

The Impact of Technology and Management Practices On the Success of Saudi Industries

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Abstract

The belief that organizations can gain competitive edge through continuous change through adapting to latest innovations in technology and latest management practices is a core element for success. However, many industries in Saudi Arabia are finding it difficult to cope with the challenges the new century is bringing.

The question is to be asked: What are the things Saudi industries need to do to position themselves to the continued challenges of this new century? How technology can be used best to develop current generation to be the leader of the 21st century? What is the impact of adapting to latest management tools on the future of industries in the region and their successes? How can Saudi industries take advantage of latest practices for improvements to ensure they have a position in the marketplace among other leading industries in the world?

This paper will shed some light on the current status of Saudi industries and how they can stand strongly against those challenges facing many industries today. It will address key tools that are missing and how relevant they are for their success. The paper will provide an overall plan in which Saudi industries can take home and start implementing.

1. Introduction

We are living in an inspiring new era, which is expected to change the whole world, and the coming generations are required to be far more responsible and ready for the legacy of the new century of industrialization. However, many organizations in developing countries including Saudi Arabia need to be ready for the challenges of the new century, including the technological revolution which industrialized nations are promising.

Using latest technologies is becoming a must where organizations can't afford ignoring any more. It has been very clear that those organizations that use technology to their best will be in a better position than those who just purchase state of the art machines. Furthermore, information technology is facilitating the decision making process making it much easier for top managers to address their concerns in a much more focused and structured way.

However, with tremendous competition in the marketplace from everywhere, came the need to achieve fast technological and economic independence. Furthermore, there is more emphasis today on the workforce to achieve higher productivity and more efficiency. In other words, the HR function must play a different role than before and to be part of the corporate function.

Providing high quality products, services and processes has increasingly become the tool of survival for many organizations. Productivity of the newly dominating groups in the workforce is a major challenge, which will be facing managers in developing nations for years to come.

2. Saudi Industries: Background

In the late 1970s and early 1980s and especially during the booming of industries in Saudi Arabia, a blazing drive for a change started to sweep through the region. This drive gained momentum in the 1990s and brought irreversible changes in the corporate processes, structures, and management. The drive for change in all sectors was first a reaction to the success of many leading industries in developed nations. This has led to building a solid ground base for Saudi industries.

Since 1970, Saudi Arabia had its social and economic development guided by a national indicative planning system. Their main thrust has been to stimulate industrial diversification beyond available resources and to develop an advanced private market economy, all within the context of long-term strategic planning. In Saudi Arabia, an important early element of this planned industrialization was the focus on local industries in order to achieve self-sufficiency. These were to be stimulated by huge and considerable direct and indirect government funding and incentives.

3. Major Areas of Focus

There is no doubt that most experts in the business believe that the new century is much more different, challenging and demanding than any other century. Some leading organizations in many developed nations have managed to find the proper ingredients that would take them to success. This came through the implementation of latest management approaches that focuses on improvement in the services provided mainly in HR and quality through technology to achieve customer satisfaction at both the external and the internal level. However, Saudi industries have to adapt to the best approaches that would lead them to success. Among those are the following:

3.1 Human Resource Management

It is essential for the HR function to shift from being a doer to an enabler; from being a staff function that delivers ready-made packaged services to being a service that helps line managers manage their own functions with more concentration on their staff.

Our people are the most valuable assets. In order for Saudi industries to succeed, we must focus on Human Resource Management (HRM). It is the approach that an organization uses to select, develop, evaluate and reward employees to realize the full potential of the workforce to pursue the organization's quality and performance objectives. We in Saudi industries need to develop a commitment to change through people. If we manage our people well, value them as being the most valuable asset in the organization; they can help us achieve the impossible. It is believed that in order for organizations to prosper and succeed, more focus on the provision of quality will be essential. Furthermore, experts and strategists in the field believe that changing old management styles into more focused management concepts is a must and something that needs to be done immediately. It is also believed that with the challenges facing organizations today, the workforce must be ready to support the demands and the pressures indicated. Development of manpower is considered to be one of the most challenging areas for any organization seeking success and taking an edge in the marketplace.

The country is blessed with plenty of natural resources compared to other nations in the world. To harness these resources, the requirement for educated and trained manpower is very essential since people from those nations will have to develop real willingness to work and eagerness to learn. We, the people, are the real assets for the nation to bring it into this century with a promise of bright and prosperous future.

3.2 Information Technology

Utilization of the advancing information technology will play a major role in the success of organizations. It has been discovered that improvement is a company-wide issue, and needs serious support from the IT group. It is unfortunate that some people even question the role the IT function can play to support the success of industries today and include the IT function in the bottom of their priorities.

The computer has become the key ingredient in this change. In the product development area, companies are also developing their products at a faster pace than before. This rapid change in production and development phases is mainly occurring because of the utilization of advanced IT.

The Internet is spreading in a very amazing way and many people find it very difficult to function without it not even for one day. As a matter of fact, and with the tremendous expansion use of the Internet, many people have used this tool to their benefits. Work at home is becoming very popular where people can have access to the information any time anywhere. Employees no longer have to rely on supervisors and managers to give them information. In fact, the opposite is true; management has to rely on employees to access the information.

