Proposal reconciliation

The key advantage of QFD is the basis it provides for breaking down the objectives of the organisation into logical practical elements. These provide opportunities for ownership and creativity at every level of the organisation.

However, sometimes the ownership and creativity results in process development charging off in the wrong direction. Given the level of discussion and guidance provided by the QFD, this might at first appear unlikely. Yet the capacity of the human mind for losing sight of its objectives, when caught up in enthusiasm over the possibilities (or concern over the issues), is a constant source of amazement for anybody concerned with setting those objectives.

And even when managers endeavour to ensure that the learning from the top-level QFD is pursued faithfully, misinterpretations and subtle differences in emphasis, easily creep in.

The issue lies in the freedom given to the process teams. Instead of deciding the performance required of each process team and defining that explicitly - a process in which ambiguity can be avoided - the management team state what the organisation is to achieve, and allow the process teams free rein in considering how they will support that. The result holds far more potential for ensuring commitment and innovation, but greater risks in misinterpretation.

In a practical sense the process proposal is the key means for ensuring that those misinterpretations are addressed at the earliest stage. The diagram on the next page illustrates how this is achieved.

■ The organisation establishes a set of clear goals which represent their aspi-

As people walked out, he sat back down in his chair and waited for Lucy to come over. She did so, and sat on the edge of the table.

"Difficult," she said, commiserating with him. There was no recrimination in her tone, even though he felt he deserved some. In fact, he felt he deserved lots.

"So, what do we do next?" he asked. "We surely can't run the next session while we are missing three proposals."

"Well…," said Lucy, "it could be run, almost at a 'draft' sort of level, and there would be value in it. It could even provide a flying start to Daniel and Peter in developing their proposals."

"So what do you reckon?" he asked.

"Carry on as we planned for today," Lucy replied. "And then think about how it changes the rest of this programme at the end." She seemed clear and upbeat about it, and this lifted Richard's spirits.

"Okay!" he said, and they wandered out to join those having coffee.

After the coffee break, Lucy introduced the next steps for the meeting. She started with a question.

"How do we know that, if we focus on, and succeed in, delivering all the process objectives, that we will necessarily ensure the top-level Cylek UK objectives will be met?"

The group thought for a moment, and then Andrew proposed: "Because the grid of the QFD links them together!"

Lucy said: "Fine! And if I put down a hundred dollars, sorry I mean a hundred pounds, who will bet me that delivering the objectives we've seen here today will guarantee Cylek UK's objectives will be met?"

There was silence for a moment or two. Then Andrew defended: "But we are missing objectives from some of the processes."

Lucy replied: "Yes, but even supposing we weren't, would they necessarily add up?"

ration for the business over the coming year.

- Process teams consider their role in meeting those aspirations, through the context of the QFD, and are invited to tender their proposals to support the organisation.

- The process teams' proposals are then reviewed by the organisation to ensure that they collectively ensure the organisation's success.

- When the proposals are approved (possibly after some negotiated adjustments) the process teams are commissioned to take responsibility for delivering what they have promised.

The first two bullet points above have been covered in Chapters 2, 7, 9 and 10. It is the third and fourth bullet points that we shall explore in this chapter: how should the management team consider and approve each proposal?

Essentially there are two questions that the management team should reflect upon when reviewing the proposals.

- To what extent does the proposal represent a carefully considered ambition?

- To what extent does the sum of all the proposals deliver what the organisation needs?

Depending on the answers to these questions, three supplementary questions may arise.

- Do we need to prioritise our efforts in moving forward?

- Should we adjust our aspirations in the light of the proposals?

Daniel answered: "No!"

"Right!" confirmed Lucy. "But if we are literally going to focus on delivering the process objectives, we had better make sure they do add up. We had better make sure we are confident that delivering the process objectives will ensure our top-level objectives are met."

Lucy paused to check that everybody was following, and then continued: "That is what the next activity is all about. We have each worked out what we need to do in our own processes, and we now need to make sure that we have let nothing drop down the cracks in-between."

Andrew repeated his concern: "But we are missing objectives from some of the processes!"

Lucy looked at him. "Yes, it would be better if we had them all, but in doing it this way we can get some pointers as to what they will need to deliver. And we can also provide useful feedback to the processes which have made proposals." This seemed to mollify the team's concerns.

"Okay," said Lucy, "I'm going to split you into two syndicates, and you will each take one row of the QFD.

"What I'd like each syndicate to do is to list out the Cylek UK objectives, measures and targets for that row, and then list, underneath that, all of the proposed process objectives that you believe contribute to achieving it. Look through all the proposals, but obviously focus on those that have a strong relationship as identified on the QFD. Everybody okay so far?"

