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Globalization Can Be Good For You

During discussions concerning the globalization of manufacturing, it is common to focus on strategies for countering the competitive advantage of low-cost labor. While this is certainly a vital issue, the effects of the market's evolution reach far beyond this central topic, impacting our field in many ways. It's important that manufacturers, in their efforts to overcome the challenges of globalization, do not overlook the potential benefits it provides.

Of particular value to manufacturers, the shift to a world market has dramatically increased the available pool of data on machining processes. The advent of the Internet and nearly continuous breakthroughs in communications technology allow the sharing of expertise on unprecedented levels. For instance, a production facility in the Midwestern US might benefit greatly by comparing its processes to those of a European shop that takes a different approach to manufacturing similar parts. Twenty years ago, there was a miniscule chance of that potentially useful information making its way halfway around the globe. Today, it's much easier for American manufacturers to learn from colleagues in other parts of the world.

To best take advantage of the positive aspects of a world market, companies with an international presence must shoulder the responsibility of efficiently acquiring and disseminating knowledge that will provide tangible benefits to their customers. On a smaller scale, this idea holds true for any manufacturer operating multi-

ple facilities, regardless of their geographic proximity. If one plant at a company discovers a tangible productivity improvement, common sense dictates that the company should convey that improvement to its other plants, and implement it in those plants. Adoption of this philosophy at an international level can be complicated, but the basic principle remains the same.

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Establishing a uniform identity across national borders is a key aspect to building the most beneficial database of knowledge possible. Traditionally, the national subsidiaries of a multinational company tend to act as businesses independent of each other. To facilitate the free flow of information, it's important that these entities share and understand common goals, procedures, and philosophies. This allows favorable practices discovered at one location to provide the maximum benefit to the entire group. In addition to improving the efficiency of internal operations, this approach also serves to improve the products and services received by customers, regardless of their geographic location.

Cultivating a uniform corporate philosophy is a time-consuming and challenging process for companies doing business on a global level. It inevitably requires changes to individuals' mindsets.

Maximizing success in achieving a uniform identity requires

clear and consistent communication to employees, partners, and customers. The goals and values of the manufacturer should be carefully evaluated, ideally through a process that welcomes and implements feedback from all involved parties. By welcoming input from those contributing to the company's overall success, a high level of commitment is achieved from the beginning. Once these goals and values have been defined, the atmosphere of the workplace should reinforce their implementation, and employee success should be recognized and rewarded. Total implementation will be a process, not an instantaneous action.

In addition to changing the mindset of employees, multinational companies must establish a coherent and efficient framework for sharing information across national borders. If information sharing is pursued haphazardly, a variety of issues can arise, resulting in a confusing, jumbled collection of data. Clearly defined procedures, accompanied by a tested and proven system for data-sharing, help to ensure that a company effectively shares experiences that have the potential to benefit its national divisions, customers, and the market as a whole.

Too often, manufacturing professionals talk only of the negative effects of globalization. While technological breakthroughs in communication and transportation have increased competition for most companies, they have also created the potential for substantial benefits through continuous improvement. By capitalizing on the wealth of information now readily available, manufacturers can experience the upside of a global marketplace.