Quality Today: Recognizing the Critical SHIFT

Editor's note: Critical SHIFT: The Future of Quality in Organizational Performance, written by Lori L. Silverman with Annabeth L. Probst and published by ASQ Quality Press (item H1015), identifies five overarching trends impacting the practice of quality. It will help readers respond personally and organizationally to these inevitable changes.

"Quality got jump-started in the 1980s triggered by the Japanese threat. Our pride and our pocketbook were hurting. This set the stage for W. Edwards Deming and others. Quality appeared as the salvation of American industry but hit a plateau in the mid-1990s. The people who were going to do it were doing it, not talking about it. It is still a driving force in business, but people are not talking about it or treating it as something amazing."

-Jack Gordon, editor, TRAINING magazine

by Lori L. Silverman with Annabeth L. Propst

"During the late 1970s and 1980s it was the 'summer of quality.' Quality went into a very early autumn in the very early 1990s. From 1991 to 1994, it was the winter of quality. From late 1994 through 1995, it was the spring of quality. Today, we are in the late spring. Quality is on the rise, but it doesn't look the same. Today, quality must be very strategic and produce results. When summer comes again, quality might just be called 'management.' But, incredibly good times could postpone the summer."

Howard Gitlow, professor of management science
 School of Business Administration
 University of Miami

ust when you think you have the latest twist in the quality field figured out, it changes. This is also true of the data that emerged on the performance of quality initiatives in the early to mid-1990s, which caused people to say, "Quality is dead." Were these quality initiatives and programs merely separate fads, as their detractors claim, or the natural progression and maturation of a unified body of knowledge?

It is often easier to see trends in hindsight than to predict them in advance. It is not unusual, however, for the seeds of the next trend to be buried within existing practice. Five trends in the quality field are examined here: quality goes softer, quality goes into hiding, quality goes integrative, quality goes far-flung, and quality goes technical.

Quality goes Softer

The softer side of quality acknowledges that long-term business success can no longer be achieved without attending to the social, psychological, and emotional needs of employees. What causes this?

For several years, organizations have been asking employees to do more with less. They have been tapping into a smaller pool of qualified job applicants who are being heavily recruited by competitors. Jobs and pay have become commodities, with skilled workers able to find employment wherever they choose.

In addition, many Generation Xers crave the sense of belonging they did not receive because of splintered family structures. Consequently, organizations must differentiate themselves to retain employees or spend significant dollars on new hires.

Additionally, if organizations want to reduce costs and increase efficiencies they must man-

age themselves as interconnected systems. To do so requires employees to work in teams, communicate across functional and organizational boundaries, and hold a win-win mentality.

"In 1997, the Union of Japanese Scientists and Engineers (JUSE) changed its mission from 'increasing customer satisfaction' to 'increasing customer satisfaction and increasing employee satisfaction.' The implication of this change is that JUSE expanded its emphasis on the people side of quality beyond the wonderful concept of the quality control circle. In effect, the Japanese are incorporating Deming's theory of management into Japanese total quality control."

> Howard Gitlow, professor of management science, School of Business Administration, University of Miami

It has taken organizations a long time to realize that the level of external customer satisfaction is related to the level of employee satisfaction. This is especially true in industries such as health care, air travel, hospitality, retail, and education, where the customer is an integral part of many work processes.

The key question is: "What are the components of employee satisfaction?" This issue is no different from trying to figure out the components of customer loyalty and initiating behaviors to create more loyal customers.

The challenge is in measuring employee satisfaction and tying it directly to profitability and in recognizing that it is not a one-dimensional subject (i.e., there are cultural, lifestyle, and demographic differences).

Take Sears, for instance. In late 1992, its worst year in history, Sears embarked on a massive turnaround plan. Part of this tranformation included the development of an employee-customer profit model (Sears total performance indicators, a form of the balanced scorecard) based on its objectives in three categories: a compelling place to work, shop, and invest.

This model demonstrates that a five-point increase in employee attitude (as measured through an employee survey) will drive a 1.3 point increase in customer satisfaction, which in turn drives a 0.5% improvement in revenue growth.2 Sears also found that 10 of the questions on its employee survey, specifically those on personal growth and development and empowered teams, have a higher impact on employee attitude, and ultimately, customer satisfaction.