The Internet can be a very effective tool in recruiting where databases all over the world are available for candidates seeking jobs. On the other hand, organizations can advertise at a minimum cost and their advertisement will be reached to thousands of people everywhere.

3.3 Quality Education

Many people in the region have asked: Do we have a problem with our current educational system? To answer that we can say that the majority of institutions in the region are still using traditional managerial methods and their educational systems are somehow are not up-to-date have not been changed for quite sometime.

Saudi scientists and engineers are key factors that will provide the ultimate support in the continuation of building this nation taking into account the challenges indicated earlier. Management of technology will be as important as technology itself. Fostering our manpower as a national asset is quite a challenge.

The role of people managing educational institutes today has changed to focus primarily on people since they are considered the greatest asset of all. Therefore, what is needed is to implement an integrated organizational strategy, one that enables students to achieve the required performance standards and fulfill personal development objectives in the process. Saudi institutions need to add value to current approaches in managing their

educational systems and better prepare students for future sustainable survival and to be ready for the new challenge for top management today is challenges ahead. This can be only achieved through focusing on providing a quality educational system for students, instructors and administrators.

3.4 Quality Standards

Achieving such diversification, and competing in international market highlights the importance of high standards of quality products and services that have become a major challenge for many organizations in Saudi Arabia. Saudi industries have to confront many difficulties. The challenges that are faced today that are related to effective quality standards are things like cultural resistance, and/or management's support. It is being claimed that TQM is a sure shot for delivering high quality products and services to satisfy customers, because it can be adapted to any organization in any business sector in the country. Well, if it was really easy to make TQM work, most business organizations would be successful and be relieved of any marketing pressures they experience

4. Implementing Change

4.1 Vision of the Future

Leaders are pioneers; they look to the horizon and beyond. They look to the future with dreams of what they expect to happen and how they will happen. They conceive of the future with a positive and optimistic attitude. Therefore, to change formal culture, a vision is needed that can excite people and challenge them to do their best.

4.2 Be Ready to Transform

In order for top management to change and reengineer their industries, they cannot simply stop what they are doing and focus exclusively on the change. However, they need to have a focus on what they are doing today and adopt the latest in their systems to maintain a balance of both.

4.3 Manage the Process of Change

Managing the process of adapting to the change is quite a challenge and is considered to be a major change. Bringing about the change needed in most businesses is a journey calling for solid leadership and professional knowledge of the process. The journey of adopting technology, IT, HR, and quality practices ensuring that external and internal customers get the best services they need, and those they understand the methods leading to.

change are well supported throughout the implementation process require support from top management.

4.4 Lead the Destination

Another challenge for leadership when doing any reengineering efforts is a kind of uncertainty, a lack of definable outcomes. Most managers know how to set attainable goals, they know how to define objectives and how to plan strategically. However educational systems and better prepare students for future sustainable survival and to be ready for the. the new challenge for top management today is how to get comfortable with and undefined end results that they are not sure how people and the workforce will perceive them.

4.5 Provide Training and Education

People say very often "successful organizations start with education and end with education." The concept of providing high quality products and services and ensuring that the workforce provide the highest productivity standards is some what new for many Saudi industries. In order to adopt this concept, our educational system must focus on quality from the beginning. We can then ensure it is passed to the new generation, who will be leading key positions in the future.

4.6 Make Continuous Improvement a Way of Life

Maintaining high standards at all levels is not a destination but a journey. If continuous improvement focus is made a part of the regular routine, it will become integrated into all aspects of work. Meanwhile, focusing on values can add so much to the achievement of this concept.

Values are the building blocks of cultures. Not too many people give much thought to the key values that are critical to managing the change towards a quality organization. These key values commonly impact the society and culture if people live up to them. Anyone who reads about the success of the Japanese companies would believe that their culture is propagated by a set of values.

4.7 Extreme Focus on People

People are the most valuable thing in nations and organizations. If we desire to have our organizations become superior in quality, we need to create a culture, which treats people as valuable resources. If we wish to achieve high-quality products and services, a complete employee satisfaction program must take place before anything else is done.

5. Conclusion

As we continue to move towards the 21st century, no one doubts that Saudi industries must position themselves to the entry in the race towards global competitiveness. Saudi industries, just like the others in the world will not be able to compete and survive in today's tough marketplace without focusing on the major areas talked about previously including but not limited to: IT, quality standards, HR, and others. We must prepare a new generation who are very capable to contribute to the success of their nations. Our educational systems must be up-to-date matching latest technology and management practices.

In order for companies to be successful, they must change their style of management. We must prepare our industries to be free of bureaucracies, take out the layers in management, streamline processes,

push decision-making down to the people close to the problems and customers, and empower them. We need to create an environment in which failures are seen as opportunities; successes are studied with an eye of improvement, and new ideas are treasured and valued. We must treat employees as if they are trustworthy rather than with skepticism and mistrust.

Utilizing the advancement in technology, establishing the IT function as a key organizational entity, and creating operational team spirit work are keys for performance improvement. It is believed that the success of many organizations in the future will lie on major focus on computer technology that supports the organization at all levels

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