

**NEW APPROACH FOR BUSINESS MANAGEMENT SYSTEMS:  
ACTION BASED BUSINESS MANAGEMENT (ABBM)**

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**—Abstract —**

This paper presents a new approach for controlling and organizing of business management systems. In this regards, Hisarlar A.Ş.'s *Action Based Business Management (ABBM)* are discussed and compared with other conventional business management systems as a new approach. The Deming procedures are keystone of the *ABBM* software and system, which is PDCA. *ABBM* aims at effective running company management. Thus, uncertainties of job description, time and mass losses decreased and personal's performance analysis increased by this new business management approach.

**Key Words:** *Management, ABBM, PDCA, Organization*

**JEL: L00****1. INTRODUCTION**

Organizations use different methodologies for implementing a quality management and improvement. The methodologies have different name such as TQM (Total Quality Management), Six Sigma, BPR (Business Process Re-engineering), Operational Excellence or Business Excellence. Main target of these methodologies is mostly quality service's providing cheaper than before.

Results of technological developments, increasing the desire to provide quality service and the limitation of resources reveal to companies that produce products or services do hold the submission of better quality and cheaper services has made it necessary. A product or service can't present cheaper than the previous one, without change business management or production methodologies. Under the circumstances, this article submitted a new approach and perspective for business managements.

**2. DEMING CYCLE AND ITS OPEN ISSUE ON THE OPERATION**

In many organizations today, the PDCA (plan-do-check-act) or PDSA (plan-do-study-act) process is utilized and applied to improve processes in production or customer service (Maruta, 2012).

The plan-do-check-act (PDCA) cycle is a well-known system for application of TQM total quality management. Some quality improvement operating at organizations is done with PDCA.

The PDCA cycle is known by two other names, the Shewhart cycle and Deming cycle, also. Walter A. Shewhart first discussed the concept of PDCA in 1939 (Shewhart, 1986). Deming then later revised and developed this concept to cyclical process. The revised PDCA cycle, shown in Figure 1 (Johnson, 2002), it is configured into a four-step cycle to incorporate process improvements for design, production, sales and research.

The PDCA cycle have four steps for improvement or change;

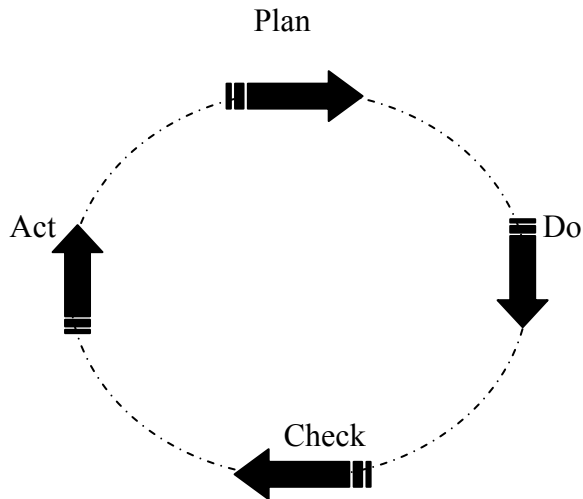
Step 1 – Plan: Planning the change, opportunities and conditions via using statistical entries as Pareto diagrams, cause and effects diagrams, graphs etc.

Step 2 – Do: Process for initiating solutions,

Step 3 – Check: Review done facts, analyze the results of tests and identify gains,

Step 4 – Act: Take action based on learned fact of check step. If the change was successful, incorporate the learnings and gains into wider change. If not, go through the cycle again with a different plan.

Figure-1: Plan-Do-Check-Act (PDCA) Cycle Procedure (Johnson, 2002)



### 3. NEW APPROACH: ACTION BASED BUSINESS MANAGEMENT

Companies, for a long time, simply needed just the body and that body happened to have a brain. Today, numerous companies need brainpower, and those brains happen to have bodies. In other words, brainpower distinguishes oneself at companies and business management.