It appears that the very tools and techniques used by quality and marketing professionals to identify customer requirements and monitor their satisfaction can be used to examine employee requirements and monitor their satisfaction. As always, to examine and monitor is not enough; it is also important to anticipate and act on the employees' future wants and needs.

If an organization says it believes employees want to do their best, desire meaningful work, are inherently good people, can be trusted, and the process or system is a key determinant of their performance, then its human resource policies should be consistent with these beliefs. Yet, in many organizations, this is not the case.

Until organizations align these policies and systems with the beliefs they espouse (often stated as values or guiding principles) as well as beliefs held by a diverse work group, employees will continue to hear conflicting messages. These conflicting messages influence performance because employees are not always sure how to act in a particular situation.

Until this alignment issue is corrected, training programs and improvement initiatives will not achieve their intended results.

"Quality started in the late 1970s with a quality assurance type of system based on military specifications. This is the foundation of today's ISO 9000. Today, the trends are twofold. Total quality management (TQM) is a system that makes you competitive. Second, the people emphasis occupies a lot more space than in the 1980s. You have to understand how to mobilize people and align their purposes with the organization. You also have to manage the organization as a system composed of four parts: purpose, function, structure, and process. Future trends will move us to softer areas to address questions such as 'How do you manage people's interactions?' 'How do you understand what words mean to people?' and 'How do you coach people?'"

> -Thomas H. Lee, president emeritus Center for Quality of Management

The adage "what gets measured gets done" plays a significant role in employee performance. If one were to use an organization's operating assumptions to create an organizationwide measurement system, what would the measures suggest about how the organization views its employees? In addition, how would these assumptions match up against the values and guiding principles of the organization?

According to a 1994 survey of 54 members of the Total Quality Management Center conducted by the Conference Board, Inc., the top four responses to the question, "What are your two biggest challenges in supporting teams vs. individuals in the next three years?" were placing accountability for results of team activities, developing effective team leaders, performance management, and developing recognition programs (the last two items tied for third).3 These results suggest that the design of any system or work process must consider human behavior and motivation.

- 1. How does the organization monitor and improve employee satisfaction?
- 2. What efforts are under way to enhance employee growth, performance, and knowledge acquisition?
- 3. What is the organization doing to enrich employee interactions?

How can organizations ensure that individuals with diverse backgrounds can interact effectively and constructively? Just as the basic tools of quality are necessary but not sufficient to improve process performance, so are the basic tools of communication necessary but not sufficient to increase learning and teamwork.

Articulating and challenging assumptions and understanding the symbolic meaning of language are just a few areas that organizations need to explore. Additionally, mentoring and coaching systems based on looking forward rather than backward in time become imperative in helping individuals realize their full potential.

"Organizations will be flatter and smaller but less distinct. It will be harder to draw organizational boundaries."

> —Louis E. Schultz, president Process Management International

Flatter, smaller, web-like, fluid, boundaryless, collaborative, and virtual are terms used to describe the structure needed for organizations to respond quickly to external pressures and customer needs. The implication is that any employee's job could change dramatically in a short period of time. This type of change necessitates continuous learning by employees and systems to support this level of learning. It also requires a willingness to let go of things that are no longer relevant or useful. The issues it raises are numerous. They include how to improve virtual teams, managing a quality assurance system in a constantly changing environment, and interpreting time-ordered data when the underlying system continuously fluctuates.

Quality goes into Hiding

The word "quality" began to fall into disfavor in the early 1990s. Quality efforts were discontinued, quality initiatives were renamed, and quality departments were dismantled. The word "quality" is conspicuously absent in conversations, even in situations where quality tools and methods are used regularly. This absence, however, does not mean organizations have abandoned quality practices. In fact, many organizations continue to practice quality management. It seems that quality has gone into hiding.

There are four reasons for this phenomenon:

The word "quality" triggers bitter memories for many frontline employees. In the mid-1980s when quality initiatives became popular, employees were led to believe they would have control over their work, be able to work on problems of significance to the organization, and be heard and recognized for their contributions.

While some organizations met these expectations, many did not. The leaders of these organizations did not fully understand what was required to support this level of employee participation. Therefore, the word "quality" reminds employees of false expectations and failed efforts.

"Today, I use the 'q' word less and less. The word 'quality' just has too much baggage now and creates more bias and surfaces old paradigms for many."

