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THE SIX VALUES OF A QUALITY CULTURE

**Building a Culture to Develop Committed
Employees, Delighted Customers,
and Continuous Improvement**

**By John A. Woods
CWL Publishing Enterprises
Madison, Wisconsin**

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THE SIX VALUES OF A QUALITY CULTURE

By John A. Woods

This paper starts from a basic premise: All businesses are systems. What a business system does is take inputs from various suppliers, and transform these into outputs that customers will value. When your business does this well, your customers will want your company's outputs enough to purchase them at a price high enough for you to be profitable.

As a system, a business has a lot of interacting parts that transform inputs into outputs. The way these parts interact makes up the system's transformation processes. These parts are interdependent and affect one another. Figure 1 is a way of illustrating how an organization operates as a system. The arrows are the processes. If you touch one, it will inevitably affect another and so on in a chain reaction throughout the system.

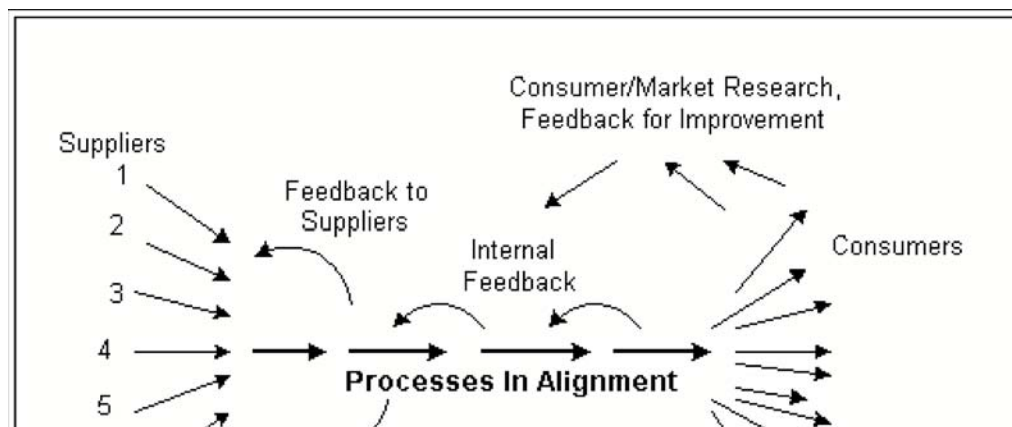




Figure 1. Deming's view of a system.

If you want the whole system to work well, you can't just focus on one part, optimize its performance, and expect what you did there to trickle down through the whole system. You have always got to consider the implications of any action for how it will affect everything else.

So here is a crucial point for managing well: What you have to always think about is the whole system and its processes. Even if you are not aware of it, what you will be managing are processes. And if you are not aware of it, you are likely to do a poor job of it. You will cause waste and rework. You might make your employees unhappy and undermine their motivation to work hard. You will compromise the quality of your products and services to customers.

By becoming aware of the fact that what you manage are processes, it makes sense to understand the best ways to do that. The best management practices have been articulated by people like W. Edwards Deming, Joseph Juran, Jim Harrington, and lots of others and usually go by the name "Total Quality Management." However, we should appreciate that the practices they suggest are not really about Total Quality Management. What they are about is SMART MANAGEMENT. They are the practices you adopt if you want to manage intelligently.

An Example of What It Means to View Your Company As A System

Let's take an example: Suppose you are managing a restaurant. You decide you can save \$500 by not reprinting your menus quite so often. You figure it's OK if they get a little ragged around the edges; they still tell your customers what you are serving and the prices. So you've made a business decision and saved some money. What are the implications of this when you see your business from the systems point of view?

First of all, your employees see you are replacing the menus less often. So they might think that since the menus are a little worn, it's OK for them to loosen up in their appearance as well and perhaps be less cordial to your customers. The kitchen help sees this and senses that maybe it's OK to take a little less care in the way they prepare the food and present it on the plate. Your regular customers start to notice a change in the atmosphere, and decide maybe not to come quite so often. New customers come in, and their first impression might be to question the place. They stay and have their meal, but they don't come back, and maybe they tell their friends not to go your place either. Things may continue to deteriorate unless you wake up and make some changes. All this because you tried to save \$500 and did not understand the systems implications of that decision.

