Contents

Editorial

Research Papers

- MNE Financial Flexibility and Operational Performance: Evidence from Taiwan
  Hsien-Chang Kuo, Jin-Li Hu and Chia-Ling Hsu
  1

- A Model for Flexible Supply Chain through Flexible Manufacturing
  Piyush Kumar and S. G. Deshmukh
  17

- Flexible Supply Chains: A Context for Decision Knowledge Sharing and Decision Delays
  S. Wadhwa, Avneet Saxena and Bibhushan
  25

- Predicting Turnover Intentions: Incorporating the Role of Organization and Work-Group Level Variables
  Kanika T. Bhal and Namrata Gulati
  41

Short Communications

- Incorporating Flexibility in Information Technology Strategies to Answer Contemporary Marketing Issues
  Ranjan Chaudhuri
  51

- Strategic Flexibility: Study of Selected Telecom Companies in India
  Priyanka Kokil and Manoj K. Sharma
  59
Flowing Stream Strategy and Blue Ocean Strategy

The ‘Blue Ocean Strategy’, as proposed by Kim and Mauborgne (2005), aims to create new market spaces making the competition irrelevant. It is a radical change strategy that creates discontinuities and thereby could be applied rarely in the life time of an enterprise. It deals with four actions, i.e. reduce, raise, eliminate and create. All these actions have an orientation towards change; the ‘reduce’ and ‘raise’ actions connote mild change whereas ‘eliminate’ and ‘create’ signify radical change.

Whereas for the running of an enterprise there is a requirement to dynamically interplay both change and continuity. Every enterprise is subject to forces of continuity and change. There are four possible continuity-change combinations as per the Continuity – Change matrix, viz. ‘tree’ (high continuity-low change), ‘wind’ (low continuity-high change), ‘mushroom’ (low continuity-low change), and ‘flowing stream’ (high continuity-high change). Most of the high technology global organizations such as Automotive, Telecom, Pharma etc. are usually placed in the fourth category, i.e. ‘flowing stream’.

The ‘flowing stream strategy’ deals with strategic flexibility to synthesize the paradoxically opposite forces of continuity and change. It not only deals with change actions of ‘reduce / raise’ some factors, but also specifies which factors need to be ‘maintained/nurtured’ to take advantage of continuity. For example, the merger of Indian Airlines and Air India and other related strategic actions provide ‘raise’ on international reach and domestic connectivity to Indian Airlines whereas cost is ‘reduced’. At the same time, certain other factors might be ‘maintained’ such as convenience, service level and schedule.

The ‘flowing stream strategy’ framework has key channels such as ‘divert’ the continuity momentum (e.g. cannibalization), ‘shift’ the burden of continuity (e.g. outsourcing), ‘partition’ the factors on different planes (e.g. centralization and decentralization) and ‘integrate’ upfront the opposing forces by way of offering solutions and mergers & acquisitions.

Every enterprise can be mapped as a ‘flowing stream’ having three major phases, viz. converge-flow-diverge (C-F-D). As a C-F-D framework the strategies can be evolved for ‘converge’ - such as mergers & acquisitions, alliances etc., ‘flow’- cannibalization, innovation, continuous vitalization, go and grow with customers and so on, and ‘diverge’ – diversification, strategic entrepreneurial units etc. One distributory of the ‘flowing stream’ may at times merge into a ‘blue ocean’ and from there onwards a new ‘flowing stream’ might be created.

Thus, the ‘flowing stream strategy’ framework, keeping a focus on dynamic balancing of continuity and change of the enterprise, provides an overarching framework; of which ‘blue ocean’ strategy is a special case. It provides the strategic framework to naturally grow and open new vistas. On the path, it might be both laminar and turbulent on different stretches. Thus, during the journey of the enterprise as a ‘flowing stream’ different mixes of continuity and change could be witnessed temporally as well as geographically.

Sushil
Editor in Chief

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Aim
The journal is intended to share concepts, researches and practical experiences to enable the organizations to become more flexible (adaptive, responsive, and agile) at the level of strategy, structure, systems, people, and culture. Flexibility relates to providing more options, quicker change mechanisms, and enhanced freedom of choice so as to respond to the changing situation with minimum time and efforts. It is aimed to make the contributions in this direction to both the world of work and the world of knowledge so as to continuously evolve and enrich the flexible systems management paradigm at a generic level as well as specifically testing and innovating the use of SAP-LAP (Situation-Actor-Process-Learning-Action-Performance) framework in varied managerial situations to cope with the challenges of the new business models and frameworks. It is a General Management Journal with a focus on flexibility.

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The Journal includes the papers relating to: conceptual frameworks, empirical studies, case experiences, insights, strategies, organizational frameworks, applications and systems, methodologies and models, tools and techniques, innovations, comparative practices, scenarios, and reviews. The papers may be covering one or many of the following areas: Dimensions of enterprise flexibility, Connotations of flexibility, and Emerging managerial issues/approaches generating and demanding flexibility.

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The journal is organized into various sections to include following types of contributions: Research papers, Short notes/correspondence, Applications and case studies, Book reviews, Book summaries, Interviews and round tables, Information about relevant conferences and seminars, Educational and learning experiments, and any other relevant information related with the theme of the Journal.

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Tables and Figures: All tables and figures should be kept to a minimum and numbered consecutively using arabic numerals. Each table should have a brief title written on the top of the table, and each figure should have a brief caption written on the bottom of the figure.

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