

The Power of Purpose

By Rebecca A. Morgan
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*How can a statistician working in Japan fifty years ago help your business?
You'd be surprised.*

If ever you start thinking you've got hurdles to overcome, remember Japan. At the end of WWII, companies there were facing badly damaged infrastructure, limited capabilities, and a government in turmoil. But desperation can breed openness to help, and that is fundamental to how, in a few short years, the reputation of Japan's product moved from "plastic, trinkets, junk" to "quality, state-of-the-art, reliable." By 1980, American businesses started paying attention, starting with NBC's 1980 documentary "If Japan Can, Why Can't We?" It made clear Japan's quality superiority.

Japan gives much of the credit for its postwar industrial turnaround to W. Edwards Deming, a U.S. government statistician. Deming showed them the importance of using statistics in quality control, providing great impetus to that nation's nascent quality movement. Meanwhile, on this side of the Pacific, American businesses had turned away from the quality statistics that had been so valuable during the war. The quality of many American manufacturers was quickly surpassed by that of their Japanese competitors.

Constancy of Purpose

During the 1980s, Deming's practices became well-known and widely adopted. But they deserve a refresher course for today's market. What can you learn from Deming? A good place to start is his "14 Points for Management," which include:

- Create **constancy of purpose** to the continuous improvement of products and service, focusing on long range needs rather than only short term profitability, with the aim to become competitive, to stay in business, and to provide jobs.

The words "constancy of purpose" probably draw a nod and a stifled yawn from many business owners. Few owners would admit to a commitment to quality and the long term that fades in and out. Yet constancy of purpose is not as pervasive and easy as it sounds. Enron, WorldCom, HealthSouth, and other high-profile instances of corporate deviances come to mind.

And for every high profile Enron failure, there are plenty of small businesses that struggle with making decisions that reflect an unwavering commitment to quality and the long term. Employees know when that constancy is absent and so do customers and suppliers. It's when the product introduction goes forward according to schedule, even when you know that quality problems have not been resolved. It's every time employees ask you to make the decision because they're not sure which priority is highest today.

Constancy of purpose means that quality decisions are not situational. End of month quality is the same as beginning of month. It means that the long term benefit of the organization is not sacrificed to hit quarterly targets. It means having your eye on the competition, whether it is in your industry or coming from elsewhere, with plans to stay ahead. Constancy of purpose doesn't require the threat of a customer leaving to implement corrective actions based on root cause. It means that while your team may argue about how best to accomplish it, no one is confused about the commitment to deliver reliable quality.

Constancy of purpose can only exist when leadership lives it, demonstrates it, and won't accept anything else. Do your employees, suppliers, and customers see constancy of purpose in you?

Education

Another of Deming's 14 points is:

- Institute a vigorous program of education that encourages self improvement for everyone. The organization cannot improve

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unless its people are improving. Competitive position has its roots in the knowledge of the people asked to deliver it.

While you may not be able to fund college classes for all your employees, you can provide an environment where learning and teaching are expected. Invite your employees to question everything. Accept the vulnerability of admitting you don't know everything about your business, your industry, and certainly not all the solutions to problems your organization faces. Make it safe for your employees, suppliers and customers to admit the same things. Then work together to learn. Constancy of purpose to improve your services and products requires constancy of purpose in growing yourself and your employees.

More Deming

The rest of Deming's "14 Points" are equally important. While some run counter to traditional business thinking (e.g., #10: "eliminate work standards and management by objectives; most quality and productivity problems belong to the system, not the individual") all are worth contemplating.

Recognizing the importance of his help to that country's financial recovery, Japan continues an annual public ceremony honoring Deming prize winners. The 2005 winners include companies from Japan, Thailand, and India. No American businesses. If your business mantra is not working for you, consider seriously the 14 Points of W. Edwards Deming.



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