

Is Your Business a Quality Money Machine?

What is quality? Many would answer the question the same way they answer the question, "What is beauty? It's in the eyes of the beholder." There is some truth to this definition, but we need to be a little more specific if the definition is going to be of any value to us.

There is a working definition of quality I believe can be applied to any money machine: quality is consistently meeting or exceeding the expectations of your customers. Does your money machine consistently produce goods and services that meet or exceed the expectations of your customers? For most businesses, there are two challenges in answering this question. The first is, "What does 'consistently' really mean?" The second is, "How do you measure it?"

Unfortunately, the answers to these questions vary widely. They do, however, have one universal characteristic -- the answers must come from your customers.

For example, if you are providing telecommunications services to a customer service call center, they probably expect that **every** time they pick up the phone to make an outbound call, they get a dial tone. Not every other time they pick up the phone. Not three out of four times. Not even 99 times out of 100. **Every** time. Because every time a customer service representative is waiting for a line to place a call, he or she is not taking care of a customer. They also expect you **never** drop a call, inbound or outbound. These standards require nearly perfect execution. The customer will accept an escapement,

but the failure had better be very rare and quickly rectified.

On the other hand, if you are supplying apples to a grocery store, the store probably doesn't expect that every apple in a bushel is perfectly ripe with no blemishes or soft spots. They are more likely to expect that they may have to toss a couple of pieces of fruit from every box as they set it out for display because inevitably some get damaged in transit from where they were packaged.

So in the first case, 98 out of 100 would be poor quality; in the second, it would probably be high quality. The only way you will know for sure is to find out what your customers expect. Inevitably, those expectations will be measured in one or more of three ways: cost, schedule, or performance. In the examples above, the customer is interested in performance. If you are a service provider, the key quality characteristic for your customers may be how consistently you deliver on time. If you provide engineering design services, consistent performance to budgeted costs might be of primary concern.

Regardless of how consistent is defined and expectations are measured, your money machine must produce quality. If it does not, your money machine is either wasting your money on rework, wasting your money on recapturing lost customers, or both.

So how do your customers define quality? If you can't clearly define it, you might want to go ask.

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