



TWO KINDS OF QUALITY

As I write this, I'm travelling on a plane. The executive sitting next to me has carefully unpacked his Bose® headphones and iPod nano. Both these products have associations

with quality, a concept which can be misunderstood but which is of great importance to success in business. The Japanese actually have two words for quality, and an understanding of each is necessary to compete today.

everyone in a company to learn how to think and work differently. Too many senior executives adopt the latest fads as they come and go, without taking the time to learn what these processes are and how they work. They leave the detail of quality to the folks below them: a sure way to have a quality programme fail.

5

At the other extreme, some companies become so quality-process obsessed that quality management techniques cease to be a tool to improve the company's performance and instead become an end in themselves. Statistical analysis should be used for questions for which a company doesn't readily have an answer. Instead, organizations sometimes go through long analytical processes for problems that a little common sense could have solved. And nothing sours an organization on quality faster than meaningless work.

6

That brings us to the second of the two Japanese expressions for quality: *miryokuteki hinshitsu*, which means 'enchanted quality'. This kind of quality appeals not to customer expectations about reliability – that things should do what they're supposed to – but rather to a person's aesthetic sense of beauty and elegance. That's what I think Apple® got right with the iPod and its many offspring. The nano belonging to the man sitting next to me is a marvel, not just of miniaturization, but of rounded edges in a world of sharp corners.

7

And as I put on my own Bose headphones, I realize how much I appreciate being able to retreat to my Zen space amid the rumble of the aircraft engines, rattling serving carts and chattering passengers. If these products didn't work properly when you turned them on, nobody would buy them. They would lack *atarimae hinshitsu*. But with the hungry competitors in most markets today, taken-for-granted quality by itself may not get the job done.

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commitment
craze
end
fake
planned/built-in
obsolescence
roughly
struggle
take for granted

1

Quality remains an elusive target for many Western companies, even though the craze for quality has been around for some twenty years. Yes, progress has been made. In 1980, the average car produced by Ford™ had twice as many product flaws as the average Japanese car. By 1986, the Japanese auto industry lead over Ford had shrunk from 100% to about 20%, as Ford made quality its number one priority. But since that impressive burst of progress, many companies have struggled to keep up on quality, even as the Japanese began building more of their products in the West with local workers.

2

The truth is, the Japanese have an unfair advantage. Japanese culture intrinsically values quality and appreciates the small details. In fact, the Japanese expression for quality is *atarimae hinshitsu*, which can be roughly translated as 'taken-for-granted quality'. What do the Japanese take for granted when it comes to quality? They take for granted that things should work as they are supposed to, and they even see an elegance to things working properly, whether it's cars, subway schedules, traditional flower arranging or the famous tea ceremony.

3

Japanese manufacturers became so obsessed with taken-for-granted quality that they created a stream of innovations that built on the concepts of Ed Deming, the renowned quality management consultant. Their innovations included lean manufacturing, just-in-time industry and design for quality. In today's competitive markets, manufacturers need to make quick progress towards this kind of quality. If they don't, you can take for granted that they will go out of business. This is true even for small, entrepreneurial companies. The ability to create products and services that work is no longer a source of long-term competitive advantage. It has become just the price of admission to most markets. If the stuff your competitors make works better, your customers aren't going to be customers for long.

4

Though much improved, our quality record still isn't what it might be. Here are two traps I've seen a lot of companies fall into on the road to quality. One is faking a commitment. There's no way around it. Whether you're adopting total quality management (TQM), or other quality schemes, these techniques require

