New production models: a strategic view

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In spite of the recognized crisis of the Fordist production paradigm, the emerging paradigm has not yet been clearly defined but only interpreted by several 'production models' (Lean Production, World-Class Manufacturing, etc.). Furthermore, these are rarely considered as linked to both the corporate and manufacturing strategies. An effort is made here to link the traditional and emergent 'strategic management' dictates and then to interpret the contents of manufacturing strategy. Because of this framework, a collocation of the various production models is proposed. In particular, these production models—in the ambit of 'operations management'—can be seen as different emphases on the main constituent elements of a framework that seeks to unify traditional and emergent 'strategic management' dictates.

1. Introduction

The traditional production paradigm can be designated as 'mass production', with a 'push' logic towards the consumers, and as a 'Tayloristic-Fordist model' because it refers to the principles of scientific management (Taylor 1911) and to the most significant industrial organization since earliest times (Ford).

Although it is widely recognized that this paradigm has been, at least partially, surpassed, the emerging paradigm has not yet assumed clearly defined connotations (and so it has variously been presented as lean production, World-Class Manufacturing, etc.).

In addition, proposals for a new production paradigm—here the name 'production models' is preferred—are generally disconnected from strategic management, simply maintaining the re-evaluated importance of the production function for pursuing competitive advantage.

Such a split appears even more serious when considering the revived debate on corporate strategy, in the ambit of which the traditional Harvard model of Industrial Organization (IO) (Porter 1980) is criticized by those who maintain that a firm's resources and competencies are the true source of competitive advantage.

Theories, tending towards the Resource-Based View (RBV) and Competence-Based Competition (CBC), though with some slight distinctions, have such similar layout and solution principles that one can talk tout court of a 'Competence Theory' (CT).

The new production models proposed do not seem to be aware of the changes taking place at the level of 'strategic management'.