That's how things work in business. Everything affects everything else in one way or another, not always predictably. Whether you are aware of that or not does not change the *fact* that this is what happens. However, the systems perspective reminds us that this is what is going on. And it keeps us focused on how all the parts are operating together and influencing each other. When you see it this way, you can manage your business better. You appreciate, for example, that not reprinting menus quite so often could have implications that make that not such a good move. There is nothing wrong in trying to reduce costs when you go about it correctly. In fact, a good part of TQM is about learning how to do this while *increasing* quality.

This example might seem a little dramatic. But think about your own experience. You can probably come up with instances where something you or someone else did had unforeseen consequences that compromised your operations and your ability to effectively serve customers. These consequences are an example of the system at work, where the actions of one person may reverberate throughout.

There is a lot of information available about the best ways to manage a system. But to successfully put

these practices into place, you need a foundation for doing this. What we're going to look at in this paper are what I call the six values that form the foundation of a company's culture once managers understand the idea that a business is a system. This is a culture that provides the context for more readily adopting the practices that Deming and others have taught.

MORE ON CULTURE

Here's a definition of culture: It's the shared beliefs, values, attitudes, institutions, and behavior patterns that characterize the members of a community or organization. In the type of culture we are going to cover, what's good for the company *and* for customers comes together and becomes the driving force behind what you and everyone else do.

Figure 2 on the next page summarizes this idea of the origin and results of a quality culture. What it shows is that such a culture starts with managers who understand and believe the implications of the systems view and the necessity of serving customers to succeed.

This results in a culture where we understand that a positive internal environment and the creation of delighted customers go together. It is a culture that naturally emphasizes continuous improvement of processes, one that results in a healthy workplace, satisfied customers, and a growing profitable company. A great strength of TQM and the systems view is that it shows us that growth, profitability, customer satisfaction, and a healthy work environment are not mutually exclusive. In fact, they are mutually supportive and necessary to succeed over the long haul. Consider this story from a book entitled *Making Quality Work*:

"Some IBM executives were here on a study visit just yesterday," one executive of a Japanese company noted. "They told us that, at IBM, total quality management is 70 percent attitude and only 30 percent quality control technique." He then frowned and silently shook his head. We could guess what he was thinking. Such a "soft" approach to managing quality might be acceptable but it would never pass muster in Japan. We were wrong. "In Japan," the executive concluded, "total quality management is 90 percent attitude." [Attitude is like values--it represents the outlook and thoughts from which your views on managing emerge.]

Why start with cultural values in implementing TQM? Behavior is the direct result of a person's values and assumptions. In other words, if I know what your values are, this helps me understand what you are likely to do in various situations. What are values? They are our basic beliefs about what is right, good, true, correct, desirable, moral, and so on.

We can think of values as a mental toolkit we use to understand how to relate to various circumstances and decide what to do next. All of us behave in ways that are consistent with our values. For example, people may say they value fair play, and by knowing this, we can understand that they will not do anything to deceive us in our dealings with them. Someone else may value "winning at any cost." These people are likely to do anything to come out on top in a deal, even if it means taking advantage of the person they are dealing with. In a business, employees will behave in ways that are consistent with the core values of the culture. And as a leader of your business, you are the one who establishes those values.

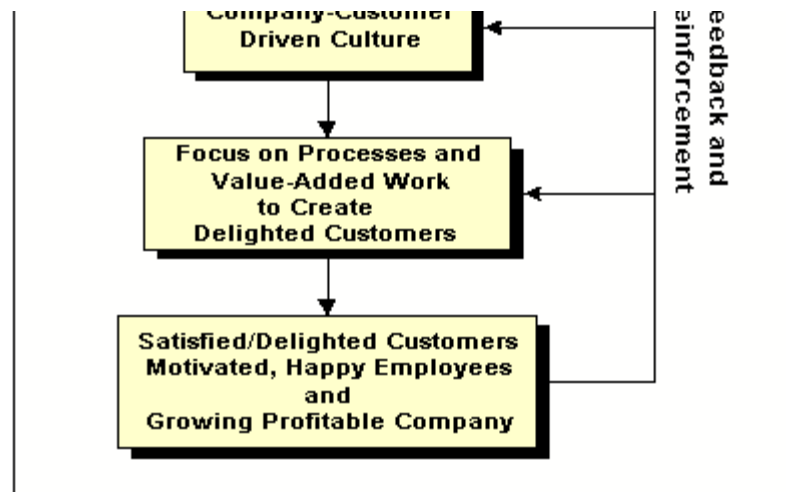


Figure 2. A quality culture is led by managers who believe in the systems view and understand that their company exists to create a mutually beneficial relationship between itself and its customers.

