

## A CALL FOR TEAMWORK

FROM PAGE 2

**B**UT TEAMWORK IS necessary to focus our political will and to regain our economic vitality, he said. "Joint projects are not simple, but they are possible within the context of the American experience. Our competitive edge in defense is largely the result of cooperation among the Army, Air Force, and Navy on joint projects, particularly on high technology defense systems.

Collaboration is even possible among competitors, he said, citing what has been done in the city of Minneapolis, but it requires social memory, the ability to remember what group has been flexible and what group has been unreasonable in the past. "A social memory must also be enforced by a network of business, civic, and governmental associations that grant or withhold cooperation to those special interest groups that deserve assistance or punishment. Each group must know that their behavior today will be remembered and repaid in kind tomorrow. Only if the system has memory will some companies and interest groups be willing to sacrifice."

AFTER REVIEWING AN "action agenda"—which called for changes in corporate management and changes in government at the federal, state, and local levels—Ouchi concluded that Americans should not emulate the Japanese but rather "use the Japanese example as the foil against which we see ourselves more clearly. The American M-Form society will not mirror the Japanese society. Ours will be more 'organic,' theirs more 'mechanical.' But to survive, each society must be balanced, coordinated, integrated, as the human body." □

## AT XEROX

# Quality Means Satisfying Customers

*The Xerox Corporation has launched a new campaign—Leadership Through Quality—to regain its competitive edge in the marketplace it created. It requires that every person, from the top down, be trained in certain principles, tools, and behaviors.*

**W**E FOUNDED AN industry, and then let it get away from us," said Peter Ruotsi, Corporate Manager of Quality at Xerox Corporation. "Every segment of our business is now highly competi-

tive, and competition has had a serious impact on our market share, rate of growth, and profitability."

Speaking at the Ninth Annual Productivity Seminar at Utah State University in April, Ruotsi said that Xerox, a diversified \$9 billion company with 100,000 employees worldwide, now has 100 competitors. To regain its competitive edge in the marketplace, Xerox wants its name to become synonymous with quality.

"It became evident to Xerox president David Kearns, after he visited our operations in Japan, that our employee enrichment programs were not enough. That's when the

executive team decided to launch a corporate-wide training program: Leadership Through Quality."

THE BASIC IDEA behind the program is to make quality the job of every Xerox employee, and "we define quality in terms of improving products and satisfying customer requirements," explained Ruotsi.

The new training program stresses quality principles, tools, and behaviors. The key principle, he said, is that "error-free work is the most cost-effective way to improve quality." Competitive benchmarking and goalsetting are key tools. "We simply must know where our competitors are going and where we are going.

**U**LTIMATELY, FOR the program to be effective, "senior management behavior must be consistent with our quality objectives," said Ruotsi. "Our executives feel that their open style of management must be based on mutual trust and respect and create an environment where every employee assumes responsibility for quality."

While it's not easy to retool and retrain every person in such a large organization, "We're doing it," exclaimed Ruotsi. "Senior management was trained earlier this year in wave one; they in turn will train their teams. This quality orientation is cascading from the top down, but it's really a bottom-up approach to problem solving."

IN LAUNCHING THIS training program, senior management is making a long-term commitment, concluded Ruotsi. "It's a long-term strategy, one that's aimed at reducing total costs. We're confident that this focus on quality and total costs will bring order and discipline back into our business world and give us a common language and strategy for regaining a competitive edge in the marketplace." □

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man. Now, the rest of the executive team had new ammunition for their reactive guns: favoritism! "He treats us like gophers, and he asks him for his opinion," they said. But the proactive man chose to respond positively to the reactive and vindictive reviews from the rest of the executive team. He also built up their strengths and made their weaknesses irrelevant by exercising his positive energy or proactive capacity, until they, too, developed increasing confidence in his competency.

**A**LCOHOLICS Anonymous, one of the most successful self-help organizations in the world, stresses this principle of working on the inner circle, even to the point of admitting at the outset, "I cannot do it by myself. I choose to go for help." Their famous prayer is, "Oh Lord, give me the courage to change the things which ought to be changed, the serenity to accept the things which cannot be changed, and the wisdom to know the difference." It certainly takes a great deal of wisdom. We may think something we cannot do a lot about right now is in the outer circle of concern when it really lies within our influence. Conversely, we may think some things are in our control when really they are not.

