TO TEAM OR NOT TO TEAM: THAT IS THE QUESTION

Over the past decade the team concept has been an important component of many effective organizations. Successful use of teams requires a well-articulated plan. Redesigning the organization to house the team concept is a five-step process. First, organize the physical work setting to support group activity. Second, create organizational structures and job designs that promote skill expansion and cooperation of interdependent tasks. Third, pay people enough so that lack of money is not a constant irritant. Fourth, attract and select the best employees. Fifth, clearly communicate high expectations to new employees. But the key is to view these five steps as an integrated system that produces high-quality products with minimal resources.

With the introduction of the restyled Accord in the early 1980s, Honda Motor Company became a dominant competitor in the U.S. auto market. Over the past decade Honda’s success has included being the first Japanese firm to build cars in the United States, the first Japanese automaker to enter the luxury car market (Accura), and the first Japanese automaker to produce the best-selling car in the United States (Accord). Honda’s success in the U.S. market has been attributed to its reliance on Japanese management techniques used at its Marysville, Ohio, production facility. The centerpiece of the Japanese management-philosophy is the team concept. The team concept was used for decision making from the shop floor to the executive offices.

Recently Honda’s sales have slowed. Consumers complain that Hondas are bland, underpowered vehicles. These complaints seem somewhat ironic considering Honda’s long-standing involvement in international Gran Prix auto racing. While still successful, Honda recognized that it may have outgrown the traditional Japanese management team concepts. Nobuhiko Kawamoto, Honda’s president since 1990, expressed concern that Honda has gotten conservative and sluggish. It suffers from group decision-making paralysis. Too many voices yield slow decisions. The solution appears to be more centralized decision making.

During the same time period, Hewlett-Packard (HP) experienced problems similar to Honda’s. These problems were manifest in an inability to bring new products to market in a timely manner. The demon seed was a decentralized cluster of three dozen committees that oversaw the development of all new products. This formal group decision-making structure included too many different groups with too many decisions, resulting in slow new-product development. CEO John Young engineered a sweeping management reorganization to quickly get products into consumers’ hands. The reorganization cut many middle management jobs. Removing two entire layers of management reduced costs and time-to-market. HP found that rather than eliminating the team concept, what it needed was more groups rather than fewer groups. But each group would be smaller, more flexible, and more responsive to market requirements. HP formed a structure of smaller groups that were much closer to the action. In this way, HP management pushed decision making to the lowest levels. Smaller design teams linked to purchasing, production, and marketing were formed to develop new products. Results include a successful new matchbox-sized Kittyhawk disk drive. Unlike Honda, HP solved its decentralization problems with more streamlined decentralization rather than less.


1. 以上所述內容所表達, 何以 Honda 的銷售減弱, 請說明原因, 另請提出你的改進改善意見. (25%)

2. HP 企業本年又有何問題？應如何解決？(25%)
Does the “E” in E-Business Stand for “Exit”?

Lester C. Thurow

Consider Compaq’s current dilemma. It sells through dealers but knows that Dell’s build-to-order Internet sales model is much better. Compaq executives know that their current dealer network will stop selling their products if the company begins orienting more of its sales toward the Web. Because it takes time to prepare for selling online, such a shift could cost Compaq 6 to 12 months’ worth of sales. During the interim, customers that change suppliers might be lost forever, and Compaq’s stock price would be adversely affected by sharply falling sales. Compaq executives know where the company needs to be, but achieving this profit-maximizing point is difficult, expensive and perhaps impossible.

The problem is not peculiar to the computer industry; companies in other areas will be facing similar scenarios. Wal-Mart, the biggest customer for many retail suppliers, and other firms have announced that they will instantly quit selling any product that suppliers directly sell on the Internet. As the auto companies move to direct sales and build-to-order models to ensure their own survival, they face the same problems vis-à-vis their dealer networks.

To date, no major company has been gutsy enough to take the short-term losses in order to shift channels — and perhaps they shouldn’t.

Because losses will come early and gains much later, using discounted net present values, it is possible — perhaps likely — that the current discounted net present value of the profit stream that leads to extinction (i.e., sticking with the old sales channel) will be greater than using the current discounted net present value of the profit stream that leads to long-run survival (i.e., moving to the new Internet sales channel).

The conventionally correct economic answer to this problem is as simple and straightforward as it is brutal: Choose the old sales channel that leads to economic suicide. The “right” strategy is, in fact, an exit strategy.

To avoid this Hobbesian choice, some of the auto manufacturers are experimenting with a mixture of the old and the new. They try to involve their dealer network in the new electronic transactions and share with their existing dealer network the revenue that flows from the lower costs associated with Internet sales.

This compromise cannot possibly work. A new company that does not have a dealer network will enter the industry, keep all of its profits, and use this advantage to undercut the selling price of those sharing profits with their old dealer network. Gradually, these newcomers will take the existing market shares away from companies that are sharing profits. In addition, this sort of profit sharing shields the existing dealer network from shrinking as quickly or as much as it should, and the cost reductions that are inherent in Internet-sales models are not fully realized.

Another option is to start selling on the Internet using a different brand name. In all likelihood this isn’t going to satisfy the existing dealer network. They will quit selling the old brand even if that name is not being used on the Internet. In addition, a company must incur the additional expenses of establishing and supporting a new brand name.

One can, of course, persist in the belief that conventional retailing is going to survive and that remaining loyal to the existing dealer network is the right answer. In some areas, this is obviously true. In other areas, it is just as obviously not true. But for at least a generation, no one will clearly know what commodities belong in which category.

Sociology always beats technology, but eventually sociology changes. What my generation finds strange and uncomfortable (e.g., buying a car on the Internet without a test ride) will seem completely normal to our grandchildren. Having downloaded Sony racing games as children, they will be willing to download a simulator from Ford and drive a Jaguar around a racetrack in cyberspace, crash the virtual Jaguar, and learn much more about the actual car’s characteristics than I will ever learn by taking a sedate test ride around the block.

The economic dilemma can be simply stated: The present sales strategy will lead to extinction, but firms are unable to navigate to the sales channel that leads to survival. No one willingly plots an exit strategy, but perhaps that is the right answer in many cases.

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文獻評論

閱讀完這一篇由著名學者梭羅所寫的專欄文章之後請回答以下問題：

一、 本篇短文之大意及論點是什麼？ 10％

二、 根據梭羅的敘述，Compaq 公司、許多傳統日用品供應商、甚至汽車製造商都面臨了一個兩難的問題，這難題是什麼？他們所考量的因素是哪些？ 10％

三、 梭羅說：The conventionally correct economic answer to this problem is as simple and straightforward as it is brutal: Choose the old sales channel that leads to economic suicide. 這話的意思是什麼？理由是什麼？ 10％

四、 梭羅接著又說：The right strategy is, in fact, an exit strategy. 這話又是什麼意思？理由又是什麼？你同意他的看法嗎？請陳述你的理由。 10％

五、 最後，再回到主題，到底 E-Business 裡的 E 是不是象徵著 Exit? 這篇文章對我國的製造業有何啟示？ 10％