-Alan Backus, quality manager, Exide Electronics

Organizational leaders face several dilemmas regarding quality initiatives. If an individual is newly appointed to a senior leadership position, he or she is expected to do something different, even if current initiatives haven't yet paid out.

This is especially true in organizations in the throes of financial, market-share, or customer problems. Consequently, a newly appointed senior leader may be expected to introduce novel approaches. In many cases this means changing or eliminating quality initiatives.

Another dilemma is related to a common paradigm in business that implies senior leaders don't require much training or don't have time for training. Thus, they receive little or no training in new concepts, tools, and methods associated with the initiatives they introduce. So it is not surprising that, under stress, they fall back into old habits and management approaches rather than using new concepts and practices.

Finally, leaders are under pressure to achieve rapid results. If these results are not immediate, leaders must appear to be doing something about it. Thus, when quality initiatives did not achieve their intended results rapidly, they were abandoned in search of the next quick fix.

THINK ABOUT

- How do employees and organizational leaders speak about quality in their conversations?
- How is quality referred to in organizational publications (including electronic communications) and customer materials?
- The quick-fix mentality: A disposable attitude toward management practices. This is often referred to as the program-of-the-month syndrome. Even before a practice can take hold and provide results, it is abandoned in favor of the next fad. Once quality was discarded, it was not acceptable for an organization to reintroduce it under the same guise. As a result, management consultants who value quality practices were motivated to repackage them under new names.

"We have seen a period of 15 years in which quality control and statistical process control (SPC) have moved to TQM. Now we are moving to integration with business strategy. We use all the tools, but we don't call it quality anymore."

> -Lawrence Schein, director Total Quality Management Center The Conference Board, Inc.

Quality thinking has achieved a level of unconscious competence4 in some organizations. For these organizations there is no longer a need for people to talk about doing it. Quality concepts, tools, and methods are intertwined with the work of the organization. Using quality tools and methods is part of the job.

In these organizations, data on customer requirements are collected daily and fed back within 24 hours to those affected; financial data are displayed on control charts and not acted upon unless the data signal the need to take action; daily work procedures are documented, flowcharted, and used to train new hires; and frontline work groups meet regularly to assess improvement opportunities and make necessary changes without management approval.

Unfortunately, many organizations believe they are at the level of unconscious competence when they really are at the level of unconscious incompetence.

Quality goes Integrative

Quality practices were introduced and applied in American firms in a piecemeal fashion. Instead of addressing the entire management system, as many Japanese organizations did through their use of daily management, cross-functional management, and policy management, 5.6 many U.S. organizations implemented the tools and methods without appreciating an overall system.

The need to view quality as integrative (i.e., addressing the entire management system) is best understood by examining its history in the United States.

The last 30 years have brought an evolution in both the content of quality initiatives and the methods by which they are implemented. Prior to the late 1970s, quality meant quality control. It encompassed inspection, conformance, and sorting out defects. Little emphasis was placed on monitoring work processes or preventing problems. Quality was delegated to lower-level staff functions consisting of inspectors and quality engineers. Inspection—both incoming and outgoing—and 100% testing were the predominant methods of controlling quality.

Several things happened in the late 1970s that catapulted quality into the limelight. First, American industry was faced with increasing competition from the Japanese on the basis of product quality, price, and overall product reliability. Second, in 1979, Philip Crosby wrote *Quality is Free*, in which he categorized the costs of quality and showed that the cost of prevention could be significantly lower than the cost of detection and the cost of failure in the absence of prevention. Finally, in 1980, NBC aired the white paper *If Japan Can't, Why Can't We?* which introduced Japanese quality practices to the American public.

In the 1980s, defect prevention, spearheaded by the American automotive industry and characterized by the use of basic quality tools (i.e., run charts, control charts, histograms, etc.) and SPC rapidly evolved and expanded. Organizations initiated massive training programs for all production employees. Some early results accumulated, spurring additional expansion of the quality movement.

By the late 1980s defect prevention was absorbed into TQM. TQM grew to encompass teamwork, empowerment, strategic planning, service quality, and quality of management. Two distinct organizational structures emerged in organizations practicing TQM: steering teams or quality councils and self-managed teams. Neither was universally effective.

Steering teams and quality councils were, in effect, parallel structures that ensured a conflict between TQM and the day-to-day functioning of the business. Self-managed teams were organized around the work. In most cases, however, the necessary support structures and systems were not in place for them to be fully successful.