THE SIX VALUES OF A QUALITY CULTURE

Based on understanding a business as a system, here are six values on which you can build a successful quality culture. In reviewing these, remember that their importance comes from the changes in behavior that accompany them.

In developing this list, I have reviewed lots of writers on what would characterize a culture that supports quality management practices. I have tried to distill the ideas I have discovered into this list. Like many other concepts in TQM and the systems view, each of these is really a logical extension of the others. The most important point here, though, is that these values are based on a *realistic* understanding of what businesses are.

I can't emphasize that word realistic strongly enough. Personally and in business, I have sought those values that are consistent with a realistic assessment of how businesses can operate most successfully. So, let's review them:

VALUES OF A QUALITY CULTURE

- Value 1.** [We're all in this together: company, suppliers, customers.](#)
- Value 2.** [No subordinates or superiors allowed.](#)
- Value 3.** [Open, honest communication is vital.](#)
- Value 4.** [Everyone has access to all the information they need.](#)
- Value 5.** [Focus on processes.](#)
- Value 6.** [There are no successes or failures, just learning experiences.](#)

To better understand these, let's state the opposite of each one. Perhaps you will see that the opposites better characterize the assumptions behind lots of behavior in businesses today.

- Value 1.** Everyone for him or herself.
- Value 2.** The boss knows best.
- Value 3.** Keep communication limited and secretive.
- Value 4.** Keep most information at the top, and share it only when necessary.
- Value 5.** Focus on individual work.
- Value 6.** Success is everything; no tolerance for failure.

Have you seen or been a part of a company where values like these seem to guide and explain the behavior of top management and everyone in the company? Have you seen companies where information

is not readily shared, where employees felt devalued and even afraid for their jobs if they made a mistake? It is not surprising that companies with such values regularly have breakdowns and problems. It is not surprising that such companies have a lot of nonvalue-added work going on. It is inevitable.

Does it have to be this way? The answer is no. The six values for a quality culture can help you avoid or turn this unhappy and all too common situation around. While all these values seem idealistic, they are exactly the kind of values on which the actions of the most admired and successful companies are based. Why? They are simply more consistent with taking advantage of what each person has to offer as a full human being.

THE SIX VALUES IN MORE DETAIL

Now let's look more closely at the six values for creating your quality culture.

VALUE 1. WE'RE ALL IN THIS TOGETHER: COMPANY, SUPPLIERS, CUSTOMERS

This is the natural place to start. It comes from the idea that companies are systems. We're all in this together reminds us that individual success depends on how everyone in the company works together and that the company's success depends on all individuals doing their work well.

For this to happen, a company must be a place where people feel they are part of something bigger than themselves. Then they must identify their personal success on the job with that something. This can result in people coming to understand that by working hard for the company, they look out for themselves at the same time.

Personal Identification With the Company

Value 1 helps everyone define the company not just as the buildings, assets, and employees but also includes customers and suppliers as part of the definition. It captures the point that the company's welfare is directly tied to that of its suppliers, employees, and customers. The goal is consistently win-win-win for all these parties. In this kind of culture, people share a concern for everyone in the company continuously improving what they do for the mutual welfare of the company and its customers, and they have set up processes for institutionalizing process improvement.

Teams and Teamwork

Advancing Value 1 encourages the development of teams and teamwork when collaboration is appropriate to execute work. In this kind of organization, people examine the tasks that need to be done. They then look at the interdependencies among people involved and organize teams around these tasks.

The use of teams and the development of teamwork skills naturally emerges from Value 1. It reminds us that work gets done by team members mutually supporting each other. It affirms the idea that everyone in the company is both a customer and a supplier to other employees. When problems arise, people in teams operate together to better understand their processes and figure out together how to solve these problems. Managers do not just react to problems. Instead, they proactively search for ways to improve all the time to reduce the possibility of problems occurring in the first place.

The commitment and inclination to teamwork in a culture with this value will naturally extend to suppliers and to customers. This value helps a company acknowledge its dependence on its suppliers and the need to view them as partners. This teamwork allows your suppliers to expend their energy on delivering high quality goods to you as their customer. And that translates into quality for your customers. This cooperation becomes the smart, logical, and appropriate approach when we start from the insight provided by Value 1. The illogical and inappropriate approach, conversely, becomes working with suppliers not as if they were team members but as if they were adversaries--still standard practice in many

companies.

The same is true with customers. Value 1 reminds us that the company's welfare is directly tied to its customers' welfare. Treating them as team members means that making them successful becomes part of your success.