Employee is the key figure of company or organizations at *ABBM* System. It is substructure that the employees progress together as a collective unit and attend evenly towards the realization of a common goal. Ideals or targets can't be completed if the employees engaged in conflicts and misunderstandings. Other hand, as a sociological perspective, an employee work for oneself firstly. For this reason, employees will must be joining to progress via a system as more efficiently. As a reformation culture, an organization must be designed for employees perform synchronized.

In addition, managements brings people together on a common platform them so that they achieve their desired targets without fighting with each other. However, on the progress, sometimes coordination of between the PDCA steps not ensure, serious managerial problems occur based on non-compliance of PDCA steps with work steps and diagrams. Main reason of these disagreements and unidentifiabilities are non-oriented employees on the management methods.

For this purpose and reduce above mentioned problems; Hisarlar A.Ş. developed the action based business management (*ABBM*) as new approach for management of organization. It is a customer and human oriented performance management system, that can help to organization achieve fast and competitive business results with the participation of all employees using the assets of the company. Main ideas of *ABBM* are fast and effective running and working of the decision making mechanisms within the company management. Simultaneous satisfaction of customers, employees, suppliers and shareholders –that is of all the partners- are main goals of this approach as Fig. 2.

Figure-2: Main philosophy of *ABBM* (Hisarlar A.Ş., 2013).



This *ABBM* process is adapted to logic of the organization as system methodologies, Kaizen applications or 5S methodology etc. Thereby, conventional PDCA cycle adapted to Hisarlar A.Ş. business management as *ABBM*. Detail cyclical flow diagram shown in Figure 4.

The management organization of Hisarlar A.Ş. has also been constructing up with the same PDCA logic. Prioritization, recalling our strengths, carrying out our business in a standardized manner and making decisions and implementing them are the main steps of the system. *ABBM* is not new discovery but it is a new approach. Hisarlar A.Ş. is not serving a new discovery; but Hisarlar A.Ş. adapted and designed a regular and present system to own organizations based own needs, plans, vision, mission and politics.

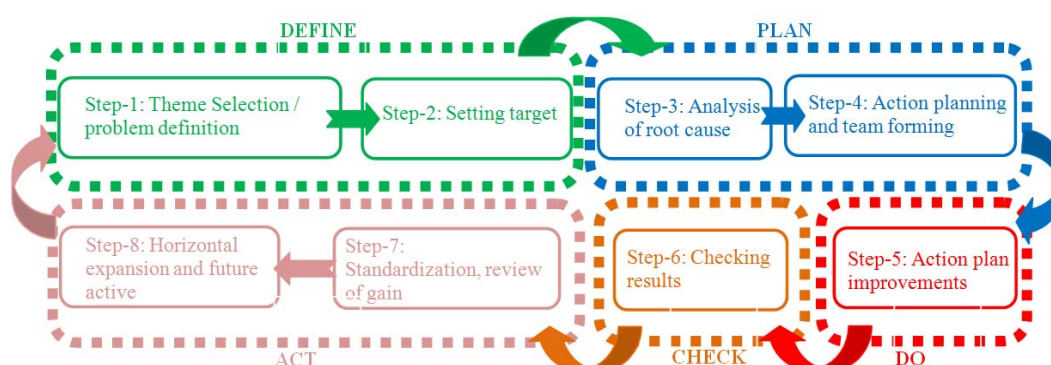
The *ABBM* cycle construct up two perpetuations thought types term – improvement and development. These terms are aimed at results by practically tackling and fixing the problem, on the other hand, consists of investigation and eliminating the root causes and thus targets the sustainability of the improved process.

For this reason, *ABBM* cycle that is adapted to PDCA cycle as Fig.3.

Figure-3: *ABBM* cycle that is adapted to PDCA cycle (Hisarlar A.Ş., 2013).