Most nodded, and Deborah summarised: "You want us to produce a list of all the process objectives that have anything to do with our top-level objective?"

"That's right," confirmed Lucy. "But then I want you to ask whether the sum of your list will practically guarantee your top-level objective."

"How do we do that?" challenged Peter.

"Well, by experience and discussion. At the end of the day, this is probably your core expertise - evaluating whether you have done enough to meet your objectives."

"So there's no special tool for this?" asked Deborah.

■ How do we need to equip the processes to enable them to deliver what they have promised?

In the rest of this chapter we look at how these questions can be tackled.

To what extent does the proposal represent a carefully considered ambition?

Process proposals represent an opportunity to shine. They represent the opportunity to identify previously unforeseen potential, and to harness the enthusiasm and commitment of the process team to use that potential to best leverage the organisation toward its goals.

However, for some, they may represent the opportunity to coast. They may represent the opportunity to set lazy goals that require little more than the continued application of current practice.

Whichever route is taken is likely to reflect either on the ability and/or the attitude of the process owner, or on his or her understanding of what is required.

In respect of the latter (the understanding of what is required), it is very beneficial if each manager responsible for developing a process proposal is given an opportunity to think through what a high-quality process proposal might look like.

The checklist on the right outlines some questions that may be reflected on in evaluating the quality of a process proposal. In practice, though, it is often more effective to ask the management team what criteria they would use to evaluate the quality of process proposals presented to them. The debate serves both to guide people's ideas on what is required, and to normalise the expectations of the group. In one case a company went as far as using

Evaluating process proposals

■ Have the most appropriate people been appointed to the team?

■ Does the proposed scope of the process reflect a suitably forward-thinking perspective?

■ Have the boundaries of the process been set through discussion with neighbouring processes?

■ Are all important relationships on the top-level QFD listed, and do these correlate with the QFD itself?

■ Have the top-level objectives been appropriately translated into process objectives?

■ Do the proposed measures and targets reflect a proactive sense of the process' potential?

■ Do the targets represent significant but realistic improvement?

■ Are the targets supported by well-considered and practical strategies?

■ Is there clear evidence of thinking through the business case, in terms of benefits and costs?

■ Does the proposal reflect a balanced and thorough consideration of the potential risks?

"No, not really," replied Lucy. "Any tool I can think of would be really very cumbersome. But I promise you that when you get into this, you'll find that it's not difficult to do."

"Supposing they don't add up to the top-level objective?" challenged John.

"Ah, that's step four," replied Lucy. "What you then have to do is to work out what additional process objectives you need, and which process is best placed to own them. This step will provide very useful input to the processes that haven't developed proposals as yet."

Daniel looked uncomfortable at this, and challenged right away. "But supposing we don't agree with the objectives that the syndicates dream up for us?"

Richard just stopped himself from responding: "Well you should have done a bloody proposal in the first place!" and it occurred to him what a deep level of resentment he was harbouring against Daniel. He began to worry whether it was showing, and whether it was counter productive.

Instead, Lucy responded: "You will have the opportunity to consider them and propose alternatives, if need be."

"And if we don't want to do that?" Daniel interjected belligerently.

Lucy cast a very quick glance to Richard, but continued with hardly a pause.

"Well, if the sum of the process objectives will not ensure the top-level objective, then we will need to reconsider our aspirations for the top-level objective." she said.

She stood up and started speaking quickly to move the process on past the interjections. "The final step, is to see whether any of your list of process objectives is ultimately superfluous in ensuring the top-level objective, and to feed this back to the group. That will enable the process team to prioritise the objectives they have set themselves. Is everybody clear?" she asked.

"Mostly, yes," replied Susan, "but that only covers two rows. Do we repeat the exercise for the other rows?"

"Exactly!" confirmed Lucy.

the defined criteria to award a prize for the best proposal presented.

If, however, a poorly crafted process proposal is due to the ability or attitude of the manager, this is first and foremost a coaching issue. For this reason it is best addressed by the leader, who should take it up directly and individually with the process owner in advance of the proposal being presented to the management team.

To what extent does the sum of all the proposals deliver what the organisation needs?

Having ensured the quality of thought and commitment applied to individual process proposals, the next issue is whether the proposals collectively deliver what the organisation needs.

