Geared to the earnings and performance of 'average workers'
- \* Most disputes about rates and time were resolved at the shop level by the business agent and plant manager
- \* Workers were given time to attain normal working speed
- \* Rates were subsidized during the learning period
- \* Rates were rarely changed after a trial period and were never cut arbitrarily
- \* Union conducted its own time studies and contested unfair rates
- \* Management made side agreements with the union about rates and time for certain jobs
- \* Management was contractually bound to retain slower workers
- \* Conducted by union and management personnel working together
- \* Time study data were not that important in setting piece rates

**Production Standards and Standard Costs**

- \* Many workers earned more than the standard
- \* Standards were achievable by average workers so that most workers would earn decent wages and support the union
- \* Contracts prevented the dismissal of workers who could not match speed of fastest workers
- \* Computerization enabled standards to be used to evaluate individual workers
- \* The attainability of standards varied widely among firms

**Introduction of New Technology**

- \* Many individual workers reacted negatively
- \* An individual's earnings were not reduced, but new hires worked at lower rates
- \* Implemented to reduce costs and increase productive capacity
- \* Subdivided and narrowed individual jobs, altered skill levels, and diminished the status of certain workers
- \* Reduced learning time and training costs
- \* Supported by workers when it improved work and safety conditions
- \* Raised the skill levels and earnings of certain jobs
- \* Provided greater conformity and consistency
- \* Did not require workers to work faster or exert more effort

**Industrial Relations**

- \* Mutual interests were recognized and tolerated
- \* Marked by consensus rather than conflict

Many informants indicated that piece work rates were negotiated and were never cut arbitrarily.<sup>22</sup> Others revealed that time studies were geared to the earnings and performance levels of “average” workers.<sup>23</sup> Standards of production were exceeded by the majority of workers and those not matching the their fastest peers were not dismissed from employment because of contractual obligations. New automated technology was implemented both to reduce unit costs and to maintain market share in light of competitors’ price cuts.<sup>24</sup> Individual workers resisted new technology, but the union usually support its implementation especially when they were convinced it was needed to save union jobs.<sup>25</sup> Technology did subdivide tasks and narrow individual jobs, but it did not increase the pace and effort of work.

In summary, the data from this group of informants indicate that standards were developed through compromise and negotiation and incorporated a wide range of human factor considerations. Although their views conflicted on specific issues, especially those impacting wage levels, none of the informants portrayed the men’s clothing industry as a harsh, managerially dominated workplace. Instead, they described an industry that was confronted with continual economic pressures (low profit margins and intense competition from non-union and foreign

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<sup>22</sup> For example, one union official stated that: “If the individual was given a [piece] rate and was satisfied with it, they’d go ahead and make it. If not, they would complain to us. Then through a regular grievance procedure that we’ve established for years in the shops we would discuss it with management.”

<sup>23</sup> An owner/manager described how this concept was applied: “You’ve got to set up a standard that the average worker can produce. Now what will happen is you have a bunch of ten people that all produce differently, but if the standard is set right, it means that the lowest productive operator can still achieve her standard...If they don’t achieve the standard you’ve got an excess cost because the garment is based on the amount of time it takes to do the job.”

<sup>24</sup> A retired chief executive of a major clothing described the rationales and implications of automating production: “Nobody wanted any one particular worker to go, or any one particular plant to shut down. But the need for capital and investing in technology to make workers more productive is the only way to sell enough goods...It doesn’t make sense if you could pay everybody only five dollars [per hour]. It makes more sense if you could pay fewer people ten dollars and have them earn that living wage with good equipment.”

<sup>25</sup> Several owner/executives held a different view. One executive described the difficulty of getting the union to agree to new technology: “I said, Jack, I’ve got to have something too. I’m telling you right now, for your good, for the good of this industry, you’ve got to let us modernize the cutting rooms. Nobody is going to get hurt, nobody will get fired, people will earn more money, they will not earn less money.”

sources) and that accommodated workers who varied in skill levels, ambition, and education. Insights about these and other human facets of standard costing are often lacking from both conventional and critical histories which are based exclusively on documentary sources.

