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Introduction: Evolution of the Manufacturing StrategyRobertH. Hayes Gary P. Pisano (1994, Harvard Business Review) emphasized the need formanufacturing strategies for companies. In the late 1980s, most of the manufacturingcompanies rediscovered the advantage that comes from good manufacturing and starteda variety of activities to improvise their manufacturing and in the process becomecompetitive. A lot of companies wanted their “ manufacturing strategy” to become” world-class” along various measures, to become the best companies in theirindustries. To attain this goal they typically adopted one or more of a growingnumber of improvement programs, such as TQM (Total Quality Management), JIT(Just-in-Time) production, and DFM (Design for Manufacturability), leanmanufacturing, reengineering, benchmarking, and the ubiquitous team approach. In this research we will try to find out the evolution of manufacturingstrategies especially in Mahindra and Mahindra.

We will also try to find answersto questions such as Mahindra is not able to sustain its joint venture partners. LiteratureReviewManufacturingStrategies and its evolution             Bothmanufacturing strategies with operational objectives plays an important role inachieving the sustainable competitive edge (Ketokivi and Schroeder, 2004).  As Brown and Bessant (2003) emphasized thedevelopment of capabilities does not simple mean enhancing existing technologiesand competencies but also requires disruptive changes in both the externalsupply chain network and internal organizational structure.

There is arelationship between the manufacturing streams and should be better understoodand developed to attain high-level manufacturing performance. Companies shouldadopt and innovate different capabilities to retain the competitive advantageat every stage. Leung and Lee (2004) stated that a giant company will focus oncost leadership and delivery dependability, while a medium or small-sizedcompany will try to emphasize on quality and flexibility. Themanufacturing companies related to bus are currently mostly focusing onbuilding delivery-based competitive capabilities. The important factor is timeaccording to (Krajewski et al., 2010) and focuses on reliability and speed. It alsoemphasizes on shortening of product development and production cycle times. Thus time is also used instead of delivery in order to broadly cover moretime-related issues in the manufacturing environment.

Priority and capabilityare closely related. Priorities are in a different form the capabilities (Wardet al., 1998), or goals and objectives (Hallgren et al., 2011) which thedifferent companies want to achieve in the future. Capabilities are sometimescalled as realized priorities, which are currently and actually available tothe company (Gro¨bler and Gru¨bner, 2006), and it is directly related to theoperational performance. Most of the times capabilities are created becausethey have been previously established as strategic priorities. We will alsoinvestigate the capabilities instead of the priorities and which shaped theevolution in manufacturing strategies. Qualityhas been identified as a key competitive weapon in the global market.

To attainglobal competitiveness Chinese firms are making a lot of considerable effort inimplementing quality management. Choong Y. Lee, Xiaomu Zhou, (2000) comparedthe manufacturing strategies and business practices between TQM and traditional(or non? TQM)firms in the Chinese manufacturing industry. The differences between TQM andtraditional non? TQMfirms in manufacturing strategies and business practices were explored in thisstudy by analyzing survey results of 243 Chinese manufacturing firms. The majordifferences between TQM and traditional non? TQM firms areinvestigated in several respects as a part of this study. Thuswe can come to a conclusion that manufacturing strategy must start with theidea that the primary objective that manufacturing adds value to an enterpriseis by enabling it to do certain things better than its competitors can. This willbe different for different companies and depends on the sector the company isin.

Every company occasionally lags behind its competitors in some area, butfor the long term, it must identify one or two areas—for instance, flexibilityand innovativeness in which it try to be the best most of the times. Thesecapabilities should be ones that is valued by the customers, and they should beones that are difficult and impossible for competitors to duplicate.  Customers might value low cost but as manyconsumer electronics companies learned during the 1970s and 1980s, that to achievelow cost they have to give away a lot and going offshore does not provide asustainable advantage because competitors can do the same.

Mostimportantly, a company must have or develop a plan for building thecapabilities it wants to acquire. This is where the question of whichmanufacturing improvement comes into picture and thus different approachescomes in. A company may decide to use teams, but only after it has cultivatedthe capabilities that will allow teams to be effective.

Corporate strategy mustprovide a framework for the selection, development, and exploitation of thesecapabilities. Since most of the capabilities with the greatest competitivevalue are in a company’s manufacturing organization, corporate strategy mustbecome much more explicit about, and reliant on, manufacturing considerationsthan in the past. Mahindra and Mahindra: Company Overview                                                                                                                      ´Founded in 1945 in Ludhiana as Mahindra & Mohammed´Founded by K. C.

