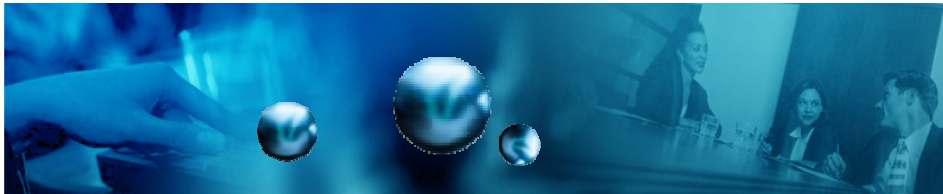


Time-based Competition



Group 3
20031076 Kim, Younga
20041141 Park, Hyejin
20041231 Kim, Kyungdoc
20041245 Kim, Kyungtae



Contents

1. Success factor in management

2. TBC Definition

3. Two kinds of TBC

4. Case Analysis



Success Factor

- Response time
- Lead time
- On time
- Just-in-time



Definition

- In 1988, HBR entitled “*Time-The Next Source of Competitive Advantage*” by George Stalk, Jr. from BCG
- Definition : A broad-based strategy which emphasizes time as the major factor for achieving competitive advantage
- Goal : Compress the time required to propose, design, develop, manufacture, market and deliver its products





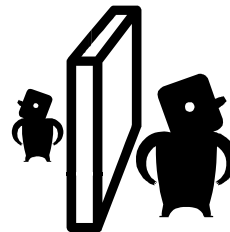
Two way of TBC

- Fast to market
- Fast to produce



Fast to market

- Emphasize reductions in design lead-time
- The ability to minimize the time to develop new products or make rapid design changes
- Increase barriers to entry by competitors





Fast to produce

- Emphasize speed in responding to customer demands for existing products



Throughput times



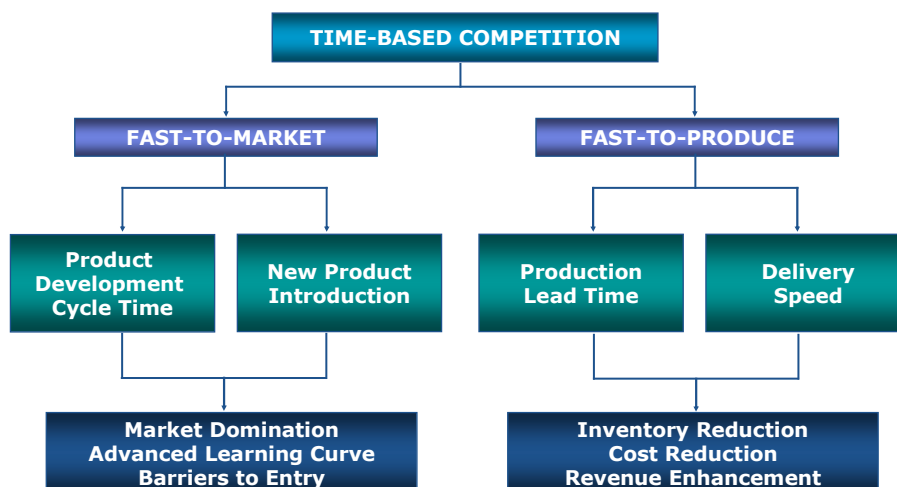
Delivery speed



Lower costs and higher revenues



Summary





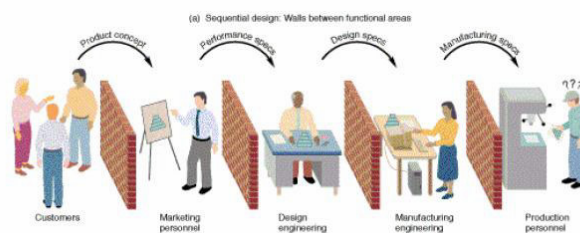
Case: Chrysler in crisis

- In 1980's, Chrysler had been in crisis for 10 years
- Japanese car makers' quality and technology have already exceeded Chrysler's
- To compete with Japanese car maker, Chrysler had to reduce time-to-market (originally 4~6 years → 3 years)



Chrysler's traditional method

- Sequential development followed by Master Time schedule.
- 'Throw over the wall'
→ Time delay and surplus cost





Change and Implementation

- Promote Gardner as a director of project.
- Organize 4 cross-functional teams.
- Launch new platform LH series.
- Gardner convince that his team can create new car within 39 months (Japanese car makers already did it)



Change and implementation

- To communicate among team members more efficiently..
 - Gather all members in same place
 - All members use same computer system
 - Approach to consensus together
 - Not command of top management
 - Eliminate confliction among departments

(b) Concurrent design: Walls broken down



Design team



Result

- Finally, in 1992, amazingly successful cars are launched in market.
- Reduce 25% of develop cycle time
- Reduce 30% of cost



Vision



Concorde



Intrepid



Reference

- *“Time-The Next Source of Competitive Advantage”*, George Stalk. Jr., Harvard Business Review, 1988.
- <http://www.referenceforbusiness.com/management/Str-Ti/Time-Based-Competition.html>
- <http://www.ecofine.com/strategy/TBC%20strategy.htm>
- <http://rockfordconsulting.com/cyc.htm>



Q & A

