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Coming to Grips with the Dismal Record of Quality Program Implementation: Making it Happen

This article, by Tom Peters, is a ‘must read’ for any manager who wants to understand their own critical role in the positive changes needed to make a success of programmes of ‘quality’, ‘excellence’ or ‘continual improvement’.

Peters spells out, in readable bite-sized chunks, some powerful home truths about some key principles and behaviours that we need to take on board.

He reckons that 99 percent of quality programmes fail to reach or sustain anything like their potential, and goes on to spell out what he thinks managers should do differently to avoid being in the same position.

Read it – and change!

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COMING TO GRIPS WITH THE DISMAL RECORD OF QUALITY PROGRAM IMPLEMENTATION

MAKING IT HAPPEN

by Tom Peters

Yes, the year past did bring the first Baldrige Awards. And managers seem to be taking quality more seriously than ever. Yet, I am gloomy. We have not reached even the takeoff stage in making quality a national obsession. In reality the Baldrige Awards did not at all capture America's attention; you can't find one person in a hundred who's even heard of them. And the judges' failure to find a single service company that merited the award is a disgrace to the selection process.

The American Society for Quality Control's latest Gallup Survey wasn't heartening either. Consumers don't think American quality has improved since 1985. (Only the elderly, the poor and the less educated think highly of what we make.) Perhaps quality has improved in the US, but the other guys keep getting better too. And relative is the only word that matters when it comes to quality. The poll again emphasizes that consumers will pay a whopping premium for good quality - are you listening yet, corporate America? My reading of the auto industry evidence, an important leading indicator in the quality movement, is also as glum as ever. Consider the data from the latest J. D. Power survey on customers' willingness to recommend auto makes and dealers (please see Figure One). Our dealers fared all right, but our cars were shut out - as usual. Aiding my pessimism is the likes of the June 1988 cover story in Business Tokyo magazine, "America's Quality Crisis." It outlined in grim detail Japan Airlines' continuing woes with Boeing quality lapses.

Someone told me that Phil Crosby thinks 99 percent of the quality program's he's reviewed are flops; i.e., fail to reach or sustain anything like their potential. If Phil feels that way, then he and I are in accord. So how do so many grand projects, launched with so much fanfare, travel so short a distance toward their objective?

To try to answer that question, I decided to focus this article on change per se, and have made a list of what I think I've learned about change during the last 25 years. The list is based on observations from my years as a US Navy Seabee officer, a drug-abuse advisor in the White House, where I coordinated the efforts of 13 agencies, and from my 15 years as a consultant/researcher during which time I have visited hundreds of companies.

Go for the Small Wins

The small-win principle, or get on with it factor, remains at the head of my change-management list. Nothing is in close second. This was the first principle in *In Search of Excellence*. Bob Waterman and I called it "A Bias for Action." My advice: Test. Test small. Test now. Test often.... Or: Do it. Fix it. Try it.... Mount get started tests in the boondocks, as far away from headquarters (division, corporate) as you can.

Heed the words of Ross Perot: "At EDS (a firm that Perot founded), when you see a snake you kill it. At General Motors (for which he was a director at the time), when you see a snake, first you seek out the best consultants on snakes. Then you appoint a committee on snakes. And then you study snakes for a year or two." Harry Quadracci, chief executive of wildly successful printing company Quad/Graphics, likewise describes his success key as, "Ready. Fire. Aim."

Or consider this advice from Canada's premier oil and gas wildcatter, aimed at future generations of managers in his company: "This is so simple, it sounds stupid. But it is amazing to me how few oil people really understand that you only find oil and gas when you drill wells."

Long-time strategic change consultant, Bob Schaffer, says that firms seeking to induce major change should follow a "breakthrough strategy," which consists of "locating and starting at once with the gains that can be achieved quickly and then using these first successes as stepping stones to increasingly ambitious gains." He decries our overemphasis on big, high-visibility change programs and our characteristic "perpetual preparation" approach, as he calls it. Schaffer urges managers to "put aside their studies, explanations, preparations, preliminaries, training, gearing up, analyses and programs - and focus on accomplishing a short-term result, a success."

