

## MANAGEMENT – EMBRACING THE 21<sup>ST</sup> CENTURY

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The third annual conference of the Irish Academy of Management (IAM) was hosted by the Dublin Institute of Technology at its Aungier Street campus in September 2000. The theme of the conference was 'Management: Embracing the 21st Century'. Following double-blind review of submitted abstracts, over 100 papers were presented across a wide range of sub-disciplines of management studies, including corporate strategy, human resources management, finance, marketing, information technology, e-business, entrepreneurship, management of change, corporate governance and public sector management. The growing number of management domains included in the proceedings, and the diversity of topics addressed, vindicate the decision to inaugurate the academy and confirm its growing stature.

The proceedings form the basis for a special issue of the academy's own journal *Irish Business and Administrative Research (IBAR)* and also for a special issue of the *Journal of European Industrial Training*. On foot of the conference, interested authors submitted their papers to the panel of editors of the special *IBAR* issue. These 24 papers were then double-blind refereed. Feedback to authors of the selected papers for improvement resulted in the ten articles published here.

While we cannot say that these articles all share a common theme, it is possible to argue that they all share a worldview about competing into the 21st century. The destinies of companies reside increasingly in the hands of managers themselves, rather than being dictated by external industry, economic or social events. Whether the context is high or low technology, growing or mature markets, private or public

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sector, it is up to management to engineer their own fortunes based on key strengths and expertise rather than simply to respond or adapt to some external arbitrarily determined future. The firm matters (and not just the industry), in other words.

In terms of scholarly thinking, this conception of wealth and value creation is called the resource based view (RBV) of the firm. The successful firm is seen as the knowledgeable steward of a bundle of idiosyncratic resources. Managing astutely these assets and capabilities yields superior position in the marketplace. The articles in this special issue indicate that these capabilities and competences will have to be both novel and diverse as we move into the millennium. New competences will have to be built to capitalise on significant changes in technology, industry dynamics and/or consumer taste. Further, such capabilities are likely to be asymmetrically distributed and have very diverse characteristics.

Resolving the potential advantages and disadvantages between centralisation and decentralisation preoccupies many fields of management. Over the past decade many multinational corporations have moved or are moving their treasury organisations towards a more centralised structure. **Emer Mulligan** provides insight into this trend and into the difficulties associated with performance measurement of treasury activities. Her in-depth study of 30 US multinationals finds that those with a centralised cash management structure have a significant difference in their financial health to those with a decentralised approach. Her work sets a worthwhile research agenda to investigate performance measurement criteria which companies could use to evaluate the success/failure of their cash management structures.

Schemes of profit sharing and employee shareholding date back to the 19th century. Indeed, the classic definition of profit sharing was formulated and adopted by an international congress on profit sharing in Paris in 1889. Yet in an Irish context, there has been a relative paucity of research on this topic in terms of its scope, and its consequences and effectiveness for organisations. Thus, the article by **Daryl D'Art** and **Tom Turner** is timely and examines recent trends in the use of profit sharing in Ireland. These authors then draw on data from the Cranfield-University of Limerick Study of Human Resource Management (HRM) for a survey of 294 firms in order to compare employee and organisational outcomes of profit and non-profit sharing firms and to study the relationship between profit sharing and trade unionism.

Management theorists have tended to underestimate the role and importance of relationships in business. But business relationships are

very complex socio-economic phenomena and due to history, situational effects and issues of embeddedness. The article by **de Búrca, Brannick, Fynes and Glynn** explores the broad area of intercompany relationship practices in business to business markets. Drawing on data from the recent and comprehensive survey of work organisation practices conducted at the Michael Smurfit Graduate School of Business, these authors analyse the management of business to business relationships in Irish companies. They find not only evidence of long-term stable relationships but also that many functions and personnel within the firm contribute to the robustness of these relationships.

"If it ain't broke, don't fix it" is a much-quoted tenet of management. In the case of competence, **O'Driscoll, Carson and Gilmore** remind us that the reality is more complex and uncertain. There is often the danger that a core competence can become a core rigidity because exclusive focus on the competence effectively blinkers the firm to significant changes in technology, industry dynamics or consumer taste. How can firms guard against this danger and continue to sustain a core competence that will ensure competitive superiority? Their paper reflects on this managerial challenge and on the difficulties and tensions inhering in its possible resolution. The authors explore four avenues of thinking and research they consider worthwhile in the context of managing competence and avoiding the competence trap.

Another article that addresses issues of competence and capability development is that of **Thomas C. Lawton and Kevin P. Michaels**. Through an analysis and discussion of Dell Computer's approach to value chain integration, the authors examine the transformation of corporate strategy and structure in the Internet era and comment on the evolution of the virtual organisation. They argue that the value and supply chain have gone from being a tactical sequence of largely autonomous functions, often performed by different unconnected organisations, to being a knowledge sharing strategic network of integrated activities. Outsourcing decisions become key. The strategic management process of the firm in turn becomes more inclusive and less proprietary.

Two articles address issues of management in the public sector. **Neil Collins and Patrick Butler** visit the topic of public service reform in the context of the pervasive clientelism of Irish politics. They contend that the traditional Wilsonian dichotomy between policy and administration, and between policy makers and bureaucrats, is simplistic. National politicians' obsessive concern for the quality of delivery of public

service to their local constituents — for which many politicians win the sobriquet of 'cute hoor' — is not an entirely undesirable phenomenon; nor is it exclusively Irish. They suggest that the weight of evidence about the actual delivery of public services requires a more realistic model which incorporates politicians as 'consumer advocates' and local heroes rather than persistent anachronisms.

**Mullins, Linehan and Walsh** argue for a post-bureaucratic entrepreneurial environment in the public service and stress the centrality of people-centred management styles. Practices that seek to develop individual capability and that help to respond to the uncertainties of the information era are suggested, in the place of traditional hierarchy and risk-averse systems. The authors highlight the relevant thinking of important management theorists and provide an interesting case history of such practices in the context of a public library. They conclude that libraries will have to develop more flexible organisational structures in order to become more self-directed and more adaptable in responding to internal and external pressures.

The majority of industrial and occupational accidents are the result of unsafe work behaviour by employees rather than arising from unsafe mechanical or physical conditions in the workplace. Yet traditional approaches to the management of safety in the workplace have focused on the hardware and task-oriented dimensions of jobs, rather than on the underlying attitudinal and behavioural characteristics of employees in a safety context and on the broad safety culture of the organisation. This is the background to **Thomas N. Garavan** and **Fergal O'Brien's** study into the relationship between safety climate and safety behaviours in Irish organisations. A number of potential predictors of both safety climate and behaviour are identified. Their findings present several implications for effective safety management in the workplace.

The Irish food industry needs to de-commoditise successfully if it to compete internationally. The sector must continuously seek innovative ways to add value to primary raw materials. Thus, **Joe Bogue's** study of new product development activity in the food industry is welcome. His qualitative research methodology provides much contextual insight. He argues that first rate innovation necessitates the integration of the consumer/end-user within the product development process and also involves a more market-oriented approach. In both of these regards, his study finds shortcoming in terms of current NPD activities and processes.

Finally, the relationship between the academy and local enterprise is explored by **Lai Chun Pang** and **John Garvin**. Their paper ex-

amines the factors which encourage and/or inhibit links between universities and local industry. A large survey within Northern Ireland universities indicates a complex and evolving relationship between academics, their background and the policies of the universities.

We would like to thank our reviewers sincerely for what is at times an onerous and thankless task. Finally, we hope you enjoy reading this special issue.

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