Massive training efforts continued and were expanded to include a variety of TQM concepts and methods. This training was delivered throughout the organization, including top management.

"In the 1970s the hot topic was productivity. In the 1980s it was TQM. In the early 1990s it was reengineering. In the future we will see emphasis on attractive quality creation."

—Louis E. Schultz, president, Process Management International

At this time, ISO 9000 appeared, making TQM even broader in scope. As a result, many quality professionals began to gravitate toward specialties that were comfortable to them, since it is not easy to be an expert in all areas. In general, one group opted for the quality systems route (which may or may not have included ISO 9000) and a second group gravitated toward more global business issues (which included strategic planning and change management). This appeared as a splintering of the quality movement.

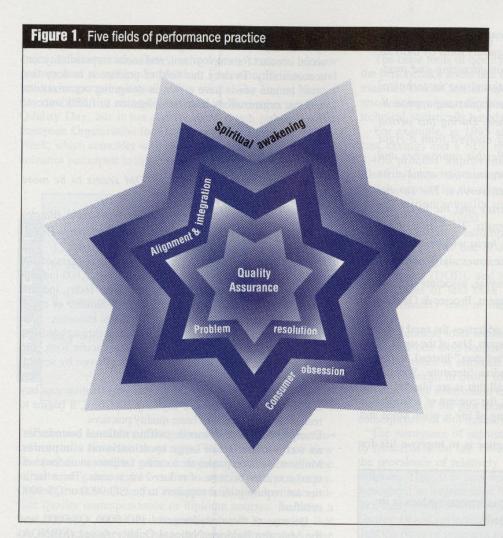
Soon organizations began to notice TQM efforts that had been under way since the early to mid-1980s were not producing bottom-line results. By the early 1990s the need for results drove organizational leaders to search for other answers. These included reengineering, "the new science" (i.e., principles of chaos theory and self-organization), learning organizations, and personal principle-centered change (such as that promoted by Steven Covey's materials).

"Recent reports, supported with viewpoints expressed by the founders of the reengineering movement, claim more than 70% of reengineering efforts have failed to achieve their purposes." Who knows if any of these other approaches will deliver better business results.

Perhaps there is another route—one that embraces "both/and" rather than "either/or" thinking. What if the tools and methods that have been bantered about over the past 20 years are actually part of a single coherent picture? What if there are synergies to be gained through using them in concert with each other? What if there is a unified way to organize and apply these seemingly disconnected approaches to achieve the business results that organizations have not yet realized?

As a result of 45 in-depth interviews and research on the workplace of the future, five fields of performance practice that surfaced by the mid-1990s were identified. Their collective purpose is to achieve and sustain market leadership and competitive advantage.

These fields have been labeled quality assurance, problem resolution, alignment and integration, consumer obsession, and spiritual awakening (see Figure 1). It is important to note that these fields are not mutually exclusive or sufficient in and of themselves. Additionally, the specific practices within the fields,



when they are aligned with each other, can produce synergies and ultimately accelerate business results. Each field of performance practice is briefly described here.

 Quality assurance. This field emphasizes basic quality assurance practices and has as its aim product and service conformance to customer requirements. The challenge that organizations face in this field is that certification (such as ISO 9000) can be achieved in environments where high defect rates exist.

All organizations need some kind of a quality assurance system because it defines how the work is performed and monitored and is the foundation for improving and maintaining performance gains. Included in this field are standardization, organization of the work area, and ongoing management of a documented quality system.

 Problem resolution. Efforts within this field are directed at solving problems quickly without jeopardizing long-term business success. But sometimes the need to achieve results within a given time frame sacrifices rigor. For example, processes may be reconfigured without customer input (because it takes too long to get the data).

While some of the work in this arena is tied to the vision and objectives of the organization, it is more often grounded in what the organization is paid to provide to customers. Included in this field are process improvement practices, constraint management, and six sigma tools. In this field, training of the work force appears to be the predominant means of implementation.

Alignment and integration.
 This field focuses on the articulation, alignment, and integration of all organizational elements. It links customer requirements to overall strategy and organizationwide measures, key organizational systems, daily work processes, supplier requirements, organizational structure and culture, and employee well-being and satisfaction.