The means of determining whether the proposals collectively deliver the top-level objectives is essentially subjective, since it relies heavily on understanding the relationships and weighing up probable outcomes. Therefore, it benefits from involving the whole management team in the discussion. However, for reasons of efficiency, it is often preferable to undertake an initial review, objective by objective, within syndicate groups, and then approve the conclusions in plenary.

A process for reviewing the proposals is shown on the right.

There are three possible outcomes to this question of whether the proposals deliver what the organisation aspires to.

- The proposals meet the organisational needs.

- The proposals fall short of the organisational needs.

- The proposals exceed the organisational needs.

Process for proposal review

1. Take each objective, one at a time, and write up clearly the measures and targets, and any other criteria that you believe are key to the objective.

2. Then work through the process proposals, starting from the critical and moving to the significant, and flipchart from them, all the intended achievements that will materially deliver the objective.

3. Clarify which are the priority actions to ensure that the objective is met, and mark them clearly (and which process) - lean toward the 'preferred (high-scoring) processes' if possible.

4. Identify what (if anything) is additionally required to guarantee delivery of the objective, and the process to which you feel it should be assigned.

The syndicates worked progressively through the rows of the QFD. Most of the team accepted proposals to further develop their process objectives with good grace, but Daniel, predictably, did not.

However, rather than compromise the top-level QFD objectives, Richard listed these 'unresolved issues' in the 'Car Park' and said he would pick them up with individuals outside the meeting. The hidden meaning behind Richard's words stood out like a beacon to everybody, but Daniel chose to ignore it, and the meeting progressed largely without incident and finished almost on time.

Overall, Richard viewed the meeting as a success. Those who had developed process proposals had received valuable feedback, and refined their proposals to focus on the priorities for Cylek UK this year. Those who had not developed proposals, now had some useful guidance on what to focus them on. And, despite the issue with Daniel, Richard felt even more confident about achieving the top-level goals.

As people filed out of the room, Richard simply put away his pen and proceeded to mechanically pull down the flipchart sheets from the wall and stack them together. Lucy looked on. She felt the meeting had gone well under the circumstances, but wasn't sure what Richard felt about it. He had seemed rather matter-of-fact through the meeting, with none of the excitement and enthusiasm that he had shown in the previous meeting.

Lucy was concerned about this change in his manner, and that he appeared to be ignoring her. Did he view the problems they had had in the workshop as her fault? Did he feel that something was wrong in how she had facilitated the meeting?

To her, the contrast in his manner was plain, and she wanted to make sure that any resentments Richard might be harbouring were out in the open. She raised the matter by illustrating it directly. "No kiss this time? I must be losing my touch in workshop design!" The words were out of her mouth before she had fully thought through the possible ramifications.

Richard, whose mind over recent days had regularly strayed to thoughts of Lucy and that kiss, was thrown off guard by the dilemma of opportunity and risk. On the one hand, he knew she meant nothing sexual by the question. On the other hand, here was an opportunity, and the thought

In practice, all three cases are possible, not only within the same QFD, but even within the same objective on the QFD; for instance where the objective's achievement demands a combination of strategies.

Where the proposals are seen to meet the requirements of the organisation, clearly it is only necessary to confirm the process teams in their intention, and ensure that their resource needs are fulfilled.

Where the proposals fall short of the organisation's needs, the nature of that shortfall needs to be identified, and the appropriate process charged with adopting responsibility for it. In practice, this proves fairly easy to agree within the meeting, and for the process owner to sell back to the process team afterwards.

Do we need to prioritise our efforts in moving forward?

Where the sum of the proposals exceeds the organisational need, there is the opportunity to prioritise process improvements, and relieve the pressure on some to concentrate resources on others. Whether this is done within processes or across processes depends largely on the extent to which they hold resources in common. For instance, where process resources are largely independent, then prioritising within a process helps the process team to focus their resources better. But where key personnel and resources are shared between processes it is preferable to prioritise some processes over others.

To some extent it may be desirable to identify the priority processes before the teams review whether the objectives will be met. This is particularly important where there is not enough resource to improve all processes equally. By indicating the preferred priority processes,

Example of proposal review

Top-level objective

Increase turnover by 30%

Proposed related objectives

Sales process: Secure sales of £140m

Manufacturing process: Increase productivity to 85%

Purchasing process: Increase supplier reliability to 99%

Analysis

Sales will ensure business is available

Purchasing only need to maintain supplier reliability at the current level

Manufacturing will only support a throughput of £115m with this objective

Response

Purchasing needs only to achieve 97% reliability

Manufacturing need an objective related to increased capacity

of kissing her appealed greatly. But he knew it would be too forced, too contrived, and he knew he could not carry it off. He liked playing on the edges of flirting, on the edge of possibilities, where he did not have to commit himself. If he was to kiss her now, he was sure he would be making a statement. The tension of the moment rose up inside him. Shit! It was all too complex!