Mahindra, J. C. Mahindra and Malik Ghulam Mohammed´Changed its name to Mahindra & Mahindra in 1948´Set up as steel trading company´One of the largest automobile manufacturers by production in INDIA´Headquarter in Mumbai´Around 1, 50, 000 employees in over 100 countries across globe´19th in the list of top companies of India by fortune India 500´Its major competitors in the Indian market are Tata Motors, MarutiSuzuki, Ashok Leyland etc´Mahindra has a presence in 40 countries for its tractors´Automotive business accounts for about 48% in India’s utility vehiclemarket share´Entered the energy sector in 2002´In 2010–11 entered in micro drip irrigation also´One of the largest contributors to the Mahindra Group revenue is MahindraAutomotive and Farm Equipment Sectors (AFS) which includes 27 businesses, 18subsidiaries and 9 companies´Mahindra & Mahindra won the Deming Application Prize in 2003 Review: Manufacturing Strategy of              Mahindraand Mahindra BPR in Mahindra and Mahindra (1994)Why Business Process Reengineering (BPR) started inM&M? Mahindra and Mahindra went for BusinessProcess Reengineering due to manufacturing inefficiencies and Poor productivity. There were long production cycle and most of the time there were sub-optimaloutput. The motive was to increase theefficiency which comes hand-in-hand with a streamlined operation. By paringdown operations and making significant changes in the processes, M&M wantedto achieve faster response time, greatly increase overall efficiency.

Instead of struggling throughorganizational red tape, employees have more time to perform meaningful work. Less time spend working through inefficient organizational structures meanstime better spent in the workplace. Also here was unhealthy work culture andmilitantly organized unions. The phenomenon of corruption was widespread. The managementlenient & often crumbled under pressure thus there was a need of radicalchanges thus BPR was proposed. Implementation of BPR´ In1994 Major Restructuring Program was initiated as a part of BPR in M&M´ UKbased Lucas Engineering System developed the program´ Peopleinvolved in corrupt practices were sacked´ VoluntaryRetirement Schemes were introduced´ Butthe unions refused to co-operate and the workforce could not be reduced´ Stage1:- Restructuring of M&M Group´ Regroupedin six distinct clusters of related businesses as SBU each headed by aPresident•Infrastructure•Trade & Financial services•Tele communication•Automotive components• FarmEquipment division (Tractors)•Automotive Div (UV, LCV, 3 wheelers)´ Stage2:- Re-engineering the entire layout & processes of working•Cellular Manufacturing´ Multi-taskingthrough Multi-machine manning´ Reductionin non-productive Activities•Implementation of TQM and Kaizen•Formation of 3 cross functional teams´ Horizon1: Improvement in existing Product´ Horizon2: Up gradation of existing Product´ Horizon3: Development of new ProductResults BPR – M&M´ IgatpuriPlant: Employees declined by 400 but productivity went up by 125 engines perday´ NasikPlant: 125% improvement in productivity´ Reductionin employee costsIn1994: 12. 4%In1996: 10. 1%´ Improveplant’s capacity utilization from 45% to 55%Focus on goals and high efficiency allowedMahindra and their employees to put more energy towards the products, which improvedthem.

In addition, better organizational practices and schemes and lines ofcommunication foster improvement and innovation in their business. Thus itmakes the business of M more reactive, improved it all round and it canbe seen from their results. Project Scorpio – Integrated Design and Manufacturing(IDAM) (1997)TheScorpio was an important project for M. M wanted to change itsimage as a manufacturer of vehicles for rural use and to break into the urbanmarket. Thus as a result, it went all out to ensure that nothing was left tochance in making Scorpio a one-of-a-kind vehicle in the Indian market.

To achieve its goal M set up a new plant at Nashik in Maharashtra to manufacture Scorpio. The estimated cost of the Nashik plant was about $120 million and had a production capacity of 40, 000 units on a two-shift basis  Someof the strategies adopted by M were follows:-´Productdevelopment process, which was adopted by M to streamline the delivery ofa world class Scorpio with zero-defect, trouble-free product to the customer´Itfocused to cover the entire value chain starting and ending with the customer. This outside-in approach was adopted to ensure that the product is designedaround the customer and not vice versa´Therewas a major restructuring at the team level also. In the old and traditionaldepartment structure, the IDAM team consisted of cross-functional teams, co-located in the IDAM Centre in Mumbai. ´Theseteams had cross-functional strengths and used to cover the product development, from ‘ Design & Development, Testing & Validation and Manufacturing’ to’Vendor Development and MarketingJIT in Mahindra and MahindraM&M neededto execute JIT at their fundamental plant in Nasik as they knew about the waythat JIT approach will help them to work with negligible levels of stock. Theirbusiness objective was to make every one of our providers dynamic members” in the creation procedure. They needed that the providers ought to be” empowered” to know about any adjustment in the entire creationprocess and in the meantime contribute effectively.

