What Human Resource Management Can Teach The Goal: A Research Note

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ABSTRACT

Human resource management is a key element in the production process of many companies operating in the global business environment. The need for proper functioning and personal discipline resource with a high level of competency determines whether the company achieves its goals. It is the concern of every manager to ensure there are adequate controls and treatment of human resources that work with positive energy to drive the organization in the right direction. A successful implementation of human resource requirements will enable the company to work towards economic production and proper transformation towards higher standards. A study of The Goal by Eli Goldratt reveals the relevant points that should be considered in creating management strategies that make proper use of human resources to achieve higher levels of profitability and overall success in the global business environment.

KEYWORDS


1. INTRODUCTION

Production in the contemporary world requires an adequate mastery of management skills that focuses on increased profitability. Most companies are not able to achieve their goals in the production process due to an inability to utilize the power of strong human resources to control production levels (Storey, 2007). In this case, they undermine the power of human capital and put more stress on technological advancements as a means to increase profitability. This led to the company unfortunately not being able to meet its targets in every financial year (Bhattacharya, 2014).

The book The Goal is written by Eli Goldratt and was first published in 1984. It is meant for people in the corporate world that cherish human management and general management of resources in production companies (Purce, 2014). This book is suitable for business students and business managers since it provides the necessary knowledge and general life experience in effective management of human resources (Outrata et al., 2013; Schindlholzer et al., 2011). The book portrays a business environment, which is accompanied by proper decision-making for the company, and any other company in a similar situation, to survive.

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In business handle investigation, Eliyahu Goldratt is the most prominent and compelling individual, as his book, *The Theory of Constraints*, has been the root of organizational updates everywhere. Even though *The Goal: A Process of Ongoing Improvement* preceded *The Theory of Constraints*, Goldratt applies his central thought processes to the latter (Kaoud, 2017). Interestingly, *The Goal* provides a detailed game plan by utilizing the genre of fiction, which applies many individual show components. The main character is Alex, who is undergoing marital problems because he pours his energy into his plant, rather than into his family (Svejvig & Andersen, 2015). In the end, Alex can balance his familial and career responsibilities after spending a long time away from his family and reflecting on business procedures (Bhattacharya, 2014).

Goldratt, in an attempt to advance his thoughts, set up the Avraham Y. Goldratt Institute in 1996 in honor of his father. As time went on, specialists of Theory of Constraints (TOC) have made agreements with other businesses to improve their primary concern potential and have added to his model (Agrawal & Jitendra, 2014). Now, a variety of industry divisions are linked to the TOC show: car, aviation, development, social insurance, administrations, media communications, innovation, etc. (Gera et al., 2017).

AGI-Goldratt Institute serves an astonishing number of customers, as it integrates over 50 of the most well-known organizations, such as General Motors, Lockheed Martin, and Intel. Thus, Goldratt’s TOC best structures a business without fully addressing the business type (Svejvig & Andersen, 2015). All businesses have an imperative that directly impacts the way in which it builds a net benefit or primary concern (Tinnila, 2013).

*The Goal* aims to make factory performance and competitiveness better by utilizing process improvement principles, as the town, Bearington, has lost some vital employers. Some organizations have left the town to avoid politics and pressure from the union, so as to gain time to pay lower salaries and to make more of a profit (Outrata et al., 2013; Schindlholzer et al., 2011). Thus, many people have become unemployed, and Uni-Co contributed to this by having layoffs six months prior. There will only be more layoffs if the plant is shut down (Bhattacharya, 2014). Essentially, the plant symbolizes a new beginning for the town, as well as the anchor that holds the company together, but Uni-Co has been unionized. Uni-Co has preserved a good standing with both labor and union relations, as there were no specific problems addressed in the book (Svejvig & Andersen, 2015).

For Al Rogo, who is a plant manager at Uni-Co, Bearington is his hometown. He had inherited the plant and had been transferred there six months prior, and Bill Peach, his boss, sees that Al can improve many things. Al has a different cultural background, and Peach was open-minded about making his employees feel proud and productive at work. At the time, both budgets and sales were down (Schindlholzer et al., 2011). Since the plants are failing, Rogo is responsible for helping to save his job, as well as the plant. Al bears a lot of responsibility, now he feels indebted to Uni-Co for his advanced career (Anderson, 2014).

The factory suffered from late shipments, underwhelming performances, and limited income. Without these factors being strong, one cannot compete with other industries, but Uni-Co had advanced technology. At Uni-Co, there were top of the line robots, computers, and machines. Also, Uni-Co has human resources, as it has exceptional employees and no issues with unions (Anderson, 2014). Uni-Co does not ship anything without trying it, so they strive on good quality items, but they must compete with others to gain money (Schindlholzer et al., 2011).

Therefore, this discussion focuses on a critical analysis of the human resource management perspective, based on the decisions made by several figures in the company’s management positions. This paper also focuses on the implications and learned lessons from the book regarding effective HR management in global corporations (Schindlholzer et al., 2011). Section 1 presents key background information about *The Goal* and the major factors in the book. Section 2 presents the key findings of applying human resource management principles to the scenario in *The Goal*, while section 3 outlines the managerial relevance and implications of the role human resource management plays in
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