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*"We engineer the quality of your success"*

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## Secrets of an Improvement-Driven Company

An improvement-driven company consistently meets or exceeds quality improvement goals. This creates an organizational culture for ongoing growth, renewal, and business vitality.

The key to creating a successful improvement-driven company involves several factors, such as:

- responsiveness to customer requirements
- quality, cost, and time characteristics of key business processes
- nature of executive leadership
- degree of employee commitment to improvement goals
- ability to foster innovation & rapidly manage change

Understanding the critical roles and interrelationships of these factors is essential if a company is to become improvement-driven over time.

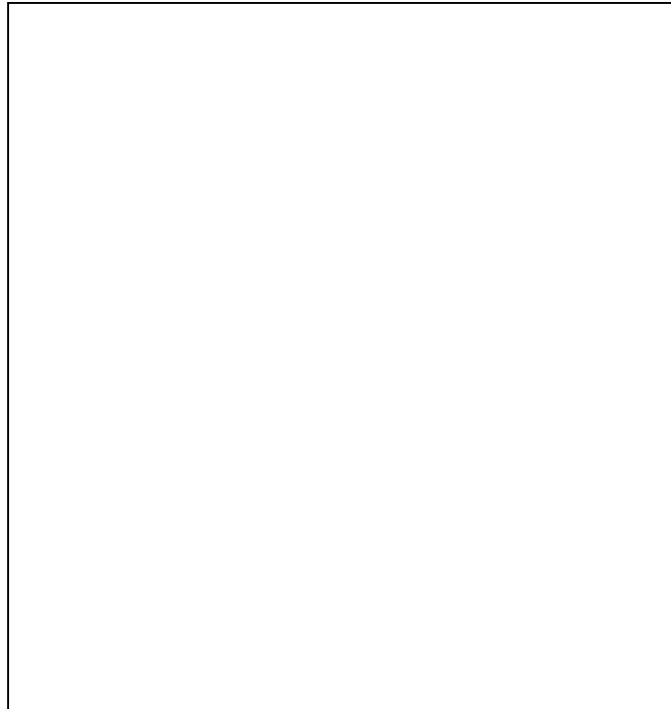
The National Quality Institute of Canada, together with three other organizations, examined 300 leading, high-performing companies (those that consistently improve their marketplace, financial & operating performance) & discovered these companies shared certain characteristics:

- Leaders drive the vision for continuous improvement and change
- Customer feedback fundamentally shapes the specific nature of changes and the improvements an organization makes in its business processes
- Employees are informed, engaged, held accountable, and rewarded for their individual contributions to improvement objectives
- Improvements are systematic and targeted
- Multiple improvement measures are used to ensure that continuous improvement efforts are appropriately monitored, tracked, and evaluated

### A company's vision, operating policies, systems & processes must be consistent with & complimentary to each other

The vision answers the question "What business are we in?" Operating policies describe "how we conduct our business." Systems and processes are the sequence of activities by which all work gets done.

When these work at cross purposes, the result is waste and frustration: engineers design a product that production can't make, purchasing buys materials that production can't use, sales makes promises that can't be kept. Each step of a process must be the perfect antecedent to the next step.



## The Three Commandments

When Tom Watson Sr. founded IBM in 1914, he incorporated the following personal beliefs into the company's business doctrine. It's been said his business philosophy has had more to do with IBM's success than its innovations, marketing skills, and financial resources.

### 1. THE INDIVIDUAL MUST BE RESPECTED.

Watson believed a company must respect its employees and help them respect themselves. Companies should let employees know they make a difference, reward superior performance, promote from within, and create a democratic environment (no titles on doors, executive washrooms, etc.) Companies should not psychologically abuse employees.

### 2. THE CUSTOMER MUST BE GIVEN THE BEST POSSIBLE SERVICE.

Watson believed a company must let customers know how important they are and satisfy their requirements. To provide the best possible service, every employee's job description must be related to this goal and every employee must receive appropriate training and education on how to reach it.

### 3. EXCELLENCE AND SUPERIOR PERFORMANCE MUST BE PURSUED.

Watson believed a company must strive for zero defects in products and services. To ensure excellent products and superior performance, a company must recruit motivated individuals and then provide the necessary training and an environment conducive to excellence.