

Book review of “Manufacturing Strategy: Formulation and Implementation” by Garry R. Greenhalgh, published by Addison-Wesley, Wokingham in 1991 (ISBN 0 201 50983 0)

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The author of this short book is a senior consultant with the PA Consulting Group, Sydney, Australia. He makes the purpose of his book clear from the outset: “(This book) is for practising managers only. It is not for students nor is it a textbook. Its single purpose is to show busy managers how to develop and write a manufacturing strategy for their particular business and then convert it into reality,” (p vi).

The book consists of three parts. Part A (pp 1-75 and Appendix 1) deals with the formulation of manufacturing strategy. Adapting the format of a strategy document used by Wellcome Australia Ltd, the author provides an example of a complete manufacturing strategy document. He explains how such a document may be drawn up by providing an analytical framework for strategy formulation, drawing heavily from works on strategic management by Porter and Ohmae, and from works on manufacturing strategy by Hayes and Wheelwright and Skinner.

The structure of the strategy document proposed by the author appears to form a useful basis for formulating a manufacturing strategy; however, it may not suit every company. A more serious criticism concerns the author's treatment of his analytical framework: important elements of strategic management, such as generic strategies, SWOT, external and internal analysis, stakeholder analysis, performance measurement, scenario planning, technology management, organizational culture, business integration (including CIM), and logistics get a (very) brief mention. On the other hand, specific issues in manufacturing strategy, such as the management of the manufacturing-product design interface, the choice of manufacturing process, supply chain management, etc, are not considered at all. Also, the actual process of strategy formulation is only discussed in a couple of pages on “Distilling the Key Issues” (pp 70-72); there is nothing on the use of problem structuring methods that are designed to achieve management consensus and commitment, such as the ones discussed in Rosenhead (1989)¹.

Part B (pp 77-90 and Appendix 2) covers the implementation of manufacturing strategy. Although the author recognizes that “The true test of a strategy is not the document but the implementation” (p 79), his treatment of this subject is so cursory as to be virtually useless. In part C (pp 91-123), the author discusses a number of rather loosely connected topics, such as the relative merits of MRPII, JIT, OPT and CIM: for a more thorough treatment of the same subject the interested reader would be better advised to study Graham Rand's OR Tutorial Paper (1990)². The exercises at the end of each chapter are simple and do not serve to deepen one's understanding of the material. The book concludes with a fairly extensive list of references, including many of the classic textbooks and journal articles (mainly from the Harvard Business Review) in relevant areas.

I do not know what practising managers will make of this book. For teaching purposes the book has only very limited value- as supplementary reading for an MBA unit on strategy formulation or for the unit on manufacturing strategy of a specialized MSc programme.

1. Rosenhead J. (Ed.) (1989). *Rational Analysis for a Problematic World*. Wiley, Chichester.
2. Rand G. K. (1990) MRP, JIT and OPT. In *Operational Research Tutorial Papers 1990*, L. C. Hendry and R. W. Eglese (eds), pp. 103-136, Operational Research Society, Birmingham.