Loyalty

Value 1 can help the company generate strong employee loyalty, which reduces the costs involved in recruiting, hiring, and training replacements. Employees recognize that it's hard to find an employer who really understands that we're all in this together and what that means. When you have a friend who remains loyal to you through the good times and the bad, you are going to be loyal to him or her as well. The same is true with your place of employment. Loyalty breeds loyalty. And the idea that everyone has a role to play and a stake in the company's success means you as a manager cannot take your employees lightly. When you care about them, they will care about you and the company.

VALUE 2: NO SUBORDINATES OR SUPERIORS ALLOWED

To understand this value, let's start with an exercise. Think about some experience you have had in your work life where the manager you worked for was inspiring, and you really enjoyed working for this person. As you do this, perhaps you will see that this experience was probably a situation where you felt more like a colleague to this individual (and to your fellow employees) than a subordinate. You also probably felt free to try new things without fear of reprisal. This individual, in his or her management role, probably looked out for you and was someone you felt you could rely on, just as you were a person he or she could rely on as well. If you are like most of us, you probably felt you could be most productive and satisfied on the job under these circumstances.

Now reflect on the times when you have had a manager who tried to assert his or her authority over you. Maybe this was in enforcing seemingly mindless policies without much thought as to their value or purpose for getting things done. In either of these situations, you no doubt felt frustrated and limited in your ability to contribute. Yet this latter scenario is standard operating procedure in many companies.

In the name of traditional hierarchical management, our companies become places where people feel they cannot take full advantage of their abilities. But in today's competitive marketplace, that just does not make sense. It counters, as I hope you see from this thought exercise, bringing out the best in yourself and others. You need to appreciate the idea that the existence of superiors in a company creates the need for subordinates. In the same way, people who think of themselves as colleagues create other colleagues.

That is the rationale behind Value 2. Of the six values for a quality culture, this one may seem the most controversial, counter intuitive, and subject to misunderstanding. Nevertheless, it is consistent with Value 1. And it helps activate a culture where people go out of their way to work together for everyone's benefit.

This does not mean that some people may not have more responsibility than others. Nor does it mean that some people may not be assigned to oversee processes on which several people are working. But it has everything to do with attitude and approach to this kind of responsibility. It suggests to everyone that the work of all members of the company is important and adds value to the final outputs. It says we are going to focus on the purpose we are all here: To get better and better at creating that mutually beneficial relationship between us and our customers. As a manager, your job is to use your authority to support the mutual interests of your team openly and conscientiously.

When a company culture eliminates the mentality behind superior-subordinate relationships, people more freely express what's on their minds. Of course, as with Value 1, this can only happen when you and everyone really believe that cooperation is what's most important. People have to experience this sense of cooperation. And that comes when everyone feels like a colleague and not just a cog in a machine controlled by someone else. It becomes a conscious driving force of behavior.

VALUE 3. OPEN, HONEST COMMUNICATION IS VITAL

All of us have been in conversations where we are saying one thing and thinking something else. For example, we might be patiently explaining a problem to another person, while in our heads we are thinking "Is this guy stupid? How many times do I have to explain this?" Or maybe someone is talking to you, and you seem to be politely listening, while all the time you're thinking about what you want to say next. Or perhaps you have a colleague who is not doing a good job, but your sense of politeness prevents you from saying anything because you don't want to hurt the person's feelings. All these are examples of dishonest communication. This is the kind of communication that leads to misunderstandings that frequently create problems on the job.

Empathy

One important aspect of Value 3 is empathy. Empathy has to do with proactively seeing the world from the perspective of others--other members of the company, customers, suppliers, the community. It is having a sense and appreciation of their problems, their abilities, and their behaviors. It incorporates a reluctance to judge too quickly the behavior of others based on your own perspective to the exclusion of theirs. Without empathy, you close yourself off from others in ways that limit your ability to communicate and collaborate. Further, in a company where we are all in this together, empathy is a sensible and realistic attitude for dealing with others.

Let's look at a situation of empathy in customer relations, where this positively affects communication. Let's say you run an auto body shop, and a customer arrives with a banged-in fender. This person does not want you to just fix it; he wants it exactly like it was before the accident. He wants you to repair it so that no one would ever know it had ever been in the body shop. Without empathy, without an appreciation of how much that person identifies with his car, you are going to have problems with this customer. You won't be open to listening and communicating with this person. If you downplay the accident, when it is a big deal to the customer, that is not reassuring to him. The better alternative is to understand this person's concern. Then by making it your goal to deliver a great repair job, you have just created a talking billboard for your company.

