

Fast Lane

Donn Flipse, president and CEO, Field of Flowers

Quality control

HOW TO FOCUS ON CONTINUOUS IMPROVEMENT

BY MEREDYTH MCKENZIE

Donn Flipse has a laser focus on the continuous improvement of processes and quality, and he encourages his 120 employees to have the same focus. Flipse, founder, president and CEO of fresh flower superstore Field of Flowers, says that if employees focus on continuous improvement, they can help you improve quality and reduce costs and problems.

"By eliminating waste, your costs come down, and you're able to capture the market by having not only better quality but lower prices for your customers," Flipse says.

This commitment to continuous improvement of quality has helped the business grow 35 percent during the past three years to reach 2006 revenue of \$8.1 million.

Smart Business spoke with Flipse about how to keep your company focused on improving quality.

Q. How do you maintain a focus on quality?

By developing a mission statement and values, a strategic statement of the basic way the company intends to conduct itself and go about business. Put down a statement, and then teach it to everybody.

We have an orientation program where we teach people our mission, values and long-range plan. Try to convey to employees your business philosophy and strategy of putting attention on continuous improvement of quality within the company.

Q. How do you communicate your strategy and philosophy?

Engage everyone in the pro-

cess. Instead of coming to work every day with the idea of, 'I'm going to do a good job and do my job the same way I did it yesterday,' get beyond that and have people come to work every day thinking, 'I'm going to do a good job, but I'm also going to think of how this job can be done better.' Get them into that continuous and unending improvement mindset.

Use a suggestion system. We encourage people to make a suggestion and put it down in writing. The suggestion will be studied, and it doesn't mean we're going to do it, but it does mean that we will look at it.

If you make changes simply because somebody thinks you should, that's not improvement, that is just tampering with your processes. It's making changes without any basis of knowledge about whether you improved anything.

Q. How do you create a culture of continuous improvement?

Buy in to it and model it. If you don't walk the walk and live according to your philosophy, culture, mission and values, then nobody else is going to pay attention.

Teach key managers this and keep doing it. It's easy in the pressures of business to fall into bad habits, but stay focused on what you believe in.

Processes are the responsibility of top management, and if those processes are not sound, then there are going to be problems. It's easy to blame those problems on the front-line people, but they're not the ones at fault.

Believe in it; it can't be the

management theory de jour. It has to be something you stick with and believe in because only if you believe in it are you going to stick with it.

Q. What is the key to empowering employees?

In some cases, empowerment can be used in place of good management. You'll say, 'I'm empowering you to do your job right so that we can achieve our goals.'

What that means is, 'If I don't like the goals, then I'm going to

so that people can do a good job, you might use this empowerment catchphrase and say, 'I'm empowering you, now go do it and do a good job.'

The unsaid side is, 'If you don't do it right or if I'm not happy with the results, then I'll get rid of you.' Empower people in the positive way. Give them information about how the business works, how their job fits within other jobs and how they have to do their job properly so others can do their job right.

If you teach them that, they are empowered to make better decisions because they know how things work beyond their cubicle.

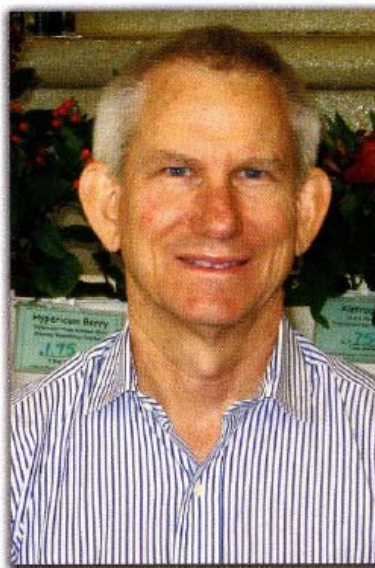
Q. How do you reward employees who help improve quality?

There is a good and bad way to reward. I tend not to use pay for performance — setting goals for people and saying, 'If you achieve those goals, you're going to get a bonus.' That sends a negative and demeaning message. ...

... Set compensation at a proper level that represents their fair market value, and then engage everyone in continuous improvement. You might not only meet the goal but exceed it. If you were working on pay for performance, if you get up to that goal, why go any higher?

Rewards should come not just in the form of extrinsic things, like money and benefits, but also the things that are intrinsic, such as pride of workmanship and freedom from fear of being controlled.

Make it part of the mission and values. Manage in a way that's consistent every day and with your mission and values. <<



“Manage in a way that’s consistent every day and with your mission and values.”

kick you out.' Instead of improving the processes (that) your employees use and taking responsibility for these processes