In other words, to begin, begin. Start experimenting now. Start nudging people to rack up small wins. After a small win or two has been tallied, then explicitly urge forward the diffusion process. Create an intensely nurtured network of champions, would-be champions and small-win seekers. Stitch the network together - and work directly and specifically on the momentum-building and momentum-sustaining process. It adds up to creating a learning organization, an experimenting organization. To begin, ignore the resistors and work first with ready champions at all levels.

Sometimes I call the approach, with reference to the National Football League, "Walter Payton versus John Riggins." Riggins, a burly Washington Redskins fullback in the early 1980s, liked to run through the center of the line. Time and again, he'd take dead aim at the 290-pound nose guard opposite him. He'd gain some yards on Sunday - and then spend the next three or four days after the game in traction at George Washington University Hospital. Elusiveness was the trademark of Walter Payton, a recently retired Chicago Bear, who became the National Football League's all-time leading ground gainer. Payton liked to run around flu-stricken, 160-pound free safeties. I'm a Payton fan - successful implementation is about looking for the pockets of least resistance, not greatest resistance.

The small win/action bias approach is a philosophy, a way of life, a fundamental attribute to every aspect of an organization. For instance, the rapid action bias distinguishes, above all, the premier quality program in America in my view - the one at textile-maker Milliken & Co. Milliken - has developed many a new wrinkle since it began its quality/customer/quick response thrust in 1980. But all of its new efforts were underpinned by its long-standing penchant to cut the malarkey and get on with it (whatever the "it" was at the time).

For the best bead on all this, start by ingesting Bob Schaffer's *The Break through Strategy: Using Short-term Successes to Build the High Performance Organization*. The book, from Ballinger, is the best text on implementation ever, chock-a-block with practical examples. Schaffer does a particularly persuasive job on why the small win approach, over the long haul, is a much faster way to achieve strategic change than the mega-program approach so common to the quality movement.

Long-term success, it turns out, is a function chiefly of generating momentum and orchestrating down-the-line buy in, not the sound and fury accompanying program launch.

Give Quality All Your Attention

Attention is all there is. You are what you spend your time on. You're as focused - or unfocused - as your calendar says you are. Interested in launching, and then sustaining, a program of quality improvement through the empowerment of front-line people? If so, that theme had better be reflected unmistakably on your calendar, hour to hour, day to day, year to year. Woody Allen put it best: "Eighty percent of success is showing up."

Pay attention in big ways (rallies, recognition ceremonies, attendance at five-day introductory training courses) and, at least as important, in small ways: The questions you routinely ask to start off every meeting; the persistent theme of notes penned informally on memos; the little five minute detour that you invariably make while you're on an inspection site, to chat with the receptionist or housekeeper; showing up at midnight on the loading dock to say thanks for a record-breaking day; et cetera.

Symbol Management

The calendar is one vital part of a larger subset of managerial/change management tools that I call symbolic management. The chief doesn't drive the forklift or answer the phones in the reservation center anymore. She or he inspires, points out examples of what success looks like (in big ways and especially small ones), recognizes and underscores the importance of what is to be important (quality, for example) through a myriad of symbolic activities: Who attends meetings? Who sits where? Who gets promoted? What's unfailingly first on the agenda? What's the content of the first paragraph of the annual report?

There are a host - literally thousands - of individually tiny, collectively huge, symbolic weapons available to leaders/managers at all levels. Creating in this fashion a persuasive buzz about your devotion to quality is essential. Key message: To use these tools, you must think consciously about them.

Modelling

If you want listening, model listening. If you want risk taking, then take risks. If you want an obsession with quality, then live an obsession with quality. This is the biggest breakthrough in the behavioral sciences in the last two or three decades. It turns out that we learn virtually everything by emulation of peers. Think of yourself as a model, because you are, for better or for worse.

Trust

The first principle was test, experiment, adjust and learn - seek out and build on small wins. But you can't get that process going in a quality implementation effort and then sustain it without trust. In short, if you don't believe in the fulsome capabilities of people on the front line to get the job done and take responsibility for getting the job done, then you will make a million boo-boos. From the look in your eye to the rules you write that unbelief will undo the heartiest and best-planned quality improvement effort.