This is the first field of performance practice that moves quality into the realm of management. It contains more than the Japanese approach, which is composed of daily management, cross-functional management, and policy management. It includes managing the organization as a system and focusing on the organization's cultural elements-its assumptions, values, and guiding principles-and how they intertwine with the more strategic and operational aspects of the business.

Identifying and modifying (or removing) policies and practices that prevent people from acting in concert with the organization's overall strategy is critical to this field.

Consumer obsession. Consumer obsession addresses many of the strategic issues raised, but not resolved by, existing TQM practices and other disciplines, such as marketing and organizational development (commonly referred to today as organizational effectiveness).

These unresolved issues include what it means to create value for consumers, employees, and stakeholders; methods and techniques for anticipating future consumer wants and needs; assessing brand meaning; the ongoing use of competitive intelligence information; employing a systematic approach for innovation; and continual organizational renewal.

Most business leaders are aware of the need to tackle these unresolved issues. They are, however, hampered by the absence of clear operational definitions and the methods and tools to address them. For example, there is no agreed-upon definition of value creation in any discipline.9

When looking closely at the tools and methods being marketed today to address these issues, it is not unusual to find that traditional market research, process management, product development, and change-management techniques are once again being repackaged and relabeled.

"Over the past 10 to 20 years, there has been a migration from the use of total quality tools by individuals in technical units (e.g., manufacturing and product development), to organizational use in technical areas, to broad use of quality principles and approaches in all areas of the corporation. During this period of transition, total quality has evolved from a rigid TQM prescription to a set of flexible approaches and principles that can help the organization achieve its business objectives and, in fact, survive. The current trend toward value will accelerate and the focus will be on value-added business results. Total quality per se will be transparent, and the focus will be on applications for solving real business issues and problems."

—Garry J. Huysse, associate director global quality improvement, Procter & Gamble

• Spiritual awakening. This field addresses the need to attend to individual and organizational spirit. Use of the word "spiritual" is not synonymous with "religion." Instead, its meaning is taken from American-Indian literature. Spiritual is defined as "the greater self and all that is are blended into a balanced whole, and in this way, the concept of being that is the fundamental and sacred spring of life is given voice and being for all."

The aim of this field of practice is to improve life for

- 1. What type of quality assurance system is in place in your organization?
- 2. How effective are the organization's improvement projects?
- 3. What level of alignment exists between the organization's mission, vision, values, guiding principles, market strategy, and objectives?
- 4. What is your organization doing to learn more about topics such as value creation, brand meaning, assessing future customer wants and needs, competitive intelligence, organizational transformation, and innovation?
- 5. What is your organization doing to learn about the impact of spirituality in the work-place?

everyone on the planet and to manage the planet as a total system. Included here are organization as community, a new social contract for employment, and social responsibility and accountability. To deny this field of practice is to deny that basic human needs have a role in designing organizations and that organizations have an obligation to fulfill some of these needs.

Quality goes Far-flung

"Overseas the terminology of TQM seems to be more appropriate and in vogue."

-Lawrence Schein, director

Total Quality Management Center, The Conference Board,

The practice of quality is reaching the far corners of the earth. In 1980, ASQ's International Chapter had 1,100 individual members from approximately 50 countries. Today, individual membership is more than 6,400, and the number of countries has grown to more than 80.11

There is increasing interest in quality throughout the world, especially in Europe, Asia and the Pacific Rim, and South America. This interest appears to be driven by several factors.

- The global marketplace. When an organization can buy anything anywhere and sell anything anywhere, it begins to realize the importance of basic quality practices.
- Competition, both domestic (within national boundaries) as well as that from large multinational companies.
 Multinational companies are locating facilities in underdeveloped countries because of reduced labor costs. These facilities are requiring local suppliers to be ISO 9000 or QS-9000 certified.

Because of these requirements, ISO 9000, QS-9000, and the Malcolm Baldrige National Quality Award (MBNQA) are getting much attention overseas. After the MBNQA was created in 1987, 37 countries, Puerto Rico, and Western Europe developed national quality awards, some of which are modeled after the Baldrige Award.¹²

 Many organizations and countries are realizing that their continued survival depends on providing high-quality products and services. This objective is problematic in many small and medium-size companies because they do not always have the resources to implement the required quality practices.

"Because of the global economy, we need to expand to a worldwide core of organizational performance standards that are universal. In Tennessee we have developed an eighth category in our quality award that looks at global competitiveness. Global issues are relevant, even for small companies and schools. The question we're facing is, 'How do you bring organizations in Tennessee to a place where they can be competitive in the global arena?'"