Mentally he brushed the whole thing to one side, and focused back on the workshop.

"No your touch seems just fine to me!" and immediately he felt back on safer ground. "Come on, let's get a coffee. We can tidy up later."

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As they sat over two Cappuccinos, down in the coffee bar, Richard visibly relaxed. While Lucy was distracted, administering to her coffee, he took the opportunity to run his eyes over her. She really was quite stunningly attractive. Richard wondered what the contour of her thighs would feel like under his hand. He wondered what she wore under her skirt, he thought he could spot the tell-tale bumps of suspender clips. The thought overwhelmed him momentarily, and he shook his head to clear it and get back to reality.

Lucy saw him, and gave him a quizzical look. Covering quickly, he responded: "Are you finding it cold down here too? I think I'm in a draft".

"No, I'm fine," Lucy replied. "Do you want to move?"

"No, it's okay," he said. "I'll live!"

She stirred her coffee some more, and then said: "Richard, do you mind if I give you some feedback?" She looked up toward him, as she finished the question.

Richard was taken unawares, he braced himself wondering what was coming. Was Lucy going to pick up on his behaviour to her? In trepidation, but with a tone that he felt conveyed casualness itself, he said: "No, that's fine!"

Lucy smiled. She caught the tension in his voice, but decided to take the words at face value.

groups that find the sum of their proposals more than meet their objective, can bias their conclusions toward the priority processes. In this way, all teams will tend to relieve pressure on the same set of non-priority processes. This may appear to be putting the cart before the horse, but priorities need not be cast in stone and they may be easily reconsidered as conclusions emerge.[1]

Should we adjust our aspirations in the light of the proposals?

In some cases, it may not be possible to agree changes to proposals in order to meet the organisation's needs. This could either be due to personalities or practicalities.

In the event of the former, it is up to the leader to address the issue, either off-line, or within the meeting.

In the event of the latter, it may be necessary to reconsider the appropriate objective so that it more accurately reflects what is practical.

There is no real issue in doing this, and the team will feel more free to set challenging goals if they know that there is an option to reconsider those goals once the means to deliver them have been fully explored.

The means to review the top-level objectives would be to consider what the sum total of the process proposals would deliver (if they cannot be improved) and then to set the top-level target at that point.

The 'clothes-line' approach referred to earlier in Chapter 7 can be easily modified to achieve this. People can use the 'clothes-line' to debate and reach consensus on how much collective impact the proposals will have.[2]

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1   For an example of this approach, see page 458.

2   For an example of this, see page 449.

"It's about how you respond to Daniel. Sometimes you give the impression that you are fixated on him. That your responses to the group are almost tailored for Daniel's benefit." She stopped and looked at him, waiting to see how he responded.

Richard exhaled. He had not realised he had been holding his breath. Daniel! He was beginning to have the same thoughts himself. He decided to be honest.

"Yes," he paused momentarily as he thought about how to continue. "I have to admit he seems to occupy a lot of my working thoughts. It seems like a constant battle having to either stay one thought ahead of him, or let him have his way. I really don't know what to do about it."

He had been looking down at the table as he spoke. Now he looked back up to Lucy's face. She had a small amount of Cappuccino froth at the corner of her mouth that caught his eye, and as she spoke back to him, he followed the contours of her lips and he wondered what they would taste like. What they would feel like to kiss them properly. Lucy had stopped speaking. He became aware that she was waiting for a response.

"Sorry? I'm not sure I got all of that!" he said.

"I said," replied Lucy, "could Daniel's reaction be in part due to the way you treat him? Do you think that you might influence Daniel's behaviour by your expectations of how he will behave?"

Richard's brow creased. He thought that she had just used psychobabble on him. He had always thought she was beyond that. He was disappointed and slightly annoyed. It showed in his response.

"Ah, the classic rationalisation! The guilty are simply products of the innocents' inability to treat them properly! Is that what you're saying?"

Lucy felt affronted. "No, it wasn't! I know Daniel is a problem of his own making. I'm just very slightly concerned that he might be dragging you down with him. That you might end up playing his game rather than your own."

Richard's face showed he was vaguely appeased so she continued. "Do you not find, sometimes, that you end up being drawn away from your normal behaviour in order to deal with how Daniel might behave?"

