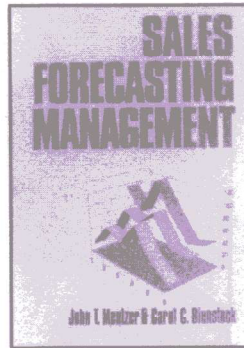


interesting feature is that the text is illustrated with many relevant cases. The book is also impressive in that it is well researched and up-to-date, referring to numerous recent research works in manufacturing management. Thus, it is a sincere effort in bridging the gap between research and application.

Business executives and management consultants, whom this book mainly targets, will find it interesting, informative, affordable, and eminently readable, consisting as it does of less than 250 pages. It will serve as a quick guide on a broad spectrum of topics, from JIT accounting to lean production. The reviewer feels that this book could serve as good teaching material for short-term training programmes in manufacturing management. From a government perspective, it could also prove a useful guide while formulating industrial and trade policies. However, as a note of caution, it is advisable that the contents of the book be taken, not as a set of guidelines to be followed blindly, but in the spirit of understanding a manufacturing philosophy that envisages successful and sustainable business performance.

— Balram Avittathur

Balram Avittathur is Assistant Professor, Operations Management, at the Indian Institute of Management Calcutta.



Sales Forecasting Management

By John Mentzer and Carol Bienstock, Sage Publications, 1988, Pp 273.

Yet another book on forecasting! The field of forecasting is relatively mature and numerous books have been published on this subject over the last four decades. Spyros Makridakis, perhaps the undisputed leader in business forecasting, has written over a dozen books on the subject many of them in multiple editions. Therefore, the question arises, 'Why another book on forecasting?'

According to the authors, the book has been targeted at both students and practitioners of sales forecasting. The book does not assume any knowledge of forecasting and statistics (a relevant discipline for forecasting) and therefore, a beginner can read the book without consulting other textbooks.

There are three major chapters which discuss the various forecasting techniques used in practice. They include the time-series forecasting techniques, re-

gression analysis and qualitative forecasting. In the time-series models the authors have described the two classical techniques: moving average and exponential smoothing. Exponential smoothing with both trend and seasonality has been described very lucidly. The authors have interspersed the model description with many examples, a positive feature of this book that students and practitioners alike will appreciate. It is very likely that these are hypothetical illustrations, which is a pity because the authors have claimed (in the preface) that they have interacted with many companies ranging from the telecommunication giant AT&T to the consumer durable goods manufacturer Whirlpool Corporation. Most of the mathematical forecasting techniques, for instance, the exponential smoothing model, are actually derived from a set of assumptions. These are not discussed in any detail in the book. Most real life data do not conform to the assumptions inherent in the model and this makes forecasting a very challenging task. Concepts like how the forecasting error varies with the lead time have not been tackled satisfactorily in the book.

The chapter on regression analysis has been very well written for the intended audience. This technique is mathematically non-trivial (certainly for practitioners) and the authors have done a good job in elucidating the details of the techniques. Selection of the predictor variables and when they should be changed have been

discussed in the chapter. Various techniques of qualitative sales forecasting that have been discussed lack rigour. More details on market research tools for qualitative forecasting could have been included.

Chapters 7 and 8 discuss benchmarking studies at length. These two chapters are perhaps the differentiating feature of the book. The authors have discussed the approach to the benchmarking study, various system stages, performance measurement and questionnaires.

Every forecasting system must have performance measures associated with it. Different types of accuracy measures have been described in Chapter 2. Perhaps the description should have come after the forecasting techniques had been discussed. There are various accuracy measures available but the authors have failed to discuss the selection of a performance measure (generally companies use more than one performance measure).

In addition, concepts like variation in forecasting error with lead time have not been addressed. A more rigorous approach would have helped but then, that may have rendered the book less user friendly.

Although the book has dealt with most of the well known forecasting techniques used in practice, some relatively new techniques such as focus forecasting have not been discussed. Moreover, with wide spread use of information technology, the authors should have included data mining techniques

which are growing in popularity in many industries in North America and are likely to become popular in India in the future.

Another topic that is missing in the book is the forecasting of new products and products with short life cycles. This is a very relevant subject in the current context. There has been a significant increase in new product introduction and simultaneously, the shortening of product life cycle. Many consumer electronic goods become obsolete in a year. The authors have not addressed this problem in their book beyond a couple of sentences in Chapter 6. In addition to this, forecasting in service industries, for example, the airline and hotel industries, has not been discussed in the book.

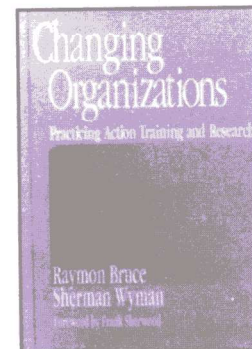
In Chapter 7, the authors have reported a survey result on techniques used in consumer and industrial products. This result is useful for practitioners as it provides some guidelines on the selection of a forecasting system. In fact the authors could have spent more time on practices in industry and pitfalls in forecasting systems. At the start of every chapter they do narrate an anecdote on some industry practices. However, it is too brief to be of much use. Perhaps a detailed case-study on forecasting could have followed the benchmarking study. However a positive feature of the book is the comprehensive references provided at the end of every chapter.

While the book provides a simple introduction to forecast-

ing, much of it, with the exception of Chapters 7 and 8, is available in published literature. The authors should have put in more effort to differentiate their book from the rest by including topics of current interest.

— Jishnu Hazra

Jishnu Hazra is Assistant Professor, Production and Operations Management, at the Indian Institute of Management Bangalore.



***Changing Organizations:
Practicing Action Training and
Research***

*By Raymon Bruce and Sherman
Wyman, Sage Publications,
Thousand Oaks, 1998, pp 274,
Price: US\$ 42 (cloth) US\$ 22.95
(paper)*

Drawing heavily from the work of Neely Gardner on the development of changing organisations, this book has its genesis in Gardner's unfinished manuscript, "Organization Theory and Behavior: An Approach to Managing in a Changing Environment" (1980). After spending the greater share of his working life as a