> —Marie Baucom Williams, president and CEO Tennessee Quality

THINK ABOUT IT

Many countries are mounting national efforts to increase quality awareness. These efforts include national quality conferences, seminars, radio shows, school essay contests, outdoor posters, and pamphlet distribution. For example, Korea and India now sponsor national quality efforts. The United Nations has declared the second Thursday in November as World Quality Day, but it has not received much publicity. The European Organization for Quality sponsors European Quality Week, which coincides with World Quality Day. More than 30 countries participate in this event.

- 1. What strategies does your organization have to compete in the global marketplace?
- 2. How many languages are spoken by organizational leaders? Employees? How familiar are they with the customs of other cultures?

There are a number of ways in which countries are educating their citizens on quality. The University of New Zealand, for example, offers a degree in quality, and some private organizations offer certificate programs. Organizations such as the Singapore Quality Institute provide quality correspondence or diploma courses. In India, a trust has been established to publish books on quality that are distributed free of charge to any organization in the country. Spain and Brazil are encouraging the publication of quality books in their native language to make them accessible to more people.

"We have seen a dramatic increase in the need for us to supply information about quality on an international basis. Our international book sales, as well as our sale of translation rights, have increased significantly over the past three years. We see no reason for this increase to slow down."

-Roger Holloway, manager, Quality Press, ASQ

U.S. organizations need to incorporate an international perspective into strategic planning, marketing, product development, and training. It has been noted that when Americans speak about market share, they typically speak in terms of the domestic market. When overseas firms speak about market share, however, they mean world market share. How can American firms compete against those that have a broader perspective? And, how can one be sure that best practices are housed within the United States or U.S.-based companies?

Quality goes Technical

The basic tools of quality are no longer sufficient to achieve the performance levels that today's organizations are seeking to maintain market leadership and competitive advantage. As a result, some organizations are embracing highly sophisticated, technical, statistically based tools.

For example, in 1995 alone, \$350 million in annualized cost savings and a 61% reduction in defects resulted from 2,400 process improvements at AlliedSignal.¹³ General Electric, under the leadership of Chairman and CEO Jack Welch, expects its six-sigma effort to contribute an extra \$10 to \$15 billion annually in revenue and cost savings from 1997 to the year 2000.¹⁴

The underlying assumption in these two organizations is that the proper use of six sigma and its accompanying technical tools (i.e., contingency tables, t-tests, design of experiments (DOE), and regression analysis) will lead to defect rates of less than 3.4 defects per million, which will ultimately lead to increased profitability and market share.

The technical tools mentioned previously are often referred to as black-box tools because most people need only be grounded in the basics of statistical theory or the calculation underlying their usage in order to employ them in the workplace (assuming this information teaches them how to think critically, the meaning of the data input and the resulting output, and the consequences of tool misuse).

The resurgence of sophisticated technical tools (popularized by Motorola in the late 1980s) has become possible because of the prevalence of relatively foolproof, user-friendly statistical software. Thus, it is now feasible for large numbers of people throughout an organization to take advantage of these tools in their daily work. Several journals such as *Quality Progress* and *Quality Digest* periodically publish software guides that highlight the types of programs mentioned here.

"In the past, quality was viewed in a functional way; we will now move more strongly into integrated systems. High quality will be the standard—an expected part of business. It will be required just to enter the competitive arena but will not be sufficient to survive. In the future, there will be more emphasis on technical tools such as DOE and other statistical methods because the easy stuff has been done. High-powered tools are necessary to go to the next levels of performance."

—Tim Fuller, partner, Fuller & Propst Associates

Generally the basic tools of quality (i.e., run charts, control charts, Pareto charts, etc.) alone cannot provide the level of sensitivity and analysis required to study complex systems and improve areas where the magnitude of the effect is small (e.g., where defects are already being measured in parts per million).

Since most organizations are complex systems, the use of sophisticated technical tools will become more important in achieving business results. This does not, however, mean that organizations should stop using the basic quality tools. The

- 1. Where are six sigma approaches and black box tools used in your organization? Where could they be used?
- Who has the expertise to use these tools and approaches?

basics are now table stakes; organizations that do not use them must employ them as their fee for entrance into the world marketplace.