When I first drafted this, I wrote, "...trust, which will come with time and after providing training..." That's wrong. With time and training, trusts will grow. But trust, at least on the part of the instigating leaders, has got to be soul deep, and be in place from the start. But trusts, on the other hand, can grow among team-mates, and among lower-level leaders. If you can lead them to create a legitimate demonstration process (small wins again), the odds are high that they will be surprised by the results, and come, over time, to alter their views about people's capabilities.

Trust at first is incredibly delicate. It's the small acts that invariably derail trust building, not the big ones. Be clear about the implications of your tiniest actions at all times.

Kindness and Caring

Kindness and caring are corollaries to trust, and are another form of paying attention, of really focusing on and listening to the people at the front line (who count most in any quality improvement thrust). A kind and caring organization is not soft. To the contrary, it provides a stable platform for constant, fast-paced, self-managed change. An unkind organization and a non-caring organization, on the other hand, instills fearfulness or contempt and destroys the possibility of substantial change.

Test

Try. Foul up. Then move forward quickly and adjust. These are essential notions, and they suggest hustle - a very important idea. But to hustle should never lead us to the point of frenzy, where there's no time for a kind word. Bone-deep kindness and caring, even in a bureaucratic setting, was the essence of IBM's success through people for decades. I believe that kindness and caring can surely be modelled and to some extent taught. But it helps immensely to worry directly about these attributes in the recruiting process, or, at the latest, at promotion time.

Fun (Joy)

Laughter is potent medicine for a strategic quality improvement thrust. What laughter/fun really signifies, of course, is something much deeper - joy in attacking the task; understanding the human foibles we all share in trying new things and doing things better; pleasure in each other's company as participating team-mates in pursuit of world-class quality.

You won't find that lately overused word, vision, on this list. Vision, I contend, is a subset of fun! Vision implies going to the mountain top and returning with a one-sentence manifestation of eternal truth, gathered from the breast of the great chieftain, no doubt aided by a passel of consultants. Instead, I see vision as people turned on about what they're up to - making and delivering something great, building awesome and sustaining relationships with customers and vendors. Sure, the big boss plays a role in conceiving of such a setting. But mainly, it's leaders at all levels instilling - and living - a pervasive attitude about participating in something nifty. Fun, joy and sharing success go hand-in-glove with world-class quality.

Celebration

Remove the fear of failure: Surely this merits a point by itself. Yes, sort of. Consider the chief antidote to fear: that is, remove the fear of failure by "accentuating the positive," as the old song line goes. Proffer constant small rewards for constant small advances. Engage in perpetual big and small celebration of, especially, the tiniest success or sign of initiative-taking, even little initiatives that fail. Celebrate purposeful rule violations, where those rules don't represent a breach of ethicality, but represent taking a chance to fight off the Mickey Mouse and make it better, do it quicker.

Celebration and constant recognition of small wins are unquestionably the best ways to attack the typically pervasive fear of failure. Celebrations must be unimposing and spontaneous. And they must be planned and grand. There's simply nothing more powerful than recognition that's heartfelt.

Caution - *there's little that's tougher than setting the time aside, especially for senior executives, to repeatedly celebrate the small successes. Celebrating the mega-victory is easy and instinctive. Constantly celebrating the little tries - that don't feel little at all to previously unempowered, fear-stricken workers - is a major factor separating winners from losers in strategic change programs.*

Self-control

The best control is self-control. Self-control comes when the fear of failure is removed, and when celebration of small wins (and small losses) is the norm, when test it is the motto, when fun is the routine and when everyone is singing from roughly the same page of the same hymnal (for example, attention has made the quality priority clear).

Psychological experiments, from the research discipline called "focus of control," suggest that the tiniest dose of self-control can lead to potent improvement. My favorite example is often labeled the "shut off the noise button experiment."

Ownership - Research subjects were given an ambiguous, intellectual task (solving puzzles that were insoluble) and a rote task (proof-reading) to perform. They were told that the experiment was about the effects of noise on productivity. While they worked, a raucous sound marred their consciousness. It was an audiotape consisting of a gaggle of people speaking several languages, typewriters and office machines going and cacophonous street noise. The control group was just told to go to work.