Whether we have direct, indirect, or no control over conditions, we can still have influence with people and arrive at desirable solutions if we work first on ourselves. If we have direct control, we can change our habits; if we have indirect control, we can change our methods of influence; and even when we have no control, we can change our attitudes.

#### **On Becoming Proactive**

We become proactive through natural processes—through patient, persistent, diligent practice. It is one of the great illusions of life to think that there is a simple formula, a quick fix. If we want to improve our tennis game, we take lessons from a profes-

sional and then practice; get feedback and keep practicing; take the next lesson and practice some more. Likewise, to increase our level of proactivity, we must exercise our patience and diligence, self-control and skill, improve our methods of influence, make deposits into other people's emotional bank accounts, listen with empathy, and, most importantly, fully accept the fact that we are responsible.



LORI ANDERSON

Once we have emotionally accepted that we are truly responsible, that we are the programmers, we can then begin the process of writing the program. We can learn to write the program in our heart and in our mind as well as on paper. We can sit down and clarify our values and prioritize them and think so clearly and deeply and consistently on them that they become governing principles in our lives. We can then write out our goals based on those values and our action plans to achieve those goals. We write all these things in full awareness of things over which we have no influence or control. We accept situational realities, but we also accept our power to choose our response to them.

Samuel Johnson said, "The fountain of content must

spring up in the mind, and he who hath so little knowledge of human nature as to seek happiness by changing anything but his own disposition, will waste his life in fruitless efforts and multiply the grief he proposes to remove." And Abraham Lincoln once said, "A person is as happy as he makes up his mind to be." When applied to this subject of proactivity, these statements take on additional meaning.

**A**T THE HEIGHT of the recession I conducted a three-day business conference for CEOs in the home improvement industry. After spending a day discussing what was happening in the economy, people were pretty depressed; and after discussing the future trends the second day, they became even more depressed. On the third day we shifted our attention to the inner circle of influence and discussed proactive issues in the context of the current economy and future trends—particularly, we addressed the question, "How can we better manage and reduce our costs and increase our market share?" Creative, synergistic minds began to interact and by the end of the day there was a fresh enthusiasm, an excitement, and sense of hope. At

the end of the three-day conference, we concluded our experience together by rehearsing a three-part response to the question, "How's business?" Part 1: "What's happening to us is not good, and the trends suggest that it will get worse before it will get better." Part 2: "But what we are causing to happen is very good, for we are better managing and controlling our costs and increasing our market share." Part 3: "Therefore, my friend, business is better than ever."

TO BECOME MORE proactive, start now—plan to take control and make business better than ever. Take time to clearly write out your blueprint for life. You might start by writing your own eulogy or by thinking carefully about what things you are proud of and what things you want to be known for. Recognize, too, that "when we pick up one end of the stick, we pick up the other." In other words, we have the power to choose our *response* but not the *consequence*.

You might test this principle of proactivity during this coming month in your professional or personal life. My 30-day challenge is to be a light, not a judge; to focus on the inner circle of influence; to give energy to those things; to be a constructive producer, not a wasteful consumer; a model, not a critic.

SOME PEOPLE MAY feel threatened by your proactive behavior, sensing that their option is either to "shape up or ship out," but simply persist. Little by little your persistence will pay off—you will develop new habits, new capabilities for bringing about changes in the circumstances of your life. By focusing on things over which you have some influence or control, in constructive and positive ways, you will increase your circle of influence and begin to work on some of your concerns in equally positive and constructive ways. □

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# The Quality Paradigm

**Key Point:** Quality is not an additional activity, quality is a paradigm.

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Many organizations are realizing that quality must become a critical strategic initiative if they are to be true to their mission. In order to operationalize this critical initiative and actually produce quality results, it is absolutely essential to realize that quality is a paradigm. Quality is a way of seeing, quality is a way of seeing ourselves, our jobs, the enterprise in which we are engaged, our working and personal relationships, and even our lives.