Other thoughts

The impact of the five trends addressed here will be felt in all management disciplines. These trends may appear paradoxical, and they are. Going technical and going soft are happening at the same time. So are going hidden and going far-flung. These paradoxes, which are becoming more common, require people to hold what appear to be opposing viewpoints as valid. Imagine the implications this will have on organizational initiatives.

The five trends discussed here are inevitable; they are already apparent today. These trends will continue to develop and new ones will emerge. They do not exclude other trends in the quality field that have been under way for some time. Some of these and their link to what has been discussed here are best summarized by the following quote:

"I have noticed three major trends in the quality field: definition, expansion, and integration. First, the definition of quality along with the substance it brings to organizations has evolved from a conformance and defect-reduction scope to a more strategic and systemic definition to enable businesses to provide customer value and internal performance.

Second, adoption of quality principles and tools has expanded in fields outside of manufacturing, notably health care, education, and government. Small businesses have also picked up the use of quality improvement strategies, scaled to their situation.

Third, to me, the most interesting and challenging trend in the quality field is this whole idea of integration, which is playing out in two ways: integration with other fields of study (business management and organizational development) and integration into the fabric of organizational practices."

—Alan Backus, quality manager, Exide Electronics

References

Watts Wacker and Jim Taylor with Howard Means, The 500-Year Delta: What Happens After What Comes Next (New York, NY: HarperCollins Inc., 1997), p. 200.

Anthony J. Rucci, Steven P. Kirn, and Richard T. Quinn, "The Employee-Customer Profit Chain at Sears," Harvard Business Review, January-February 1998, p. 82-97.

3. Anna S. Powell, Quality Outlook (New York, NY: The Conference Board, Inc., 1994), p. 15.

4. John W. Newstrom and Edward E. Scannell, Games Trainers Play (New York, NY: McGraw-Hill, 1980), pp. 141-143.

5. Howard S. Gitlow and Shelly J. Gitlow, Total Quality Management in Action (Englewood Cliffs, NJ: PTR Prentice Hall,

6. George Labovitz, Y.S. Chang, and Victor Rosansky, Making Quality Work: A Leadership Guide for the Results-Driven Manager (New York, NY: HarperCollins, Inc., 1993).

7. Philip B. Crosby, Quality Is Free (New York, NY: New American Library, 1979).

8. Susan Albers Mohrman, et al., Tomorrow's Organization: Crafting Winning Capabilities in a Dynamic World (San Francisco, CA: Jossey-Bass, Inc., 1998), p. 205.

9. C. Whan Park, Deborah MacInnis, Steven Silverman, and Bernard Jaworski, "A Value-Based Conceptual Framework Linking the Marketing Mix and Marketplace Exchange," unpublished working paper, January 1998.

10. Paula G. Allen, The Sacred Hoop (Boston, MA: Beacon Press, 1992), p. 55.

11. Conversation with Julie Gosselin, membership administrator, ASQ, June 22, 1998.

12. National Institute of Standards and Technology, Foreign/International Quality Award Descriptions, June 22, 1998.

13. "Seeking Six-Sigma Status at AlliedSignal," Leading Voices in Quality, Report No. 1159-96-CH (New York, NY: The Conference Board, Inc., 1996), p. 17.

14. Ann Walmsley, "Six Sigma Enigma," Report on Business Magazine, October 1997, p. 3.

Critical SHIFT: The Future of Quality in Organizational Performance (item H1015) is available through ASQ Quality Press for \$24 (member price) or \$27 (list price). To place an order, call ASQ's Customer Service Department, 800-248-1946 or (414) 272-8575.

Copyright 1998 by Lori L. Silverman.

Lori L. Silverman is owner of Partners for Progress, a consulting firm in Spokane, WA. She has a master's degree in counseling and guidance from the University of Wisconsin-Madison and a master's degree in business from Edgewood College in Madison, WI. Silverman is a member of ASO.

Annabeth L. Propst is a partner at Fuller & Propst Associates in St. Charles, IL. She has a master's degree in applied statistics from Northern Illinois University in De Kalb. Propst is an ASQ Fellow and a certified quality engineer.

What did you think about this article?

Quality Progress needs your feedback. On the postage-paid reader service card inserted toward the back of this magazine, please circle the number that corresponds with your opinion of the preceding article.

Excellent Circle #389 Good Circle #390 Fair Circle #391 Poor Circle #392