

## A wider viewing lens

1910	The Assembly Line	Adam Smith first discussed division of labour in 1776, but Henry Ford developed the assembly line to cater for the soaring demand for his Model T. Annual production grew from 78,000 cars in 1910 to 2 million by the 1920s. In the process mass production, higher wages and affordable luxury items became a reality.
1920	Market Segmentation	General Motors (GM) pioneered market segmentation with a stair-step offering from Chevrolet through Oldsmobile and Buick to Cadillac, plus Pontiac for the overgrown zoom-zoom segment. GM was the first to really take advantage of differing tastes and pocketbooks. It was a stroke of marketing genius.
1931	Brand Management	After Procter & Gamble began targeting soap brands to different demographics, it set up brand management, an organizational structure that makes individual managers responsible for each brand's success.
1947	Quality Movement	W. Edwards Deming is responsible for originating the quality movement and the concept of continual improvement. This began with him helping Japan rebuild after World War II.
1950s	Lean Manufacturing	After a 1950 strike, Toyota workers were given lifetime employment. Manager Taiichi Ohno introduced greater efficiency without cutting jobs, leading to "pull production" in 1954 and "Total Quality Control" in 1961.
1967	Scenario Planning	A strategic planning method that involves envisioning multiple future events and developing plans for responding to them. Shell first experimented with scenario planning in 1967, helping it navigate the oil shock of the 1970s.
1973	360-degree Reviews	Introduced in 1973 by DuPont, it established new management standards and a commitment to treating people with fairness and respect. Allowing for constructive criticism to be voiced and talent to be nurtured.
1975	MRP / MRP II	In the 1960s, Joseph Orlicky studied the TOYOTA Manufacturing Program and developed Material Requirements Planning (MRP), and Oliver Wight and George Plossl then developed MRP into manufacturing resource planning (MRP II). By 1989 MRPII software was generating \$1.2 billion in sales.
1980	Competitive Strategy	Michael Porter's seminal work on competitive strategy redefined organisational thinking about competitiveness and a decade later on the role of corporations in society. Porter's five forces analysis became the framework for industry analysis and business strategy development.
1987	Six Sigma	Motorola invented Six Sigma for the purpose of reducing defects and to increase efficiency. General Electric during the Jack Welch era elevated the importance of Six Sigma and proliferated its wider acceptance today.
1989	Outsourcing	While the practice of hiring outside technical services dates to the 1960s, outsourcing took root later. In 1989, IBM landed a deal to manage Kodak's data-processing needs. By the 1990s, much of that work started moving offshore.
1990	Reengineering	Michael Hammer a leading business thinker claimed that "the power of computers can be released by "reengineering" work: abandoning old ways of working and creating entirely new ones." The dark side of reengineering was its association with layoffs.
1994	Core Competency	In <i>Competing for the Future</i> , the authors Prahalad and Hamel show how executives can develop the industry foresight necessary to proactively adapt to industry changes, discover ways of controlling resources that will enable the company to attain goals despite constraints.
2000s	Open Innovation	Open innovation is usurping the invention within model. Many companies are buying or licensing inventions and collaborating with companies and customers. Procter & Gamble aims to capture half of its innovations from outsiders. Why? Because the invent-it-ourselves model is no longer capable of sustaining high levels of top-line growth.

# A HISTORY OF BIG BUSINESS IDEAS

*This timeline is a collection of big business ideas that have had popular acceptance at some point over the last one hundred years. It is not a definitive list and certainly some of the business ideas have waned in popularity in the ensuing years. Never-the-less it is interesting to reflect on the decade and the circumstances that may have necessitated the birth of each idea.*