The other group was given a button that could be pushed, which would make the sound to go away. Those with the button, not unexpectedly (except perhaps for the magnitude of the difference) made about five times more tries at the intellectual task and just one-quarter as many proof-reading errors. But the result of interest, subsequently replicated in any number of settings, was that not once did anyone with the button ever push it. The mere fact that people had the button at their disposal (the subconscious perception of control) was cause enough for an astonishing increase in ownership of the task and productivity.

My own observations, in places ranging from sausage plants to motorcycle factories and bank's back offices, has only underscored what can be found in the psychological literature. In *Working*, Studs Terkel describes work as "above all (or beneath all) about daily humiliation." The antithesis of "daily humiliation" is ever-increasing doses of self-control.

Self-discipline

The best control is self-control. Likewise, the best discipline is self-discipline. The route to strategic change I'm describing may sound anarchic at first blush (devolution of authority, constant experiments, even rewards for rule-breaking are traditional failure indicators). To the contrary, such a process is under far greater control than most of our normal, large-scale, quality-program change efforts. The combination of trust and an environment that begs "get on with a little something - now!" all in the context of a worthwhile and exciting challenge (the achievement of world-class quality) is the essence of discipline. But the discipline is self-discipline, not a hierarchy-driven discipline.

Self-Managed Systems

Systems are key. "What gets measured gets done." Reward's what's important. Systems are the blood vessels of the organization. My colleague and change master, former Harvard Business School professor Tony Athos, argues persuasively that systems are the most important - and most undermanaged - element in the organization change process. He's got a point.

However, to manage the development of systems does not mean to over manage, or follow a top-down path. System development, too, should be bottom up, including development of measures and the apportionment of rewards. Participation is more than a part of the system-design process - participation in system design is the key to effective system building; and effective system building, in turn, is critical to sustaining a strategic quality thrust.

Sharing All Information

Scandinavian Air Systems Chairman Jan Carlzon contends that, "An individual without information cannot take responsibility; an individual who is given information cannot help but take responsibility." This idea is more powerful than I'd ever dreamed. Access to virtually all information, by everyone at every level and on a continuous basis, is a vital part of quality-oriented change. It's at the core of the self-discipline, self-control, self-starting process.

Outsiders as Stimulants

Outsiders (especially distributors and end-user customers) are a great, generally untapped, source of day-to-day inspiration. No matter what the expenditure of time, energy and cash, put everyone, at every level and in every function, in direct touch with the customer from time to time (regularly is best). Using outsiders to send the message about quality is much more powerful than using insiders.

Caveat - as usual, this tactic will do no good, unless people at the front line are empowered to do something about what they find out when they get in touch with outsiders. Once again, if trust and the opportunity to experiment and cross organizational barriers are absent, then this, too, becomes worthless - or worse, one more source of frustration.

Developing and Nurturing (and Protecting) a Network of Crazies

One of our colleagues describes an effective senior naval officer who, at every new command, immediately pulls together a Council of Crazies (numbering 10 to 15). He uses this gang to advise him (and often to informally lead) in developing strategic change programs.

Champions/Skunks/Crazies - The essence of the experimenting and continuously learning organization in pursuit of awesome quality is, by definition, experimenters. Find them (they're there, even in the most dispirited outfits) in all functions, at all levels (including non-management) and especially seek them out in the boondocks.

Nurturing and protecting the crazies, oddly enough, is especially important if you are a mid-level staff manager. I view the effective staff manager, not as a guardian of functional turf, but as an exhorter and cajoler of would-be line experimenters, who constantly test (and promote) new bits and pieces of programs in the field.

Teams

Champions, skunks and crazies are essential. But to say that does not detract from the importance of orienting the organization toward a team structure - that is, conceptualizing the organization (at any level, in the accounting department or in a strategic business unit as a whole) as a collection of teams. Bend reward systems to emphasize team performance. Train everyone in group problem solving. Work on developing team-level experiments.

Getting everyone on teams is imperative. I'm sick and tired of 50,000-person companies bragging, in their annual reports, about their 125 quality teams. Take the number of people in the firm, divide by ten - if that's not close to your number of teams, you've got a problem.

