

Chapter 12

Information Management Process in Continuous Improvement Area at Worldwide Steel Company

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ABSTRACT

This chapter aims to present specific features concerning information management in the Continuous Improvement area of the Americas Long Carbon sector in ArcelorMittal. The aim is also to learn what the informational resources related to continuous improvement area are and describe how the process of managing information actually happens. The study was based on theoretical models of Davenport (1998) and Choo (2006) and tried to understand how the efficient management of information can aid in decision making at organizations. The result of the documentary research revealed the existence of initiatives throughout the different units in the Americas and also revealed corporate tools for information management. The field research results indicate the need for a structured and formalized model of information management that responds to users in adequate time, while alert to the need for policies that encourage the sharing of information related to the improvement of processes, products and services.

INTRODUCTION

To say we are in an economy based on knowledge or information has become a habit. However, until today just a few organizations integrate knowledge and strategies. There are several possible explanations for this phenomenon. The more likely

one might be related to the fact that the use of the information strategies is much harder than to simply talk about it. (McGee & Prusak, 1994 p.17) According to Drucker (2000, p.10), companies have no choice but to become a company based on information.

Prahalad (1997) believes that a company actually controls its destiny when it has the ability

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to predict, uniqueness related to its business and ability to share. The companies that have flexibility to react to market changes are more likely to last. However, having access of information is not enough; it is necessary to know how and when to use it.

It seems to be growing the feeling that world events are rapidly converging to shape a world that is unique, integrated and which influences economic, cultural or any other traditional cross borders very easily. The implications of these changes are significant and affect all spheres of life, providing new challenges for all organizations (Parker, 1998, p.400).

An example of such change that is impacting the whole economy is the steel industry, which has been growing and, according to Lopes (2007), would grow even more.

In this optimistic scenario, in October 2006, Mittal Steel took over the majority of the shares of Arcelor and the company became ArcelorMittal, the largest steel group in the world.

It is necessary to emphasize that this study was conducted in an environment of growth and optimism in the steel market. Nevertheless, as of September 2008 the world economic scene changed dramatically and all sectors of the economy were affected. The economic crisis caused a drop in steel prices worldwide, reduction of new applications and more factories stopped production for a few weeks to reduce inventories. In this scenario, the year of 2009 will be crucial to redesign the way not only of the steel industry, but the world economy.

The main objective of this paper is to find out the characteristics of the appropriate model for the information management exclusively for the continuous improvement area in ArcelorMittal Long Carbon Americas.

REFERENCIAL THEORY

The theoretical framework was divided into five major groups:

1. Continuous Improvement
2. Information and Knowledge
3. The Intelligent Organization
4. Information Environment
5. Information Management

Continuous Improvement

We must return to the concept of quality to speak about continuous improvement within the organization and the context of this research.

For some authors, quality can mean the fit for use. For audit process it means meeting the requirements of standards. In the business environment, the concept is tied to meeting the specifications of the products required by customers. According to Garvin (1992) (apud Cruz, Rodrigues and Nagano 2007), it can be defined in four stages of quality:

1. Phase of inspection (reactive): Focus on the verification of compliance with the specifications of the pre-defined product;
2. Phase of the statistical process control (preventive): Focus on ensuring the uniformity of the product;
3. Phase of quality control (preventive): Focus comprises the tasks and the process beyond the products;
4. Phase of Total Quality Management: At this stage, the focus is on the overview of the organization, seeking to integrate different technical processes, operational and administrative, to the continuous improvement of management in the organization.

Campos (1992) was one of the main advisers of the cycle of PDCA (Deming Cycle), which stands for Plan, Do, Check and Action (PDCA). According to him, continuous improvement is

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