That is what empathy is about and how it affects communication. That kind of empathy does not happen without valuing honest and open communication. This fosters in us the ability to see the world from the view of others.

Listening

Along with empathy goes *listening*. Sometimes it's really hard to listen to others. People try to tell us what's on their minds, and we constantly see the incongruencies with our views. We want to correct them or show them how we are right and they are wrong. I'm not going to tell you to stop doing that. It's natural. We have a view of things, and we use that view as a filter to interpret and judge what others have to say and make judgments about what they do.

However, if you can suspend judgment and turn down the filter, you create a situation where others do the same, as they naturally imitate your behavior. This is an important way that you, as a manager, can encourage open and honest communication. The way you turn down the filter is by putting yourself in the other person's place. Then appreciate that the only way to find out what's on the mind of a colleague or a customer is to listen to him or her. Further, when you start from the perspective of Value 1, where you identify with each other and with the company, listening makes more sense.

Peter Senge, a best-selling author, writes in his book *The Fifth Discipline* about how some people may use communication to manipulate others for their personal ends. He shows how this is often to the detriment of the entire company. He suggests a simple way to avoid this: TELL THE TRUTH. He recommends having a deep commitment to the truth. This means "a relentless willingness to root out the ways we limit or deceive ourselves from seeing what is, and to continually challenge our theories of why

things are the way they are." An important way to encourage truth telling is by creating a culture where people listen to one another. This is a culture where open, honest communication is understood as necessary for people to function best.

VALUE 4. EVERYONE HAS ACCESS TO ALL THE INFORMATION THEY NEED

Companies of all types are doing away with hierarchies. Instead, we see all kinds of new organizational structures that center on teams, processes, and projects. In the days before people had wide access to information (usually via networked computers), hierarchies served a useful function. They helped coordinate and dispense information to those who needed it. Today, those hierarchies are literally falling of their own weight. This is because technology can give everyone direct access to the information and the people they need to efficiently do their work.

Still we find companies retaining their hierarchies and chains of command. This happens despite that fact that it takes more energy to keep information flowing via these chains than the effort may be worth. Who needs a middle manager to dispense information when employees can punch a few buttons and find out what they need to know? There it is either from on-line files or directly from the person who knows the information. Value 4 is an affirmation of this trend and is closely related to Value 3. Open communication and access to information about, for example, the company's sales, customer needs, orders, finances, delivery of parts, what different people and teams are doing, and how the progress of your team is affecting other teams and vice versa have become vital and a source of potential competitive advantage.

Members of a company decide what to do based on information and what that information implies about the situations in which they find themselves. Limited information means that decisions will be more speculative and thus more likely to introduce additional uncertainty into the company and its processes. Just think about when you or one of your employees made a poor decision. It probably happened because you did not have enough information. It's also likely that the information you needed was available but maybe you did not have access to it. So, if you want to reduce this from happening, increase access to information for everyone.

Now, think about this: How can I (or anyone) identify with my fellow employees and best cooperate with them if I don't have access to the same information they have, or they don't have access to what I know? In other words, better cooperation results from implementing Value 4 in your company. Today, more than ever, information and what people make of it, knowledge, are at the heart of what they do. Each of us uses information to help us understand the current state of affairs in our companies. This information provides direction for what we will do next and, even more importantly, direction for how to improve. The systems view reminds us of the interdependencies in a company. Since we are all members of the system, we all need information.

This is not just information about processes and events that affect us directly but that which affects us indirectly as well. Sales needs to know the current inventory of spare parts, and the warehouse needs to know about future orders. There is a dance going on among all the people, machines, customers, and suppliers that make up any company. This does not mean that all employees receive reports every week or month on all kinds of information they may or may not need. It does mean they have access to all information as they need it, and they are aware of what's available and are responsible for taking advantage of this information.

When there are no secrets, people don't have to wonder about things; they can go about doing their jobs in the most informed fashion possible. Isn't that what you would like to see happen in your company?

Of course the purpose for making this a *cultural* value is to encourage decisions based on sound and complete information. And as a cultural value, everyone understands that full access to information is just the way things are at your company. This reinforces and is part of all the other values we have covered so far.

Remember: You can never eliminate uncertainty in your business. However, you don't have to foster it by limiting access to information.