**When we make the mistake of assuming that quality is a set of processes and tools, an "additional responsibility", or an "added-on activity," we will never realize quality results as individuals or as an organization.**

There are numerous examples in American business where, with great fanfare, a new quality policy was announced and begun only to slowly dissipate over time, until a few years later, there remained no evidence that quality had ever been a priority. These failures to operationalize a sound quality policy almost always involved huge expenditures of time and money in training and follow-up; quality processes were installed; the push for quality usually came from senior management; and the implementations seemed to be text book efforts. The reason for failure in their seemingly perfect attempts at making quality a strategic thrust is that quality was viewed as "just another of the many business results" for which managers were responsible. Employees saw quality as another set of confusing activities which was required of them in addition to their regular work. Their processes and activities were carried out as long as top management

"kept the pressure on"; but as soon as another initiative was given priority, quality activities declined, then too often ceased altogether.

The fatal flaw of the people in these examples of failure is that employees and managers had an incomplete paradigm concerning quality. They saw quality as processes and activities to be performed in addition to the core task instead of realizing that quality is the core task. **Quality is the ability of a product, service or relationship to meet or exceed the expectations of stakeholders. It is the degree of excellence achieved.** Where the quality of a product, service, or relationship is poor, stakeholder expectations are violated and stakeholders pursue other options financial support and key inputs are removed and the enterprise expires. Meeting or exceeding the expectations of stakeholders is therefore the core task of the organization or enterprise. It is the core task of all members. Because quality is the ability of a product, service or relationship to meet or exceed the expectations of stakeholders, **quality is the core task of the organization and its members.**

**Quality is a paradigm,** the paradigm through which people see themselves, their relationship with others, and the enterprise in which they are engaged.

When a quality paradigm is held by the members of the organization, then quality processes are not "additional activities", rather, quality processes are critical activities essential to performing the organization's core task. Quality processes such as the following become the method of operation:

- Strategic partnerships with customers/suppliers
- Conditions of Empowerment
- Word processing analysis
- Integrated systems approach

As quality processes become the method of operation individuals, teams, and the organization as a whole acquire effective traits and demonstrate effective behaviors. Such traits and behaviors are likely to include:

- Customer orientation
- Participation
- Continuous improvement
- Communications
- Accountability

As these behaviors are evidenced and these traits developed, quality results are achieved. The products produced, the services rendered and the relationships established not only satisfy stakeholder expectations but often surprise and delight as well. The attainment of quality results in turn reinforce the quality paradigm -- strengthening members view of quality as the way they conduct business. When quality becomes a major strategic thrust and a critical company policy, a company-wide paradigm shift toward a quality paradigm should be the primary objective.

Paradigms are shifted toward quality by identifying fundamental principles of effectiveness relevant to quality. Such principles include:

- Our main purpose is to delight our customers and make them famous
- People are the source of all quality improvement ideas
- All work is part of a process
- Total quality is a process, not a program
- All costs of non-quality can be prevented

As principles of effectiveness are taught and understood, they become difficult to dispute (principles by their nature tend to be self-evident). Once understood, members create practices and processes to apply the principles specifically to their own situation. These principles become both the foundation of quality processes and the beginning of paradigm shifting. As members understand then accept principles of effectiveness, these principles reveal to the members the limitations of their paradigms. As quality processes are consistently used, members exhibit quality behaviors and develop quality traits; quality results are then achieved. These quality results tend to reaffirm the new quality paradigm and the paradigm shift is well underway.

As more members embrace a quality paradigm, a "critical mass" is soon reached (the number needed to reach this mass is well under the majority). This critical mass is a large percentage of energized, committed members who vigorously advocate quality. Quality terminology and concepts become a part of the language and interpersonal interactions. Organizational communications and systems institutionalize the quality models. Quality of work life is as vigorously pursued as quality products. Quality becomes a widely shared and deeply held governing value -- an obvious element of the corporate culture. Under these conditions, quality will not be sloughed off when new initiatives are emphasized. Quality has become a part of the fabric of the enterprise, it's the "way we do business", and a vital element of fulfilling the organization's mission.