

# **BEYOND QUALITY: COMPANIES GOING TO THE NEXT LEVEL**

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Like time, quality marches on. That means no matter how long it took your company to achieve certain "quality" standards you must now do more than simply maintain them. It is imperative that you adapt your company's quality standards to the constantly changing needs and desires of your customers.

When quality first became a hot issue back in the mid '70s, companies strived to reach particular product quality standards. These standards were most often driven by an internal perspective of what the quality of the product should be, and sometimes, to a lesser extent, by an industry driven perspective. Later, companies began to realize that quality should also be applied to service. Again, service quality standards were established based on management or internal ideas of what they should be.

By the mid '80s, we were all well on our way to combining these quality processes and gave birth to the concept of "total quality." You might ask: What could be better than total quality? How about total quality from the customer's perspective?

**Whatever the customer wants.** Picture this: your company's product manufacturing and service processes are so refined that any special request made by a customer can be met without throwing your business off track. No production time is lost. Nobody puts in countless overtime hours. No special management meetings are necessary to secure "special circumstance" approvals. Perhaps it would help to think of each of your business processes as a Lego block. Each block can be separated, rearranged and snapped back together in different (but equally functional) configurations. This is the true test of total quality. And, it is what customers of the '90s and beyond will come to expect.

For any company to reach this completely flexible level of quality, it first must pass through three stages. Before anything, you must move into a phase of process thinking. This requires formal recognition on behalf of the company's management that they do, indeed, believe that process equals results. But more than just a cognitive step, process thinking requires that

you begin to re-evaluate your processes and make changes necessary to improve your product.

Next, you begin to set goals to *simplify processes*. Once you've re-evaluated your processes and taken steps to make the best product possible, you must look around some more and make sure that all your processes are necessary - especially in the service area. Take credit checks, for example. I know of several companies that are doing away with credit checks because they found that doing the checks was more costly than the average loss from bad credit. Some other key areas to check: duplicate files, unnecessary files, rework loops, inspections, unnecessary copies, duplicate steps.

## **Your ultimate goal: eliminating waste!**

Now, you're ready to move into the third stage, called process *re-engineering*. If you've uncovered some gray areas in the previous step, you must now ask some tough questions: Why do we do this? Must we continue to do this? Can the business thrive if we don't do it? When you come across one of these gray areas, blow it up! Take a clean sheet of paper and start over again. Most of the time, these are the functions that either can be eliminated or combined with another function. Don't be afraid of this step. Sure, blow it up! Sounds pretty drastic, but it isn't final. You can always re-evaluate the process later and add back any steps you took out. I just caution you to make sure that you fully resolve any questions you have about your processes. Constantly "tinkering" with them will hold you back. It is not the way to achieve a flexible total quality system.

**All you can offer.** Now ask yourself: "Is our product top quality? Are our administration and customer service procedures tightly structured and necessary?" If you can answer "yes" to these questions ... Congratulations! You've arrived at a very special level I call "reflective quality." At this point, your processes should be so exact, simplified and interchangeable that your operations will reflect back to the customer exactly what he wants to see. In essence, you can adapt your business operations to provide the quality your customer wants, from his point of view.

Now your company's business processes are interchangeable building blocks -- of "Lego blocks" -- that can be reordered in a moment's notice to meet every customer's unique need or situation. Your company will be so

organized and well run, in fact, that it won't appear to any customer that his was a "special request." And, from this decade forward, that is how successful businesses -- the quality businesses -- will have to operate.