VALUE 5. FOCUS ON PROCESSES

Since organizations are systems that have processes for turning inputs into outputs, there should be no surprises that this is another of our values. Here's an example that illustrates this value's importance. This is a story from John Deere's Moline Harvester plant. It describes the before and after of implementing what they called "Vision XXI." This vision helped the company make deep cultural changes and performance improvements in a division that was performing poorly. Before Vision XXI, if you asked an employee what he did, he'd say "I run a drill," or "I run a punch press." In other words he would talk about it in terms of a generic skill and not the purpose to which that skill was put. After Vision XXI, an employee would tell you, "I build markers," "I build frames." What these statements mean is that he contributes to the processes by which markers or frames get built.

If you take a step back, you can see that this is what these people were always doing before and after Vision XXI. However, before, they were not acknowledging that. They somehow felt divorced from the processes they contributed to. Because of this, the processes were not working well. Now, with Vision XXI, everything is centered on processes. A supervisor is a "process leader," and employees are now "process team members." Those titles are not window dressing, they define a new understanding and approach to their tasks. This value helps everyone understand even further the importance of teamwork and cooperation and the interdependence of their work. It places a premium on implementing the tools that make management and improvement of processes more efficient and effective. The emphasis is on continuous improvement through the use of quality tools to measure process performance and teamwork.

Just as importantly, it moves everyone away from a "blame the person" mentality to a "blame the process and let's fix it" approach to problems and improvement. Industrial culture is heavily oriented toward recognizing individual achievement and individual mistakes. However, the process orientation reminds us of the fallacy of that approach. Since about 80 to 95 percent of all problems, depending on whether you believe Juran or Deming, are due to variation in processes, it just does not make a lot of sense to blame individuals for problems.

Indeed, there is a double irony to doing that. The first is that it is clearly incorrect. Always blaming single employees for problems and replacing one person with another simply introduces another source of unpredictability and variation into a process. And it does nothing to reduce system-related sources of that variation. Putting another person in that position does nothing to help everyone understand and improve how the entire process operates. Yet in most companies this replace-the-person approach is what happens. Should we be surprised, therefore, when problems continue?

The second irony is that blaming individuals for problems undermines the other values we have been discussing of a quality culture. How can you genuinely develop a "we're all in this together" set of values and behaviors when individuals are worried about their jobs? When you focus on individuals rather than processes, you create an environment where people look for scapegoats and hope they don't become one.

But let's return to the best reason for fostering a heavy process orientation: It is the most *realistic* position you can take. It affirms that improvement happens when people understand, measure, and reduce variation or reengineer those processes to be more efficient and effective at delivering value for customers.

So, it seems appropriate that we should focus on processes. That's how work gets done. Make that one of the fundamental assumptions and values of your company's culture and operations. Then support it by setting up teams and providing training and the tools needed to continuously improve these processes to everyone's benefit.

VALUE 6. THERE ARE NO SUCCESSES OR FAILURES, JUST LEARNING EXPERIENCES

An important insight into life is that *failure and success are always value judgments we render after the fact*. We can never predict with certainty whether what we do will end up as a success or a failure (or a mistake). We do the best we can based on our current experience, information, and understanding, and something happens.

We might like what happens; we might be disappointed. But in either case, it's a temporary situation, another experience in our lives that we can take note of and learn from. Success and failure are stops along the road for any business. Let's look some more at the ideas of success and failure to better understand Value 6. First, it's important to appreciate successes have to do with creating mutually profitable relationships between the company and its customers. Failures, conversely, have to do with unprofitable relationships between the company and customers. In both cases, these experiences can help us learn something about that relationship, where it now stands, and how we can make it thrive. As employees or managers of a company, our successes and our failures show us how well we are using our current capabilities to serve some group of customers and other stakeholders. They are short-term situations that we can learn from.

Now, what about doing away with the labels success and failure and just focus on the learning going on? Why is this the best approach? Because it puts our experience in the most realistic light. For example, companies that have a success in the marketplace may become seduced by this into believing they now have their acts together and that they can do no wrong. They become complacent. They might think they can put their businesses, at least temporarily, into cruise control. However, the seeds of failure are planted in our successes.

Anytime you have a successful product or service, your customers always learn at least two things about it. One is how well it works. The other is how well it does not work. You raise their expectations, and you teach your competitors something about the market you share with them. If you do not continue to make improvements that customers will value, indeed, even to find replacements for what you offer, you open the door to other companies taking your customers away from you. Therefore, look on your successes (and mistakes) as temporary. Look on them for what they are: valuable experiments in helping you learn something about your customers and what they consider value. You've gained information from this experience that can help you continue to succeed. And it gives you more of the financial resources you need to continue in business.