Lucy waited for Richard to nod and then continued: "Daniel's normal mode of operating appears to be conflict and politics, and that is where

If at the end of the debate, the net performance gain is considered insufficient to meet what the business needs, participation in that conclusion will at least provide extra impetus to the process of reconsidering more ambitious performance improvements. One technique for this is to physically move everyone to the desired target level on the 'clothes-line' and ask the question: "What barriers would have to be removed for you to perform at this level?"

How do we need to equip the processes to enable them to deliver what they have promised?

The secret of success is simple. You work out what you want. You work out what it costs. Then you pay the price in full! That's it; that is all there is to it.

But often companies are held back from success because they fail to accept this simple principle.

Once the process teams have their proposals agreed, it is vitally important that they have their resource needs met, or the shortfall will be borne in lost opportunity or hidden costs.

If, on the other hand, you feel that your people always overestimate, then it would be good to reflect on Richard Branson's answer to the question of success. He replied, "I find people I can trust. And then I trust them."

The best way to get your people to stop including margins in their proposals is to stop making them need to!

Commissioning the proposals

It would be easy to say to the process teams "Get on and do it!" But that misses a tremendous opportunity to reinforce the whole ethos of what has been done:

Under the influence of either poverty or wealth, workmen and their work are equally liable to deteriorate.

Plato

The hardest knife, ill-used, doth lose its edge.

William Shakespeare

he appears to be drawing you. Into his own territory, where he is more than able to fight you!"

Richard thought about this for a while. He could see the truth in her point, but he could not see what he should do about it.

He thought about what his normal mode of operating was. It was about visions, and coaching, and supporting. He really could not see that working with Daniel. And it would take so much time. Time he did not have.

After about a minute he finally said: "I can see you have a point, but I'm going to need to think about it further."

"Good," said Lucy. "Now, some news! I have the impression that Cyrus will be paying us a visit shortly, to see how all this is going on!"

Richard exhaled noisily, and responded: "Are you sure?"

"Well, nothing is confirmed," said Lucy, "but he phoned me last night, asked how things were going, and said he was going to speak to you to arrange a visit. He normally makes a visit when I get about a couple of months into the work, but of course all the other projects have been in the US, and relatively easy for him to get to. I feel quite honoured that he's continuing it, even though I'm right over here!"

Richard was quiet. He looked a little crestfallen.

"Look Richard, this is actually a terrific opportunity. Think about it! If you are going to make QFD really hum in the future, you've got to get Cylek to be a whole lot clearer on their priorities. And you could also do with them giving you some slack on corporate initiatives while you get things going. What better champion could you wish for in your corner than Cyrus. And as for me, I want him to buy into the approach we've taken here. I want other parts of Cylek to benefit from this, and he's the one who can make that happen."

Richard could see her point. "Okay, it's not quite as bad as I at first thought," he conceded.

"Bad?" she exclaimed. "It's brilliant! But we are going to have to think our way through how we present things to him. The whole thing has got to be stage managed!"

Richard nodded. "But my diary is still horrendous," he said.

- for the leader to thank the team for its proposed performance

- for the process owner to reinforce the importance of what has been agreed

- for the team to understand the next steps, and how the quality of its service will be reviewed

- for people to feel a vital part of the organisation's future

- for the systems[1] to be adjusted to reflect the new agreement.

The activity of commissioning the proposals represents a real opportunity to reinforce what you are trying to achieve. If the proposal was from an outside contractor, it is very likely that the contract signing would be a formalised affair, and for very good reason.

The effort in commissioning an internal proposal should be nothing less!

For when the ancients said that a work begun was half done, they meant we ought to take the utmost pains in every undertaking to make a good beginning.

Polybius
Greek Historian

"Well, how about another evening session?" she suggested. "We need to do some more planning on the workshops now anyway." The thought of another evening at Lucy's hotel appealed to him. In fact it might turn out to be several evenings.

"Fine," he said, "how about tomorrow night?"

"That suits me," she replied. And then after a short pause she continued: "But when are you going to find time to chase up on progress? Particularly Peter's and Daniel's progress?"

Richard looked at her. It was a blank, neutral look. He was clearly not seriously engaging with the question, so Lucy continued with the initiative. "Why don't you invite Daniel out for a quick drink tomorrow evening. Draw him onto your territory, and try to move things forward there. If you suggest the hotel for 5.30 pm, then we can begin our meeting straight after. Say 6.30?"

Richard felt trapped, but he conceded. He could not think of a worse way to start the evening. He hoped Daniel would not be able to make it.

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1   Systems might include ISO 9000 documentation, local mission statements, or other procedures or quality definitions.