國立嘉義大學100學年度

企業管理學系博士班招生考試試題

科目: 個案分析 (中英文作答皆可)

1. YOUR GARDEN GLOVES

"Your Garden" is a small gardening business located in Michigan. The company plants and maintains flower gardens for both commercial and residential clients. The company was founded about five years ago, and has since grown substantially, averaging about 10 new clients and one new employee a year. The company currently employs eight seasonal employees who are responsible for certain number for clients.

Each morning crews are assigned to jobs by the owner. Crew sizes range from two to four workers. Crew size and composition are a function of the square footage of the garden and requirements of the job. The owner feels that large jobs should be assigned to crews for four workers in order to complete the job in a reasonable amount of time.

From time to time, the owner noticed that some jobs, especially the largest ones, took longer than she had estimated, based on the square footage of the garden space involved. The owner's son, Joe, decided to investigate. He kept records of job times and crew sizes, and then used those records to compute labor productivity. The results were:

Crew Size	Average Productivity per Worker
2	2,117 square feet per day
3	1,784 square feet per day
4	1,965 square feet per day

The company operates on a small profit margin, so it is especially important to take worker productivity into account.

Questions: (25%)

- (1) Which crew size had the highest productivity? Which crew size had the lowest productivity? What are some possible explanations for these results?
- (2) After a recent storm, a customer called in a panic, saying that she had planned a garden party for the upcoming weekend and her garden was in shambles. The owner decided to send a crew of four workers, even though a two-worker crew would have a higher productivity. Explain the rationale for this decision.
- (3) What is a possible qualitative issue that may very well influence productivity levels that the productivity ratios fail to take into account?

2. HELLO, WAL-MART?

Wal-Mart is the largest corporation in the world, and it has obviously enjoyed tremendous success. But while many welcome its location in their communities, others do not. Some complain that its presence has too many negative effects on a community, ranging from traffic congestion to anti-union sentiment to unfair competition.

Suppose Wal-Mart has announced plans to seek approval from the planning commission of a small town to build a new store.

Questions: (25%)

- Develop a list of the main arguments, pro and con, that could be presented at a public hearing on the matter by members of each of these groups: a. Owners of small businesses located nearby. b. Town residents, and residents of nearby towns.
- (2) How might a *Wal-Mart representative* respond to the **negative criticisms** that might be brought up, and what other **benefits** could the representative offer the planning board to bolster Wal-Mart's case for gaining the board's approval?

3. STRATEGIC SOURCING FROM PERIPHERY TO THE CORE

For years, "sourcing" has been just another word for procurement - a financially material, but strategically peripheral, corporate function. Now, globalization, aided by rapid technology innovation, is changing the basis of competition. It's no longer a company's ownership of capabilities that matters but rather its ability to control and make the most of critical capabilities, whether or not they reside on the company's balance sheet. Outsourcing is becoming so sophisticated that even core functions like engineering, R&D, manufacturing, and marketing can--and often should--be moved outside. And that, in turn, is changing the way firms think about their organizations, their value chains, and their competitive positions.

Forward-thinking companies are making their value chains more elastic and their organizations more flexible. And with the decline of the vertically integrated business model, sourcing is evolving into a strategic process for organizing and fine-tuning the value chain. The question is no longer whether to out- source a capability or activity but rather how to source every single activity in the value chain. This is the new discipline referred as capability sourcing.

Perhaps the best window on the new sourcing landscape is a handful of vanguard companies that are transforming what used to be purely internal corporate functions into entirely new industries. Firms like United Parcel Service in logistics management, Solectron in contract manufacturing, and Hewitt Associates in human resource management have created new business models by concentrating scale and skill within a single function. As these and other function-based companies grow, so does the potential value of outsourcing to all companies.

It's not always obvious which functions have the most potential for developing scale and skill. Virgin, for instance, has successfully extended its brand management capabilities from planes and trains to music, mobile phones, personal finance, and even bridal wear. And you might still think of Nike as a sneaker and sportswear company. But as it lends its brand and merchandising expertise to an increasing array of products-from golf instruction centers to MP3 players to eyewear-it's evolving into a focused provider of marketing services to other companies.

Migrating from a vertically integrated company to a specialized provider of a single function is not a winning strategy for everyone. But all companies need to rigorously assess each of their functions to determine in which they have sufficient scale and differentiated skills and in which they don't. Greater focus on capability sourcing can improve a company's strategic position by reducing costs, streamlining the organization, and improving quality. Finding more-qualified partners to provide critical functions usually allows companies to enhance the core capabilities that drive competitive advantage in their industries.