Successes are especially valuable in helping you learn what your strengths are. You can leverage off these strengths to continue to succeed. But you need to pay careful attention to what you learn. I have seen company managers who take a few successes as a sign that they are invulnerable. Then they introduce all kinds of new products, some of which may appeal to the market, and some of which will not. Some companies that seem to be making lots of money may relax and become inefficient. This makes them vulnerable to other companies with leaner operations. Clearly these managers did not learn the right lessons from their experience. They did not appreciate that success is always short-term. You have to pay close attention to the lessons from that experience and what they tell you about what customers value.

Companies can also learn when their offerings fail to attract customers. Like the lessons learned from success, those learned from failure are useful as well. If your company has had marketplace failures or at least disappointments, you need to look carefully at these. They can help you figure out where you have fallen down in delivering outputs that customers will want. It may not be the physical product itself, but your price. If you have to charge a high price to cover costs, you may find that customers will not value your product or service enough to pay that price. If that is the case, you must then make changes that will bring your prices down to a level that customers are willing to pay. Or you must get out of that business.

The important point here has to do with instilling the value that everything that happens to us is a chance to learn. Learn what? You can learn how to use the resources you manage to the benefit of customer and company. If you don't do this, you leave yourself at the mercy of others who will be doing it.

All this does not mean you don't celebrate your successes nor does it mean that you don't feel

disappointment when things don't work out as well you hoped. What it does mean, though, is that after your celebration or your disappointment, you look at the experience for what it is--an insight into your relationship with your customers. It can help you figure out how to add more value to what you sell to customers and to improve the processes you employ to deliver that value.

Further, from this value, you discover that success is learning from your experiences. And success incorporates an ongoing ability to get better at serving customers. There is no particular point on the business journey when you can say you are a success. The demise of many one-time "successful" companies attests to this.

Here's one other thing about this value: It keeps company employees and managers from taking themselves too seriously. It reminds people not to think of themselves as omnipotent. In other words, it keeps people open, humble, and focused on what they should care about--figuring out how to do better and better by their customers. Further, it emphasizes a fundamental reality of our lives: we are always learning something. So it might as well as be something that is for the mutual good of ourselves and our customers.

LEADING THE CHANGE TO A QUALITY CULTURE

As leader of your business, you have a powerful influence on the development of whatever the culture is in your company. You might not be very aware of your culture, or you may just think of it as "the way we do things around here." But your company does have a culture, and it probably reflects your values for good or bad. In saying that, I mean that people will have adopted your behaviors and your attitudes toward their work.

If you have a cynical or close-minded attitude, your employees will likewise come to believe that that attitude is appropriate when they are on the job. This does not mean that your attitude is the best way to approach work to get things done and please customers. It just means that most employees will adopt it because they will believe, by the boss's attitude, it's what he or she expects.

So, you have a major part, whether you like it or not, in shaping a culture that's best for your company, your employees, and your customers. That means you have to be aware of your influence and consciously use it to instill values that result in efficiently and effectively delivering quality outputs to customers. The values we have reviewed in this paper are the type that will do that for you. I have put my own interpretation on them based on my understandings, experience, and reading. You should do the same. When you read about the best companies, you will see such values in one form or another at their base. Why? Because they work.

Making Your Culture Special

What I just said about putting your own interpretation on these ideas is important. You may read books or attend seminars that suggest a formula to follow to change your culture. Then, when you try this formula, it does not work. The reason is that you have your special problems, your personality, and your experience. You can't follow someone else's plan and expect it to work for you.

The plan that will work for you is yours, not mine or anyone else's. However, you also need to appreciate that values like we covered here are at the heart of companies that are great places to work and companies that keep getting better at serving customers. If I have succeeded in convincing you of this, then take ownership of these ideas as your own. Work with others in your company to express them in ways that are consistent with your personality and the needs of your company. What follows are some suggestions for doing this.

Steps For Cultural Change

There are various proactive steps you can take to move your culture toward one based on quality values.

To do that, you first must see the usefulness of doing this. Then you can begin to work with others in the company to develop your own articulation of values along with policies and procedures that are consistent with them. These can cover such areas as the implementation of teams, the development of open door policies for communication, and regular company meetings to inform everyone of what is going on.

To get started, you may want to make some dramatic gestures. One such action is to eliminate most rules concerning time clocks. When people recognize that others depend on them, they will be there. Another is to eliminate assigned parking places. Another is to have everyone, from top to bottom, eat together in the company cafeteria. Remember, what you are looking for from people is not compliance with some imposed programs but *commitment* to the company, which comes with the trust shown when you minimize rules.