This was important tolessen an opportunity to-react to a circumstance and enable “ without amoment to spare” approach in the creation to process. Objective of JIT at M&M Make every one of our providers dynamic members inthe generation procedure. •Suppliers ought to have the capacity to know aboutany adjustment in the entire creation  process and in the meantime contribute effectively. •Update to best practices for supply systems for 400sellers, 150 vehicles for each day and 1100 sections •Improvement of the renewal proficiency •Reduction of stock at the sequential constructionsystem supporting an adaptable assemblingArrangement Particular standard metal holders and totes in viewof Indian truck measurements.

Load units ergonomically exhibited to thespecialists 25 JIT parts distinguished (provided in grouping), two-levelracking framework for totes with dynamic designation and picking, containerizedsupply from neighborhood merchants with round get Diminished work force and renewal lead time; enhanced assembling adaptability Advantages •By making our providers member in the ‘ without amoment to spare” technique for generation, they could keep up theslightest stock level. •Suppliers could see continuous the status of theprovisions, charge settlement and host of different parameters. •All dynamic members of a procedure, for example, the procedure from a provider to the merchant can deal with changeadministration with the assistance of a specific arrangement and acharacterized procedure. •Set up times are fundamentally lessened in thedistribution center. Chopping down the set up time to be more profitableenabled the organization to enhance their main concern to look more proficient.

•Having representative concentrated on particularregions of the framework enabled them to process merchandise speedier asopposed to having them defenseless against weariness from doing an excessivenumber of employments on the double and rearranges the jobs that needs to bedone. •Increase accentuation on the provider connections  Effect of JIT on Capacity Management The advantages of JIT for limit administration JIT helps the specialist organizations in theirendeavors to design and additionally oversee limit all the more exactly. Thisaides in diminishing the general capex and opex nearby guaranteeing theadministration quality. The scope quantification of JIT can be utilized tostreamline business and IT forms in the systems of wireline, portable and cloudserver farms keeping in mind the end goal to decrease the general time toadvertise and additionally time to income. It’s adaptable, dependable, snappyand savvy with regards to scope organization. Given the request development rate, specialistco-ops in telecom industry are currently trying to execute a Just-In-TimeCapacity Management Solution.

Aside from productive activity administration itadditionally diminishes opex. This implies capex can be diminished as well asreallocated to new administrations somewhere else in the system, henceenhancing the general client encounter. This implies more up to date ways to deal withorganize operational arranging and execution is required to lessen time toadvertise new administrations and also secure the specialist organizations’aggressive position. The expanding interest for information administrations hasput on going to costs on the telecom specialist co-ops. An answer like JIT inscope quantification can help settle consumption troubles.

The difficulties in JIT Capacity Management There’s a hole that remaining parts between theinterest for the cutting edge administrations and the capacity of the system toreact and convey them proficiently and rapidly. For the greater part of thetelecom administrators, the greatest test looked by the specialist co-ops inorganize arranging is the administration of nonstop change in client designs. This requires the system organizers to react to the possibilities like a verylate change in the take-up and use of new administrations.

Traditionally, anarrangement to overhaul speed or some other will require an enormous customerworthiness to legitimize the use designing and promoting the update. Theseemerge from changes in suspicions of take-up and use of new administrations, spending plan and spending assignments, hardware particulars, merchants choseand specialized or operational issues experienced amid the rollout procedure. The issues experienced amid the conveyance procedure have a noteworthy effect, requesting a re-plan of the system construct and conveyance, which is itself anasset concentrated and tedious process.

JIT strategy requires specialist co-opsto conjecture request precisely and well in time. A noteworthy disadvantage inthis procedure is that it includes interruptions in the entire chain of telecombenefit. On the off chance that there’s a breakdown at one purpose oftransmission and it can basically hamper the conveyance of the administrationor more regrettable, could close down the chain totally.