

**IT Offshore Outsourcing
 Requires a Project Management
 Approach 4**

Political headwinds notwithstanding, offshore outsourcing is undoubtedly here to stay. Moreover, it is likely to continue growing rapidly as long as businesses want to improve their efficiency and profitability. Since information technology is increasingly a commodity business, it is a good candidate for outsourcing. To make outsourcing pay off requires the application of project management skills. Special attention should be paid to the request for proposal, vendor contract, all the links between the special development life cycle and the outsource firm, the choice of project manager, test phase, monitoring, and final evaluation. A case study illustrates the process.

Michael J. Murray and Richard E. Crandall

**Improving the Odds:
 Combining Six Sigma and
 Online Market Research for
 Better Customer Service 13**

The conventional methods of gauging customer satisfaction aren't good enough any more. By the time a paper survey alerts a company of customer satisfaction problems, that customer is probably history. Technology, especially online market research tailored to each customer, should be harnessed to provide customer feedback to the front-line employees fast and accurately. Better yet, melding online technology with the principles of Six Sigma — a customer-focused, quality-improvement initiative — should enable organizations to make rapid decisions based on accurate information. Two case studies show how this process can work.

David H. Rylander and Tina Provost

**Six Sigma Quality:
 Experiential Learning 20**

In contrast to the incremental improvements in quality sought by the TQM approach — and the sometimes incremental disappointments! — the six sigma management philosophy aims for robust change. The sequential process, developed by Bill Smith at Motorola in 1985, seeks improvements of at least 50% in quality and speed. Three years of teaching six sigma, during which student teams worked with businesses to effect significant cost-savings, provides proof of its value and highlights pros and cons of this “hands-on” teaching approach.

Thomas M. Box

**A Comparison of Competitive
 Strategies in Japan and the
 United States 24**

It wasn't so long ago that U.S. businesses were busy emulating Japanese business practices, because competing with the Japanese was so difficult. That was before Japan entered a 10-year malaise, which still lingers. Research based on a sample of graduate business students suggests that Japanese businesses remain wedded to their traditional strategy of cost leadership, whereas U.S. firms use this as well as the other generic strategies of Michael Porter — product differentiation and focus. With China offering formidable competition in the low-cost area, Japan's revival may depend on the use of more flexible business strategies.

Richard S. Allen, Marilyn M. Helms, Margaret B. Takeda, Charles S. White, and Cynthia White

Implementing Zero Tolerance 35
Policies: Balancing Strict
Enforcement with Fair
Treatment

Against a backdrop of several highly publicized workplace homicides in the late 1980s, employers began moving toward so-called zero tolerance policies to deal with aggressive and violent behaviors, verbal and physical. However, research shows that putting enforcement of such policies on auto pilot can lead to tensions between employees and employers. One solution is to try to make sure enforcement is considered “fair” and protective of employee rights. Adopting a “just cause” standard by applying seven tests is an approach commonly used by arbitrators. These tests, which use elements of due process as well as progressive discipline, can form a good framework for investigations and subsequent enforcement.

Margaret A. Lucero and Robert E. Allen

Book Review 42

The Leadership Wheel: Five Steps for Achieving Individual and Organizational Greatness.

David L. Luechauer and William B. Locander