Figure-4: *ABBM* flow cycle



This model has 5 main steps on top of PDCA cycle;

*Define* term is –different from just planning- involved the theme selection based on anticipate and description for main target or problem. These term active roles identify potential problems, deviation from targets etc. Specially, take preventive precautions before vulnerabilities will be incurred. These can in the all process.

*Plan* term, establish the objective and process necessary to deliver results in accordance with requirements and policies. Additionally, analysis of root cause is done and action plans and team forming prepare for process.

*Do* term is the implementation phase. Action plans is implemented and results are checked based any process. Often it is best to implement the change in one area as a test; when the solution is verified, then apply it across a wider area.

*Check*, monitor and measure processes and products against policies, objectives and requirements for product, and report the results.

*Act*, Take actions to continually improve the process.

Primary aims of this addition step, *Define*, are will be assign a person or action plan to undefined terms and conditions. As different from PDCA cycle, new creation solutions and reformations will be suggested continuously. These definitions will be suggested for existing problems and target besides that new enterprise and ideas.

Pillar of support of this system is *Action System Software* by Hisbim (as branch company of Hisarlar A.Ş.) Responsible and appointee personal of any project or problem will be assign by help of *Action System Software* (Hisarlar A.Ş., 2013).

Thus, assigning procedures will be done quickly. Interface of *Action System* Software shown in Fig.5. Additionally, this system supported by short daily meetings.

Figure-5 Action System Software interface (www.hisbim.com, 2013)

No	Kontrol	Durum	Sorumlu	Kayıt Tarihi	Aksiyon	Plan. Tarihi	Gerç. Tarihi
6851	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SOLUK PİSİS	08.03.2013	TTF 84592905 Nolu roplarda 2 adet kullanılan detay parçalardan 6 adet numune ölçülecek. Raporları PPAP boyasına eklenecek.	08.03.2013	13.03.2013
6852	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SOLUK KİSER	08.03.2013	TTF 84592905 nolu rops FMEA revize olacak	08.03.2013	29.03.2013
6853	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SOLUK KİSER	07.03.2013	TTF 84592905 ropsun detay parçası 84193007 nolu detayındaki M5 dişlerin kataforezden korunup korunmayacağına karar verilecek. kataforez sonrası dişler üzerinde kataforezden dolayı M5 master geçememektedir.	07.03.2013	12.03.2013
6854	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROKİT TAĞIRMIS	06.03.2013	Kaynak nüfuziyet ve sertlik raporları 05.03.2013 tarihinde kayıtları TTF 84592905 ropsa göre oluşturulacak.	06.03.2013	0
6855	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROKİT TAĞIRMIS	12.03.2013	TTF rops için 84592905 numune gelecek olan 47484503 ile kaynak yapıp test sonuçları raporlanacak.	12.03.2013	0
6856	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Sec	13.03.2013	Satın alma malzemeleri için alternatif firmalar ile görüşülecek (Kabin maliyet iyileştirme toplantısı kararı)	13.03.2013	15.04.2013
6857	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Sec	13.03.2013	Satın alma malzemeleri için tedarikçilerden indirim talep edilecek (Kabin maliyet iyileştirme toplantısı kararı)	13.03.2013	15.04.2013
6858	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Sec	20.03.2013	Erkunt hedef brut karlığında %10 iyileştirme yapılacak. (Kabin maliyet iyileştirme toplantısı kararı)	20.03.2013	0

#### 4. CONCLUSION

It is a customer and human oriented performance management system, that can help achieve to fast and competitive business results, with the participation of all

employees using the assets of the company. The Deming cycle is the mentality of this system. Employees are constantly trained and employees are participative. Results relating to performance management shall be shared with the employees in a transparent manner. Kazien's ideas are in the foreground. Kaizen's philosophy is the driver of the system. Prioritization, recalling strengths, carry out business in a standardized manner and making decisions and implementing them are the main steps of the system (Hisarlar A.Ş., 2013).

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