

A Critique on Forecasting Management Philosophy Lifecycle

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Abstract— Being a passionate manager or employee will lead you to always looking for a better way to do the job and expecting better results from that way. However, this takes such person to do some research on how to make improvement at the workplace and how to develop such breaking results to your organization and targeted customers. And after searching on “how” to improve the workplace? The question will change into “what” to select out from all of these tools and techniques? Therefore, this leads us to the point where want to reveal; how to choose an improvement program or project? How it can be convincing for your organization to adapt such improvement? And what does really matter? All of these points will be discussed based on what was found in the article of “Forecasting Management Philosophy Life Cycles: A Comparative Study of Six Sigma and TQM” as well as all the view point that can enrich the subject.

Index Terms— Improvement, program, performance, learning curve, TQM, organizational, Six Sigma, profitability.

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1 INTRODUCTION

Being a passionate manager or employee will lead you to always looking for a better way to do the job and expecting better results from that way. However, this takes such person to do some research on how to make improvement at the workplace and how to develop such breaking results to your organization and targeted customers. And after searching on “how” to improve the workplace? The question will change into “what” to select out from all of these tools and techniques? Therefore, this leads us to the point where want to reveal; how to choose an improvement program or project? How it can be convincing for your organization to adapt such improvement? And what does really matter? All of these points will be discussed based on what was found in the article of “Forecasting Management Philosophy Life Cycles: A Comparative Study of Six Sigma and TQM” as well as all the view point that can enrich the subject.

2 PURPOSE FIT

According to Deming (1991) in his revised list of 14 points for implementing quality improvement programs; point number ONE is “Create Consistency of Purpose”. It is all about the purpose and the intention that the firm desire to materialize for their improvement ideology. It can be for increasing profitability, increasing customer satisfaction, increasing market share or for enriching and energizing organization’s knowledge and learning.

Therefore, it is very essential to state the purpose and to have everyone’s agreement on that prior the kick start of the improvement program. Preceding the statement of purpose, the fit between this purpose and the tool/technique or management philosophy that will be adapted by the organization is the next sensitive step that needs to be selected very precisely after a clear determination of the phase that the firm is passing through in the present time. For example, a firm can be in a growth or a maturity phase; therefore, the firm’s reaction should be taken accordingly to the business lifecycle.

3 THE ABILITY FOR RETURN

What is the return? This is a basic question, which can be asked after the selection for any improvement program. And that is obvious because of the amount of time, effort, and money that will put into this improvement project of program. For example, Goeke and Offodile (2005) mentioned in their article “Forecasting Management Philosophy Life Cycles: A Comparative Study of Six Sigma and TQM” have a difference in the “profitability focus”, but they are almost similar in all other aspects like “process focus” and “benchmarking”.

And this will lead to the first question; what is the return? Because it is very clear that at the end of the day the amount of time, effort and money is an INVESTMENT, therefore, what is the return on investment (ROI) at what ratio and percentage? Because, the answer will be the first driver for the senior/top management to take the lead and approve such programs or projects. However, the return is not necessarily to be explicitly direct money; however, it can be indirect in the sense of organization’s knowledge and learning which can be calculated, for example, using the cost/benefit ratio in order to include the non-monetary values. Ultimately, the adaption of any improvement program should subject to the “impact” that will lead to and how does that affect on the organization’s performance and its image to people inside and outside the firm.

4 THE CHALLENGE OF REALITY

According to Fortune magazine (1999), 9 out of 10 firms fail in implementing their strategies. And that is the challenge of reality! The point is how a project or program being initiated can be maintained effective and successful throughout the period of adaption. Because of that another management fad or fashion has had created to solve the implementation problem; yes, Balanced Scorecard founded by Norton and Kaplan (1992) is claiming to solve this challenge of failing in turning

the strategy into reality. However, it can be concluded, to some extent, that management fads do come out at the time where another management fad fails in delivering "some" outcomes.

5 ORGANIZATION'S PERFORMANCE

According to Steve Jobs (1987), people do judge based on your performance, which is led by results; therefore, focus on results. It is very important to know your results, but, more importantly to compare your results with previous ones or even others, and that is for the purpose of knowing the significance of the difference that the firm is making before and after the delivery of any improvement program/project. This way of challenging the results can create a culture of motivation to beat results by new results, exactly like what happens with athletes when they focus on breaking previous scores.

6 ORGANIZATION'S LEARNING CURVE

According to Heizer and Render (2005) learning curves are defined as "the premise that people and organizations get better at their tasks as the tasks are repeated; sometimes called experience curves". Based on that, it can be concluded that one of the benefits that a firm is adapting new management "fads" is lowering the learning curve for the next adaption as Goeke and Offodile (2005) mentioned in their article. Moreover, adapting such management techniques and tools does affect the readiness of the firm and its people positively in terms of higher acceptance and lower resistance and better adaption time for delivering results.

7 GENERATIONS OF MANAGEMENT PHILOSOPHIES

The new "Mac Book Air" has no CD reader! Yes, that is true. Technologies are accelerating "exponentially" (Kurzweil 2005) and some times we could not trace feel this acceleration because of fatness. Likewise, management philosophies do change with some function of growth, and that includes the disappearance and the raise of new philosophies, and this could be because of developing "better" ones or because of the "failure" of some of them. However, the idea of Gibson and Tesone (2001) that every management philosophy will pass through some sort of a life cycle is true with some conservation. Because, there are several factors that might affect the sequence and even more the whole process of this lifecycle. For example, at a specific time horizon the marketplace could face some crisis that force the industry to cut budgets and to go form cost minimization tools instead looking for quality improvement or customer satisfaction, and that can deviate some of the existing tools to wait in a certain phase in the life cycle or it could even get out of the life cycle before completing it.

8 TECHNICAL CRITIQUE ON SAMPLING

Goeke and Offodile (2005) in their article "Forecasting Management Philosophy Life Cycles: A Comparative Study of Six Sigma and TQM" have used just two sources of articles to con-

duct their study: Business Source Premier and ABI-Inform. However, using just 2 sources can sound insufficient number as a representative sample versus the massive population of scientific research sources for business and engineering (i.e. as relative fields for the scope of the study). It would be more accurate if the sample size of sources has been larger to really represent the population of relative sources.

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