Yet despite the enormous opportunities available through capability sourcing, our research indicates that many executives remain unprepared for this transformation. A recent Bain survey of large and medium-sized companies reports that 82% of large firms in Europe, Asia, and North America have outsourcing arrangements of some kind, and 51% use offshore outsourcers. But almost half say their outsourcing programs fall short of expectations, only 10% are highly satisfied with the costs they're saving, and a mere 6% are highly satisfied with their offshore outsourcing overall.

The reason these efforts often fall to measure up to expectations, even purely in terms of cost savings, is that most companies continue to make sourcing decisions on a piecemeal basis. They have not put hard numbers against the potential value of capability sourcing, and they've been slow to develop a comprehensive sourcing strategy that will keep them competitive in a global economy. To realize the full potential of sourcing, companies must forget the old peripheral and tactical view and make it a core strategic function.

Questions: (25%)

- 1. According to this article, what are the merits of outsourcing?
- 2. According to this article, what is the new scope of outsourcing? Give an example to illustrate this idea.

3. Why most companies have not succeeded in capability sourcing in spite of excessive opportunities?

4. LEAN PRODUCTION: ANOTHER CASUALTY OF THE JAPANESE QUAKE?

As the full, grim scope of the massive earthquake and tsunami that struck Japan emerges, it's becoming clear the country's auto industry is going to endure a rough ride, for at least a week and possibly longer. *Edmunds Inside Line* used the word "indefinitely" to describe how long it could be before Japan's automakers resume normal operations. Ironically, it's the manufacturing practices that have enabled Japan to influence the world that are a big part of the problem right now.

The quake and tsunami have affected all the Japanese carmakers, but I'll focus on Toyota (TM) as a representative of challenges that the country now faces. Toyota has reportedly shut down the 12 plants it operates in Japan, effectively stalling production of almost all of its Lexus and Scion vehicles. Toyota operated facilities in Japan's north, so the lack of electricity, damage to roadways, not to mention the ongoing full-on search for survivors, is going to have an impact.

The pluses and minuses of lean manufacturing

A disaster of this magnitude destroys or undermines all kinds of advanced-economy systems. Automakers are no longer self-contained enterprises that build all the things that go into a car themselves. They are instead the prime movers of complex supply chains. In Japan, much of Toyota's is now either inoperable, damaged, or understandably distracted.

Toyota — already reeling from the Great Recall of 2010, a recent management shakeup, and the loss of global market share to rivals — can ill-afford to endure this situation for long. This is not a company that stockpiles inventory. Supply-chain management is the secret to its success. It's the legendary "lean" manufacturing model that Toyota perfected and then exported to the rest of the world.

When complex systems break down, they really break down

The old model of having a plentiful supply of components on hand was costly and inefficient, but it had one big plus: It made it easier to recover quickly from an economic downturn or a natural disaster that disrupted business. In a nutshell, it was durable, if dumb.

The lean model allows for an automaker like Toyota to produce better cars and adjust more nimbly to fluctuations in demand. But because it's accordingly more complex and required more brain- and communications power to operate correctly, it's vulnerable to the type of catastrophic breakdown we're now witnessing in Japan. **Will the power of lean manufacturing survive?** Once Toyota restores idled capacity in Japan, a big question will be whether it adjusts the management of its overall supply chain to be better prepared for natural disaster. Obviously, as the country's largest automaker, any decision it makes will have repercussions for other car companies.

Fortunately, Toyota has diversified manufacturing operations. It's been building cars in the United States for many years, so a massive tragedy at home won't shut it down completely — nor totally starve one of its biggest markets, North America, of product. In fact, this may be the most important lesson that other automakers can draw from the Japanese quake. If they're able, they should attempt to base manufacturing operations in multiple markets.

This has numerous advantages. Imagine if Toyota were still only a Japanese company. The complete loss of a shipping port in its homeland — which is what evidently happened at Sendai — would greatly curtail exports of its vehicles. As it stands, Toyota may have trouble satisfying demand for *Lexuses* for a few months, but at least it can continue to sell U.S.-made *Camrys* and *Corollas*. Nevertheless, the crisis that Japan is currently faces may compel Toyota to make major changes to the way it does business.

Questions: (25%)

- 1. In your opinion, what are the pros and cons of lean production?
- 2. In your opinion, will the power of lean manufacturing survive? Why or why not?
- 3. What do you learn from this article?