

What ever happened to quality?

IESE Prof. Beatriz Muñoz-Seca argues that the time has come to strip "quality" of the fanfare surrounding it, and make way for a new understanding.

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The concept of "quality" stems from the statistical monitoring of processes, which has been the main approach to process improvement for the past 60 years.

After World War II, American experts trained Japanese business people in quality-control methodologies and techniques. The Japanese embraced them so successfully that they ended up outdoing the United States in competitiveness, such that the American business leaders returned to Japan to rediscover these methods again.

IESE Prof. [Beatriz Muñoz-Seca](#) argues that the [time has come to turn the page](#) and concentrate on ideas such as complying with specifications, reliability and sustainable productivity.

Acting on three levels

According to the author, "doing things right" at the operational level means designing the specifications of a product or service, and using methods that allow for evaluating the process.

It is a matter of achieving better features, complying with specifications, avoiding defects and achieving an optimal level of reliability.

The second level of action is conceptual. Here, the goal is to get at the root causes of problems, using tools that enable managers to make the right diagnoses.

This level yields results when the improvements sought are functional.

However, problems can result when the improvements require changes that are greater in scope, and the company's management does not support them.

The third level is management, which involves overall quality and aims to change the very way a company operates.

Being the most risky, this can make management wary and reluctant to undertake reforms.

Management lessons

The author proposes three lessons within these levels of acting.

1. *Tools are not useful without a business culture that embraces them.* The example of Japanese companies illustrates this: They were able to take the statistical tools of the Americans and introduce them in an entirely different environment. How? They prioritized quality across all company activities. Executives and employees were highly committed. Careful attention was paid to identifying and solving problems. They emphasized training. And there was some scientific basis to the problem-solving.
2. *Quality is not a separate aspect to business life, but rather a central guide.* Take Toyota: Its production system is based on simplicity, clarity, transparency, attention to detail and executives that teach. Quality forms the basis of its production system and sustains all of its operations.
3. *Quality in the form of awards and certifications must not become an end in itself.* Awards and certifications serve as recognition that a company has used quality as a means for achieving competitiveness. Such recognition is only valid so long as the drive for quality does not vanish once it has been achieved.

Introducing a quality program

The author prefers the term "sustainable productivity program" to "quality" program. It should encompass four key areas.

1. *Training.* The author highlights the importance of learning Statistical Control Processes, the Taguchi method, the Pareto principle, the Ishikawa diagram and the KJ method.
2. *Teamwork.* Encourage people to ask questions. However, to be productive, workers

must have goals and objectives, otherwise all the information-sharing becomes a waste of time.

3. *Involve Everyone*. The goal is to teach people how to make improvements for themselves, not give orders.
4. *Holistic Approach*. Managers must express ideas clearly and support employees as they try to solve problems and make progress together. All change-oriented ideas are needed. Only then can an entirely new operational culture be created.

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