Space

Putting teams, especially from disparate functions, together in one location is remarkably powerful. Space is usually considered a secondary variable in the change-management process. Not so. Hanging out together, or even having a private team locker and training area, quickly builds up friendship and understanding - and a willingness to try new approaches and disregard functional barriers. Put space management near the top of your priority list.

Training

The best approach to training I've seen so far is at the exceptionally successful, \$100-million (revenue) Johnsonville Foods of Sheboygan, Wisconsin. The firm's attitude is a paean to life-long learning. Every worker (yes, hourly sausage workers!) is vigorously encouraged to take any course of study, on any topic, job-related or not. Hourly sausage workers routinely take drafting courses, personal computer courses or advanced accounting courses. The firm declares that it wants only life-long learners on board. It will pay for anything and everything when it comes to learning, as long as the employee is willing to constantly grow. That's an approach to training (or the better term, life-long learning) - a philosophy rather than a technique - that is necessary for sustained pursuit of quality improvement.

No Limits

There is - literally - no limit to the degree of self-management that's possible over time (for the individual and team) and not so long a time at that. This is what I've observed and learned, in the toughest of settings. I, who thought I was sympathetic to these ideas, have been surprised again and again by the likes of NUMMI, Harley-Davidson and Johnsonville Foods. The practical implication for the quality-oriented change process is, as I've hinted at under the heading of trust above, that this idea of limitlessness must come to be a shared, core belief on the part of all leaders.

Delegation

Delegation is impossible. But keep trying anyway. Delegation is the most brittle of tools. No one ever gets it right. One undoes it in the time it takes to snap one's fingers. Transferring the monkey, for real, to someone else down the line is no easy task. But true delegation is essential to psychological ownership - to self-control, self-inspection, constant experimentation and the achievement of change-program objectives.

Most supervisors have grave difficulty with self-managing team structures, sharing information and empowerment in general. The chief reason is the difficulty in shifting from cop to coach. It's all about such things as hundred-year-old beliefs about people's limitations and an unwillingness to give and receive trust. But call it, in the end, a delegation problem. Work on it. Train at it. It's essential to serious - and sustained - quality improvement.

Variety

Be impatient, yes. Induce fast-paced experiments, and manage the momentum-building process by creating a sense of urgency for change. But at the same time, understand and acknowledge that every person, in every group, in every unit, does "it" (trying, risking, trusting, owning) differently, very differently in fact. Each of us (person, group or unit) learns and sheds disbelief and skepticism; buys in and moves forward at a different pace; and suffers minor (or big) setbacks for different reasons.

This is why management of the diffusion process (turning a few good tests or ideas into a groundswell) and management of momentum are such important, hard-nosed ideas - and so tough to pull off. Above all forcing mindless replication of someone else's good idea or successful experiment is doomed. I've seen it backfire, time and time again.

Charisma Be Damned

Leadership is overrated in the change process. That is, conventional, and even some new, ideas about leadership: leadership as inspiring, visioning, making big decisions, dashing about on white horses, exuding charisma from every pore. The long-term quality improvement objective, as I see it, is to create a roiling sea of small experiments, by people at all levels and in every function. Creating and sustaining the groundswell is leadership. To do it, as suggested, requires effective use of the calendar in big and small ways - and abiding trust.

But please, throw out all those books on "dress for success," "how to manage up," "how to manage the boss," and "the art of negotiation and conflict resolution." Instead, paper the walls of your soul (and/or office) with mental or physical posters that proclaim: "Have fun." "Try it." "Get started now." "Drill more wells." "Celebrate it." "Recognize it." "Trust them - they're there and know what they're doing, and I don't." "Stamp out Mickey Mouse." What does my calendar say? - "Listen, dummy!"

Culture Bunk

Culture change is so much hoey! "B" drives "A": Behavior change induces attitude change. That's the chief social-psychological research lesson I've learned (and then re-learned many times) in the last 25 years. Harvard psychologist B. F. Skinner with his rats running mazes, and Stanford psychologist Albert Bandura with his analyses of modelling behavior, are fundamentally right. If we can get people to do something - to experiment, to try it, to learn about their native competence, to increase their self-esteem and self-control - well, then, the desired attitude change will follow.

