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Still In Search of Excellence

by Michael B. Stroh

In 1982, Tom Peters and Robert Waterman released a wonderful collection of management best practices entitled, *In Search of Excellence*. Written at a time when the U.S. economy was in the midst of a terrible malaise and Japan was touted as an unstoppable, economic powerhouse, Peters and Waterman gleaned eight key, basic principles of management excellence from outstanding American companies.

Twenty-five years later, these tenets still ring true. And their truth lies in the fact that they're simple and they make sense. Messrs. Peters and Waterman sum it up best in their introduction. They state,

[Excellence]... comes from treating people decently and asking them to shine, and from producing things that work. Scale efficiencies give way to small units with turned-on people. Precisely planned R&D efforts aimed at big bang products are replaced by armies of dedicated champions. A numbing focus on cost gives way to an enhancing focus on quality. Hierarchy and three-piece suits give way to first names, shirtsleeves, hoopla, and project-based flexibility. Working according to fat rulebooks is replaced by everyone's contributing.

Stirring words... But where are we today? Take a minute and review the eight basic principles of excellence, and see just how well your company employs them.

1. **A Basis for Action.** How much time do you spend talking about work vs. actually doing the work? Make a quick tally of how many hours per week are spent in meetings which achieve little or nothing.
2. **Close to the Customer.** Ah, one of the great tenets to which we all pay lip service, but how successfully do we achieve this? Are your products or services what your customer really wants? Do they do what they are supposed to do? Do you deliver them when your customer wants them?
3. **Autonomy and Entrepreneurship.** Do you give your employees, supervisors and managers the latitude to truly effect change, to call the shots in achieving the corporate mission?
4. **Productivity through People.** Ha! I would venture to guess that head count reduction is near the top of the list of cost cutting measures when times get rough. Salary freezes or rollbacks are probably not far behind. And when

times are good, how much of the benefit actually reaches those that made it happen? This is another area of endless lip service, but at the end of the day, people tend to be very expendable. In fact, in this age of extensive corporate downsizing, for those still employed the mantra may not be “In Search of Excellence”, but unfortunately rather “In Search of Good Enough.”

5. **Hands-on, Value-Driven.** Senior manager, when was the last time you had an extended conversation with a manufacturing operator, a retail clerk, anyone three or four levels below you on the corporate food chain? When did you talk with them about issues they are facing to meet corporate goals? How does your mission statement fare while you are trying to appease The Street at quarterly earnings time?
6. **Stick to the Knitting.** This is probably one of the few principles that actually received significant buy-in and application. Witness the explosion in outsourcing. Yet how many activities do you still involve your organization in which are not core to your business?
7. **Simple Form, Lean Staff.** Who is using a matrix organization structure? What has the rash of corporate downsizing done to your executive ranks? I'll wager that they have not adjusted proportionately to the rank and file.
8. **Simultaneous Loose-Tight Properties.** How are the mavericks within the organization viewed? Not the troublemakers, but those committed to the corporate goals, yet unconventional in the approach to achieving them? Or better yet, do you even have any mavericks? Have you released them from their services to pursue other opportunities? So much for thinking outside the box.

My career in business began a few years before the publication of *...Excellence*. I have participated on a number of levels across an assortment of organizations, both large and small, through this period. And I have seen varying degrees of application and acceptance of these principles. They are basically common sense. I believe most of you accept these tenets in principle. But you cannot reap their benefits through lip service. Peters and Waterman recognized that these could be viewed as motherhoods or platitudes and thereby trivializing them. The key to their value is the degree of their application. As Peters and Waterman stated, what makes them actually work, what makes them have an impact is “... the intensity of the way in which the excellent companies execute [these principles] – especially when compared with their competitors.”

Twenty-five years have gone by. It's still not too late for your company. Or is it?

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