



## TenStep Supplemental Paper

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### **The Business of Business Excellence**

Everything we know, we know by contrast - the black from the white and the red from the green.

So it is with quality. Anywhere in the world, quality is the price of admission. The TQM movement has created higher expectations in the global market, which has raised the standards of organizational performance and increased the demand for more product, service and process improvements.

In a new way to think about the business of business excellence (or quality), consider wine – try to contrast the producer’s view of wine quality (the product) with the consumer’s view (the experience). The point is that quality in wine - or in business - is not one thing or another, it is everything.

Quality standards are like grapes in a vineyard – it is not that you have them that is important, but what you make of them that counts.

#### **Seven rules for the natural renewal of business excellence**

1. Thoughtful exception is better than mindless conformity. For example, when a customer comes two minutes after closing time, a customer-focused response calls for “We are closed, but how can I help you?”
2. Embrace the distributed workplace. The ability to respond to customer needs quickly has become a competitive advantage. The most efficient place to deal with customer complexity is at the point where it enters the organization – where customers and employees come together. That is the moment of truth, where quality is delivered.
3. Beware the self-delusion of customer satisfaction ratings. Determining customer satisfaction and building customer loyalty is the lifeblood of a business. It cannot be left to the experts who conduct surveys – it encompasses the product and the experience. Remember that customer loyalty is the result of what an organization does to earn the trust of a customer.
4. What you know is as important as what you produce. Success is linked to an organization’s ability to utilize its intangible assets of knowledge, skill and intellectual property to meet the needs of the customer and to grow the business.
5. Leverage national cultures in the global village. National cultural awareness is now a new tool for business excellence. Cultural forces are difficult to change, so businesses should take them into account when they market to, work for, partner with or try to motivate others. There is wisdom in all cultures.
6. Aim for a future without limits. Innovation is the engine of growth. Innovative companies dominate markets because they get there first and set the standards.
7. Encompass the total customer experience. One by-product of globalization is the emerging recognition that how much you have done or sold is no longer an effective



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model for business. How you are developing or maintaining interaction with the customer is the true measure of business growth.

In conclusion, there is no more urgent business for the quality function than the integration of its knowledge.