You know better than I what kinds of rules and policies get in the way of people's performance in your company. Use a team to study them and figure out what behaviors and actions will be most consistent with the cultural values you develop. These values will naturally suggest appropriate programs and policies to put in place or eliminate.

Training in communication, teamwork, the tools of TQM, and ongoing skill development are all vital in this transformation process. And you yourself need to be an enthusiastic member of the class, as well as a formal and informal teacher.

Set up recognition programs for people and teams. Most such recognition should be more symbolic than material. It should reward behaviors and actions that support the cultural values of we're all in this together or open communication or process improvement and so on.

Other ways to introduce and reinforce culture include legends and symbols. Legends are stories that capture the culture and the acts of certain people that demonstrate a commitment to the company's cultural values. These may be formal or informal stories passed around the company. Whichever they are, they help people understand what the company is about and what they are supposed to do. Symbols are like a brand name. In one way or another they say what the company is all about.

Here's more on this: Legends are found in every company. However, it is important to appreciate that legends illustrate the values of a traditional, command and control company as much as they do the kinds of values we have covered in this article. For example, there might be a story of how the boss just got mad one day and fired Harry for coming in 10 minutes late without a good excuse. You can be sure that such a story captures the essence of that culture as much as the one I am about to relate.

When Stanley Gault, longtime head of Rubbermaid, took on the chairmanship of Goodyear, one thing he did was institute the title of "associate" for all employees. At one company function, a longtime factory worker approached Gault with apprehension asking if he, too, was an "associate." Gault assured him that he was one. Then, a few weeks later Gault made a special point of visiting his associate on the factory floor. As he relates it, that is the kind of story that would be on the Goodyear grapevine within a few days. It becomes a kind of legend that reinforces the cultural values that Gault is working with others to instill as Goodyear turns itself around.

Be aware of special efforts that people take to make your values real, and share those stories with others. That has the potential to become a legend. Take note of special acts of various employees you might recognize that reinforce cultural values. That's how legends start.

Symbols for a culture can be an animal, a phrase, anything that people can use to represent the culture. One travel agency has adopted the salmon as their corporate symbol, because of its can-do behavior, famous for swimming upstream. They have salmon awards and use this symbol in many different contexts to reinforce their values. You can work with others in your company to come up with one that exemplifies what makes your culture special.

Your Commitment

The goal in all this is to continuously demonstrate the company's commitment to its cultural values in a way that makes them come alive for everyone. The single most powerful thing you can do is show a consistent and unwavering commitment to the values you come up with--in your words and your actions--even when you don't feel completely comfortable doing so.

You are the role model, and when you walk the talk long enough, pretty soon these values, these ways of operating and viewing the world just become standard procedure, no longer dependent on you or any single person for their vitality. Make that your objective. You, your employees, and your customers won't regret it. The point of this whole paper has been to help you understand the importance of that and how and why to get started now.

Suggested Books To Learn More About These Ideas:

Peter M. Senge, *The Fifth Discipline: The Art & Practice of the Learning Organization* (New York: Doubleday Currency Books, 1990).

Brian L. Joiner, *Fourth Generation Management: The New Business Consciousness* (New York: McGraw-Hill, 1994).

Hal F. Rosenbluth & Diane McFerrin Peters, *The Customer Comes Second* (New York: William Morrow, 1992).

James C. Collins & Jerry I. Porras, *Built to Last: Successful Habits of Visionary Companies* (New York: HarperCollins, 1994).

Charles C. Manz & Henry P. Sims, Jr., *Business Without Bosses* (New York: John Wiley & Sons, 1993).

William Lareau, *American Samurai* (New York: Warner Books, 1991).

Jon R. Katzenbach & Douglas K. Smith, *The Wisdom of Teams* (Cambridge, Mass.: Harvard Business School Press, 1993).

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About John Woods

John Woods is a writer, editor, consultant, and speaker specializing in the area of quality management, systems thinking, and organizational cultural development. He is author or editor of several books that deal with these subjects, including *The Quality Yearbook* (published annually by McGraw-Hill), *The McGraw-Hill Encyclopedia of Quality Terms & Concepts*, and *QualiTrends: 7 Quality Secrets that Will Change Your life* (McGraw-Hill, 1996). (If you want more information about *QualiTrends*, or these other books, send an e-mail message to jwoods@execpc.com requesting it.)

His goal is to help people fully understand what it means to be members of organizations so they can participate and contribute most productively. This especially includes the development of a culture based on the systems view and how this view serves as foundation for the successful implementation of quality management practices.

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