

'Mr. Strategy' celebrated the 15th anniversary

Raised the Bar in Management Quality

He was only 33 when he established his own firm. The goal was ambitious: To improve the management quality of the Turkish firms. We talked to Yılmaz Argüden, who is giving consultancy service to almost all the major firms in Turkey, for the last 15 years.

Türker ÇELİK

We are in Seyrantepe right next to Maslak, the business district of Turkey. The modest appearance of the building where ARGE Consulting, the most prominent local management consulting firm, is located disguises its importance. This is parallel with the ARGE Consulting's position within the Turkish business environment. First thing

that comes to mind about the firm that Yılmaz Argüden established is that it stands out with the work it accomplishes, as expected from a management consulting firm, focusing not on the appearance, but on the value it creates for its clients. The story of the firm, which served a client base of more than 200 firms helping them succeed and win awards both domestically and internationally, starts 15 years ago, when

Dr. Yılmaz Argüden decided to use his vision and experience to improve the management quality in Turkey. Dr. Yılmaz Argüden says that "15 years ago when we started the firm, we believed that to be able to improve the quality of life; we should improve management quality. The countries and communities that manage their resources more efficiently and more effectively, reach a better standard of life. We have established



ARGE to utilize our experience and know-how to help other organizations.

"The writing on the wall that never changed ...

ARGE, as a management consulting firm first tries to apply best management practices itself. Because of this, from the first day of its foundation the firm's mission and vision has been clearly defined and is displayed at the entrance. It is not a coincidence that Yılmaz Argüden talks about this mission and vision with the enthusiasm of the first day, as you step in from the door. Actually this is a perfect application of one of the most important realities of management science. Any start-up firm has to determine an easy to communicate mission and a vision statement that would guide the firm. The mission of ARGE is **to create value by improving management quality**; and its vision is **to be a role model for creating value for its clients and with its contributions to the community**.

200 clients in 15 years

With this mission in mind, ARGE has conducted about 500 projects with more than 200 firms in 15 years. Almost all the major organizations in Turkey have worked with ARGE. In reality, ARGE fulfills not only a business role, but also a social role by introducing new management methodologies to the Turkish business environment. There are numerous examples to support this claim. ARGE

lead the application of many innovations in management such as quality management, intellectual capital management, value management, change management, reputation management, balanced scorecard. ARGE is one of the unknown heroes behind the award winning Turkish firms in Europe in 1990s. One of the most important change initiatives of 1990's by the largest Turkish conglomerate, "Koç 2000" was named by an ARGE consultant. This initiative played a vital role for many Koç firms to win awards in Europe.

"We know what works in Turkey"

One of the biggest differences of ARGE from its competitors is that the firm not only provides advice, but also takes part in the implementation processes of the projects. Unlike significant majority of Turkish consulting firms, ARGE has made a conscious decision not to provide any head hunting or stand alone education services. Yılmaz Argüden mentions that the reason of their choice is that classroom education alone is not sufficient to implement a change; and he also thinks that providing head hunting services may pose conflicts of interest with firms that ARGE works so closely with. As a firm that works solely on a project basis, ARGE has accumulated a significant amount of know-how on local culture and implementation. Dr. Yılmaz Argüden says "We are focused on Turkey. Accordingly we know closely the company cultures and the very



Dr. Yılmaz Argüden

fabric of Turkish people. Therefore, we have the capability to implement new management trends and techniques in the local environment." He concludes by saying "We know which management technique will work and which won't in the Turkish context."

ARGE, from the day it was established, not only helped his clients win many awards, but itself was internationally recognized on numerous occasions. For example ARGE was selected as one of the top three firms as a role model for Europe by the Generation Europe at the European Parliament in 2002, surpassing giants such as Nike and Johnson&Johnson; also ARGE is the only Turkish firm recognized in the "Responsible Entrepreneurship" book published by the European Commission and the first Turkish signatory of the Global Compact.

What is happening on the management scene in Turkey?

Dr. Yılmaz Argüden, the founder and Chairman of ARGE Consulting, comments about the developments in the Turkish business life. "Traditionally, firms in Turkey preferred an opportunistic approach to a strategic one. This may be understandable in a volatile, but closed economy. But as the markets get liberalized and the global interests of the Turkish firms increase, the importance of strategic

focus increases. Besides, we see that management starts to focus more on quality, productivity, innovation, and team work. Also, good governance, institutional development, and investments in management infrastructures are becoming more important in Turkey. One of the key benefits of the difficulties of the recent past has been the breadth of experience gained in volatile

environments have increased the capabilities of Turkish managers to deal with tough situations. Furthermore, data based participatory decision making and team work are taking the place of authoritarian decision making. Professionalism is gaining ground."