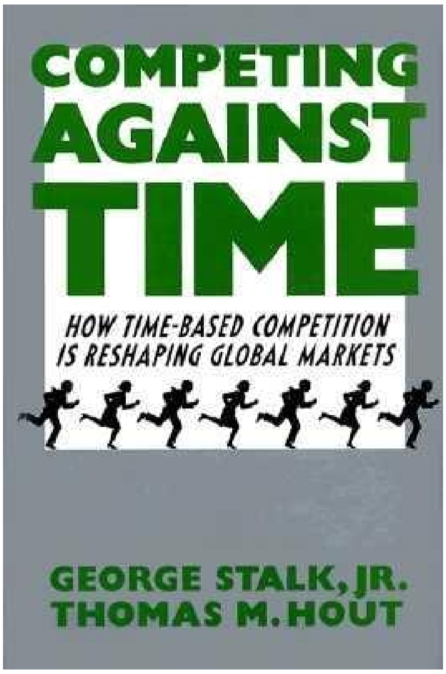

Competing Against Time

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Today, time is the cutting edge. In fact, as a strategic weapon, contend George Stalk, Jr., and Thomas M. Hout, time is the equivalent of money, productivity, quality, even innovation. In this path-breaking book based upon ten years of research, the authors argue that the ways leading companies manage time— in production, in new product development, and in sales and distribution— represent the most powerful new sources of competitive advantage.
With many detailed examples from companies that have put time-based strategies in place, such as Federal Express, Ford, Milliken, Honda, Deere, Toyota, Sun Microsystems, Wal-Mart, Citicorp, Harley-Davidson, and Mitsubishi, the authors describe exactly how reducing elapsed time can make the critical difference between success and failure. Give customers what they want when they want it, or the competition will. Time-based companies are offering greater varieties of products and services, at lower costs, and with quicker delivery times than their more pedestrian competitors. Moreover, the authors show that by refocusing their organizations on responsiveness, companies are discovering that long-held assumptions about the behavior of costs and customers are not true: Costs do not increase when lead times are reduced; they decline. Costs do not increase with greater investment in quality; they decrease. Costs do not go up when product variety is increased and response time is decreased; they go down. And contrary to a commonly held belief that customer demand would be only marginally improved by expanded product choice and better responsiveness, the authors show that the actual results have been an explosion in the demand for theproduct or service of a time-sensitive competitor, in most cases catapulting it into the most profitable segments of its markets.
With persuasive evidence, Stalk and Hout document that time consumption, like cost, is quantifiable and therefore manageable. Today's new-generation companies recognize time as the fourth dimension of competitiveness and, as a result, operate with flexible manufacturing and rapid-response systems, and place extraordinary emphasis on R&; D and innovation. Factories are close to the customers they serve. Organizations are structured to produce fast responses rather than low costs and control. Companies concentrate on reducing if not eliminating delays and using their response advantage to attract the most profitable customers.
Stalk and Hout conclude that virtually all businesses can use time as a competitive weapon. In industry after industry, they illustrate the processes involved in becoming a time-based competitor and the ways managers can open and sustain a significant advantage over the competition.

Competing Against Time Details

Date	:	Published January 1st 1990 by Simon & Schuster
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Author	:	George Stalk Jr.
Format	:	Hardcover 285 pages
Genre	:	Business, Nonfiction, Productivity, Leadership, Management

From Reader Review Competing Against Time for online ebook

Jordan says

Innovative business books rarely stand the test of time. This 1990 book from Boston Consulting Group does.

Nate Kapitanski says

If I could give half star ratings I'd give this one a 3.5 star. It's good, but it was dreadfully boring to me at times. Maybe because I'm in the software world and not the hardware world. I did learn a lot from this book though, being that I'm not in the hardware world. The overall objective of focusing on being time-based and not cost-based is a great eye opener though.

Good read, but not 5 star "Good To Great" amazing, to me.

Adilos Tof says

Time is now added to the other three critical factors in order to remain competitiveness in the market – money, productivity, and quality

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Huy says

I read this on Tim Cook's recommendation. Overall, this is a good book. Even though this book was written about 30 years ago, many of its points are still relevant to current business situation. One bad point of this book is its single tone that makes it quite boring to read.
A few key take-aways:
_ Time is the new bedrock for today's competitive advantage; cost-based competition is no longer applicable in this fast-changing world.
_ A company gains its market share by how fast and responsive it deliver goods or services to customers. The more time sensitive the customers are, the higher price they are willing to pay.
_ Becoming time-based organization requires clear strategies, which focus on the company value delivery system and coordinate all stakeholders.
_ Good analysis and in-depth information is boring without story-telling.

Ebiteh Denis says

good book

Daniel Axelsen says

Read because Tim Cook was reading it. Wouldn't recommend unless you have a strong historical interest in supply chain methods.