Clearly, a different set of informants, especially those without administrative or executive experience, would have provided a different and perhaps less placid view of industrial relations and standard costing in this particular industry. In fact, oral history has become popular among those seeking to describe a suppressed or unconventional perspective of an activity that has been dominated by one particular class of citizens. Notwithstanding, oral interviews can enrich conventional, mainstream analyses by revealing an important and neglected human dimension. In accounting, this dimension is especially important when countering the charge that accountants, managers, and executives were and are inflexible, domineering, and motivated exclusively by economic criteria. The next section describes three current accounting issues that would benefit from an oral history expose.

### FUTURE ORAL HISTORY RESEARCH

There are a number of current issues that lend themselves to oral history examination. In general, these issues involve accounting culture, institutions, and significant groups or individuals. In their call for realistic historical examinations, Merino and Mayer [1993, p. 262] seem to support the oral history method and its use of first-hand participants:

Accounting historians can make an important contribution by providing a more realistic picture of the current state of the discipline and by pointing out contradictions that exist between what academic researchers assume and actual economic relationships in contemporary society. This picture should consider both institutions and individuals.

One aspect of accounting culture that has experienced considerable change in recent years is the nature of professionalism. Professionalism has evolved to include a full range of operational and strategic planning services that bring to question the nature of independence and public service. An oral history study in this area might be entitled, "Professionalism Past and Present — the Remembrances and Experiences of Practicing

Public Accountants.” Interviews could be conducted with notable CPAs having broad experience and an unusual perspective on the changing role expectations of auditors over the past 50 years.<sup>26</sup> Similar studies might examine the activities of controllers, regulators, and educators.

A history of an accounting institution would be greatly enhanced with oral interviews. One study that seems germane is a history of the FASB. This institution will be marking its 25th year in 1998, and many of its founders are alive and still active in the accounting profession. A history of the FASB which incorporates the recollections of founders and notables would be a noteworthy contribution to accounting history literature. Interviews might also be conducted with individuals who served in the Securities and Exchange Commission, Financial Executives Institute, or academe, and maintained an external perspective.

There are many opportunities for oral history research that focus on individual accountants who share a common demographic characteristic. One example is Hammond and Streeter's [1994] study of black U.S. CPAs. Accounting populations that are yet unexamined include female accounting educators, rural accounting practitioners, and career internal revenue agents. Eliciting the views and experiences of notable individuals from these groups might expose, a unique, more personal dimension to accounting work at a time when the profession is attempting to increase its appeal to more diverse student populations. In general, studies that examine current issues would benefit from the insights and historical perspectives that informants would provide.

### SUMMARY AND CONCLUSIONS

This paper has sought to show that oral history benefits both conventional and critical scholars who seek a more complete picture of accounting's past. Historians and readers alike gain from personal insights that are revealed by participants of history. De Hart [1993, p. 594] indicated how a combination of oral interviews and documentary sources can produce a much clearer and more humanistic picture of the past:

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<sup>26</sup> The Proceedings of the 1992 Accounting Hall of Fame Conference [Burns, 1992] illustrate the insights that notable accountants can provide about historical issues, controversies, and debates.

Finally, and most important, extensive reliance on oral evidence need not confirm the superiority of document-driven, chronologically distant history. Rather, the collection and use of oral evidence can enable us to see more clearly the problematics of all evidence. We recognize that every source is a historical construction, embedded with assumptions, intent, and interpretation.

Oral interviews are one of the most effective ways to illustrate the human side of accounting history. Personal recollections add richness and clarity to conventional histories which seek to organize past events. They also provide data and specificity to critical interpretations which assail the fairness of past events and decry the motives of accountants, managers, and business owners. Oral histories help to reveal the thinking that was pursued by accounting decision makers and those subject to accounting reports. Communicating informants' recalled memories about accounting's past also helps to demystify a profession that is typically portrayed as purely procedural and devoid of human judgment. Hopefully, scholars holding different philosophical perspectives who plan to explore accounting's past will incorporate oral history interviews in their investigations.

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