Culture has been an important idea, a 1980's management antidote to the over-attention we directed to shuffling charts and boxes of the past. But trying to change attitudes first (create a quality culture without having lived and then elicited from others the new behaviors, or trying to implement a by-the-numbers-culture-change-as-panacea process, is as stupid as believing in charismatic leader-as-panacea.

Three Cheers for Mindless Optimism!

Optimism is contagious. (Witness the Reagan years.) And, unfortunately, so is pessimism - maybe even more so. (Witness the Carter years.) This notion has always seemed simple-minded to me. But, as the years roll by, I increasingly believe it to be true - and important. My mind has changed as I've run into so many effective leaders who stamp out gloom and doom with religious fervor; who take the greatest (vociferous and public) pleasure in the smallest signs of success in the midst of chaos and disorder; who really treat foul-ups as opportunities rather than hurdles. We see it in sports. We see it in the military. And we see it among workteam leaders in pursuit of quality improvement.

"Accentuating the positive," exuding energetic enthusiasm for what you're up to, laughing past the foul-ups as you get off the deck and go at it again and banishing dark spirits and cynics - it's a potent elixir.

Nobody's Perfect

No leader, change manager or quality fanatic or champion gets all this stuff, or even most of it, right all the time. The process of managing change is the essence of trial and error. A million, subtle variables (literally!) are always at play. Test it. Try it. Adjust it. Mess it up. Try it again. These must be, first and foremost, the watchwords for the change manager.

"Nobody Knows Anything"

This assertion, a reflection after a long and successful career, was made by top Hollywood screenwriter William Goldman. And it's good advice for any leader of a quality program. The details and rhythms of a major change process are unknowable in advance, and barely comprehensible after the fact. This doesn't imply at all a laid-back, do-what-you-want-to-do, style. It does imply guiding others to try and try to accept setbacks and the unexpected as normal - and always having intellectual humility about management, change, people and organization.

It Can Be Taught

All of the above is teachable to leaders at all levels, and followers, too, if you never forget the first principle: the small win, which is the essence of the effective change in pursuit of quality improvement. Small wins (i.e. demonstrations) are possible, and almost instantly, no matter how gloomy the current situation. Teaching (new skills, self-esteem) by example (self-example, team-example) is what change is all about.

Effort Counts for Naught

Results count for all. This doesn't imply that lapses of morality or ethicality, especially in the treatment of people, are ever justified. It's not a carte blanche endorsement of 'the means justify the ends.' On the other hand, there is a lot to say for Winston Churchill's words: "It is no use saying, 'we are doing our best.' You have got to succeed in doing what is necessary." This, in some respects, is one final plea for our first proposition - the relentless pursuit of small wins and building momentum behind the small win-generation process. Getting something done. Increasing esteem and confidence. Learning. Adjusting - fast. And moving forward again. In the end, of course, that does boil down to persistence. But the persistence must be perpetually oriented toward clearing another specific hurdle, no matter how small - right now!

"Some Advice! I've Got this Big Quality Effort and..."

Some will perhaps find the above advice surprising, and, in particular, inconsistent with the large-scale change programs that are so commonplace in the so-called quality movement today. I have no inherent antagonism toward large-scale change programs; in fact, I recommend them. On the other hand, those who have had the big programs work (such as Milliken) have been blessed, at the front end of the process, with an amazing bias for action - the small win philosophy was already in place.

Recall that we began this discussion with disquiet about the overwhelming number of programs that fail to reach their potential and, in fact, peter out entirely after a year or so. All of the above ideas can be part of a formal, big-scale program. But beware the giant-scale launch when the above essentials - such as trust, a caring attitude, an orientation toward action and celebration and recognition thereof - are not locked firmly in place.

This article is written out of frustration. Frustration at the slowness of Americans to truly come to grips with the quality challenge. Many starts are being made. But the finish line seems no closer than it was a few years ago. Something's got to give. The prescriptions above may be a reasonable stab at an answer to what's missing in many of our well-intentioned, but routinely futile efforts - especially our most dramatic efforts.

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