A few random notes I took down:
- "Companies are showing remarkable results by focusing their organizations on responsiveness"
- "As a strategic weapon, time is the equivalent of money, productivity, quality, and even innovation"
- Interestingly, when this book was first published in 1990, the Japanese were doing very well, and the book repeatedly praises their processes
- Interesting case study of Citi offer faster mortgage approvals, given the sensitivity to time of buyers and realtors
- OODA loop (observation, orientation, decision, and action), interesting that they reference the USAF's / Boyd's method (but don't mention Boyd)

Nathan says

It took me a surprising time to realize this was from 1990! I was reading it for the general business principles, and we still hold up Japanese agile Toyota-style employee-empowered manufacturing as a role model (now for software and not just physical goods) so I hope I can be forgiven. I gave up (holy crap this is LONG) but I did get a few things out to stash away:

> Avoiding price competition by moving into higher-margin products or services is called margin retreat—a common response to stepped up competition and a response that can eventually lead to corporate suicide.

I liked the idea of "how much of the time in the factory is product actually being worked on?" and am chewing on how that applies to software:

> Factory layout can contribute to reducing production complexity and, thus, time consumption. Traditional factories are organized by process technology centers. For example, metal goods manufacturers often organize their factories into shearing, punching, and braking departments; electronic assemblers have stuffing, wave-soldering, wire harnesses, assembly, testing, and packaging departments. Parts are moved from one process technology center to the next. Each step consumes valuable time: parts sit, wait to be moved, are then moved, then wait to be used by the next step. Amazingly, in traditional manufacturing systems, products usually receive value for only 0.05 percent to 5 percent of the time they are in the system. The rest of the time, products are waiting to receive value.

On colocating teams:

> Placing all the functions required to meet performance objectives into empowered, focused

> cells closes the time distances between the employees that must make the system work and shortens the feedback loops required for the cell to react to changing events. This type of organization eliminates the layers of management that previously provided coordination from a distance.

This story rocks:

> A classic example of the variety war was the battle that erupted between Honda and Yamaha for supremacy in the motorcycle industry, a struggle popularly known in Japanese business circles as the H-Y war. Yamaha ignited the H-Y war in 1981 when it announced the opening of a new factory that when full, would make it the world's largest manufacturer of motorcycles—a position of prestige then held by Honda. Honda had been watching Yamaha's gradual gain of production share for several years. It had chosen not to respond because it had been concentrating its corporate resources on building its automobile business, and away from its motorcycle operations. Now faced with Yamaha's overt and public challenge, Honda chose to counterattack. Honda launched its attack with the war cry, "Yamaha wo tsubusu!" This is a rather impolite Japanese phrase that roughly translates as, "We will crush, squash, butcher, slaughter, etc. Yamaha!" In the no-holds-barred battle that ensued, Honda cut prices, flooded the distribution channel with new products, and boosted advertising expenditures. Most important—and most visible to consumers—Honda also increased the rate of change in its product line rapidly. Honda used expanding variety to bury Yamaha under a flood of new products. At the start of the war, Honda had about 60 models of motorcycles in its product line. Over the next 18 months, Honda introduced or replaced 113 models, effectively turning over its entire product line twice. Yamaha also began the war with about 60 models but was only able to manage 37 changes in its product line during those 18 months. Honda's massive new product introductions devastated Yamaha. First, Honda succeeded in making motorcycle design a matter of fashion, where newness and freshness are important attributes to customers. Second, Honda increased the technological sophistication of its products, introducing four-valve engines (that would later be the basis for its automobile engines), composites, direct drive, and other new features and technologies. Next to Honda's motorcycles, Yamaha's bikes looked old, out-of-date, and unattractive. Demand for Yamaha motorcycles dried up. In a desperate effort to move them, dealers were forced to price them below cost, but even this did not help. At the most intense point of the H-Y war, Yamaha had more than 12 months of inventory in its dealer network. Finally Yamaha surrendered. In a public statement, Yamaha President Eguchi announced, "We want to end the H-Y war. It is our fault. We cannot match Honda's sales and product strength. Of course there will be competition in the future, but it will be based on a mutual recognition of our respective positions."2 Honda did not go unscathed either. The company's sales and service network was severely disrupted, requiring additional investment before it returned to a stable footing. However, so decisive was its victory that Honda effectively had as much time as it wanted to recover. It had emphatically defended its title as the world's largest motorcycle producer and had done so in a way that clearly warned Suzuki and Kawasaki not to challenge that leadership. Variety had won the war.

The point at which I could no longer pretend this was in any way a modern book:

> Today, the fastest growing mode of transmission is the facsimile, known as "fax."

Preston Malone says

The principles here are really important.

Product improvement is like traveling around a racetrack. The quicker you can get around to sooner you can get your next generation product to market. Several times around that track faster than you competitors and they may as well file for bankruptcy.

Glenn Burnside says

I get that this one of Tim Cooks favorites, but it's time I admit that I'm no Tim Cook. Try as I could I just couldn't get interested in this one. The concepts are sound but difficult to access. I think more recent books on lean thinking are a better starting point these days.