

As I write this, I'm travelling on a plane. The executive sitting next to me has carefully unpacked his Bose headphones and iPod Nano. Both these products have associations with quality, a concept which can be misunderstood but which is of great importance to success in business. The Japanese actually have two words for quality, and an understanding of each is necessary to compete today.

1

Quality remains an elusive target for many Western companies, even though the *craze* for quality has been around for some twenty years. Yes, progress has been made. In 1980 the average car produced by Ford had twice as many product flaws as the average Japanese car. By 1986, the Japanese auto industry lead over Ford had shrunk from 100 per cent to about 20 per cent, as Ford made quality its number one priority. But since that impressive burst of progress, many companies have struggled to keep up on quality, even as the Japanese began building more of their products in the West with local workers.

2

The truth is, the Japanese have an unfair advantage. Japanese culture intrinsically values quality and appreciates the small details. In fact, the Japanese expression for quality is *atarimae hinshitsu*, which can be roughly translated as 'taken-for-granted quality'. What do the Japanese take for granted when it comes to quality? They take for granted that things should work as they are supposed to, and they even see an elegance to things working properly, whether it's cars, subway schedules, traditional flower arranging or the famous tea ceremony.

3

Japanese manufacturers became so obsessed with taken-for-granted quality that they created a stream of innovations that built on the concepts of Ed Deming,

the renowned quality-management consultant. Their innovations included lean manufacturing, just-in-time industry, and design for quality. In today's competitive markets, manufacturers need to make quick progress towards this kind of quality. If they don't, you can take for granted that they will go out of business. This is true even for small, entrepreneurial companies. The ability to create products and services that work is no longer a source of long-term competitive advantage. It has become just the price of admission to most markets. If the stuff your competitors make works better, your customers aren't going to be customers for long.

4

Though much improved, our quality record still isn't what it might be. Here are two traps I've seen a lot of companies fall into on the road to quality. One is, faking a commitment. There's no way around it. Whether you're adopting total quality management (TQM), or other quality schemes, these techniques require everyone in a company to learn how to think and work differently. Too many senior executives adopt the latest fads as they come and go, without taking the time to learn what these processes are and how they work. They leave the detail of quality to the folks below them: a sure way to have a quality program fail.

5

At the other extreme, some companies become so quality-process obsessed that quality-management techniques cease

to be a tool to improve the company's performance and instead become an end in themselves. Statistical analysis should be used for questions for which a company doesn't readily have an answer. Instead, organizations sometimes go through long analytical processes for problems that a little common sense could have solved. And nothing *sours* an organization on quality faster than meaningless work.

6

That brings us to the second of the two Japanese expressions for quality: *miryoku teki hinshitsu*, which means 'enchanting quality'. This kind of quality appeals not to customer expectations about reliability – that things should do what they're supposed to – but rather to a person's aesthetic sense of beauty and elegance. That's what I think Apple Computer got right with the iPod and its many offspring. The nano belonging to the man sitting next to me is a marvel, not just of miniaturization, but of rounded edges in a world of sharp corners.

7

And as I put on my own Bose headphones, I realize how much I appreciate being able to retreat to my Zen space amid the rumble of the aircraft engines, rattling serving carts, and chattering passengers. If these products didn't work properly when you turned them on, nobody would buy them. They would lack *atarimae hinshitsu*. But with the hungry competitors in most markets today, taken-for-granted quality by itself may not get the job done.



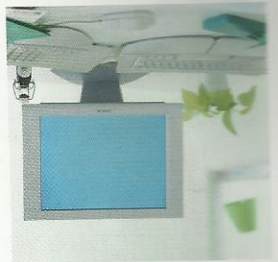
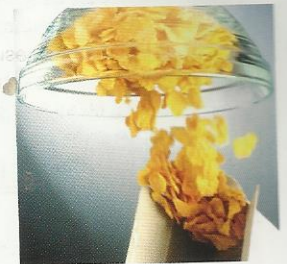
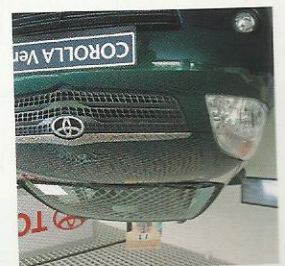
## 3.1 About business What quality means

## Discussion

- 1 The list below gives factors that influence decisions to buy. Number each factor 1-7 depending on how important they are to you. (1 = most important; 7 = least important).

price design value for money quality  
modernity durability environmental friendliness

- 2 Compare your answers with another student. Describe how the order would change if you were buying the products in the pictures.



## Internet Research

Search for the keywords "planned obsolescence" or "built-in obsolescence" to find examples of this practice and why manufacturers need to take it into account when designing new products. Use the arguments for and against built-in obsolescence and report back to the class.

## Discussion

- 1 The white goods industry has been accused of designing products to last \_\_\_\_\_.
- 2 Consumers today expect to \_\_\_\_\_ electrical goods more often.
- 3 Repairing products is expensive due to the cost of \_\_\_\_\_ and \_\_\_\_\_ products.
- 4 Ethical consumers are reassured that it is increasingly possible to \_\_\_\_\_ products.

## 7 Listen again and answer the questions.

- 1:23 Industry analyst, Warwick Fender, is speaking about quality in the household electrical goods sector. What products do you think he will talk about? Listen and check your answer.

## Listening

- a something which suddenly becomes very popular (paragraph 1)
- b try hard to do something difficult (paragraph 1)
- c expect something to be there as normal (paragraph 2)
- d a variety of objects or things (paragraph 3)
- e mistakes you should avoid (paragraph 4)
- f things which are fashionable for a short time (paragraph 4)
- g to make something unsuccessful or unpleasant (paragraph 5)
- h something surprising or impressive (paragraph 6)

- 5 Find words or expressions in the text with the following meanings. The number of the paragraph is given.

- 1 Western companies have caught up with the Japanese in terms of quality.
- 2 The Japanese expect things to work properly.
- 3 Producing reliable products guarantees a strong market position.
- 4 For a quality program to succeed, senior management do not need to understand the key concepts.
- 5 Quality analysis is a sensible way to solve any performance problems.
- 6 The iPod is not the only Apple product which has enchanting quality.

## Reading for detail

- a No survival without quality
- b Reliability is not enough
- c Quality and cost
- d Quality culture
- e Superficial quality
- f Quality in design
- g Closing the gap?
- h Quality for quality's sake

- 3 Read the article opposite. Match the headings a-h with the paragraphs numbered 1-7. There is one heading you do not need.

## Scan reading

- 2 Compare your answers with another student. Describe how the order would change if you were buying the products in the pictures.