Make Continuous Improvement Culture Your Competitive Edge With These 5 Tips

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The continuous improvement culture of an organization is the dynamic force that is vital in getting that desirable competitive edge. It may sound like management lingo for a small business owner or hard work for the senior leader of a large organization. Nevertheless, it plays a pivotal role in sealing the successful future of any business.

The optimal scenario for a business leader is to have customers who are delighted with the service or product, staff who are happy and fulfilled with their work life, and healthy financial returns that make all shareholders smile ear to ear.

I have been coaching and training business leaders in continuous improvement for more than a decade now. Although each journey is particular to an organization, there are common themes to organizing and leading continuous improvement, regardless of the size, industry or location of the organization.

What is continuous improvement?

Continuous improvement is an organizational culture where everyone continually works to improve all aspects of the business. The goal of any workday is to delight the customer and consistently deliver high-quality services. These entail:

- Innovation as a constant beacon

- Cost-effective operations
- Reduced-waste culture of time, resources and money
- Staff that naturally desire better. Identifying a failure or issue, they will determine the root cause, and act to fix and improve it.
- Faster, uncomplicated processes that are easy to understand and follow

Let’s take an airline as an example. Most of us love to travel. If we were to fly with an airline with a continuous improvement culture, our experience would likely be very smooth and joyful, from booking the flight to reaching our destination. We would be skipping through the jetway.

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What does it take?

Continuous improvement is a journey. It takes time, planning, dedication, perseverance and a certain pattern of leadership behavior.

Research conducted by University of Oxford and EY teams has found that a human-centric approach doubles the success of an improvement journey. The presence – or lack of it – will heighten or dismount the efforts. Here are five key tips to building a continuous improvement culture for long-term success.

1. Search for improvement opportunities

Sometimes the opportunity might be obvious, and other times,

we need to search for it. Here are some common opportunity search activities:

- Ask your customers.
- Listen to your staff. They have the foremost insight.
- Investigate business processes, and explore opportunities to eliminate steps.

A customer complaint is gold! I vividly remember one business owner's blank look when I first mentioned this. What a great source of getting to know your customer. Not understanding what the customer wants is like taking the airline passenger to the wrong destination, because no one knows where the desired destination is.

2. Prepare for improvement

You found the improvement opportunity; it is time to create an exciting road map that illuminates key activities. Some examples of preparation activities include:

- Develop a structure that fosters shared ownership across the leadership chain. It is not about a lone hero, but a collaborative team.
- Create an improvement tribe (champions and experts) to spark the path.
- Invest in training (i.e., leading change, project management, innovation, improvement tools, etc.).

Using the air travel example, all players – for each process – must be skilled and clear about their roles. If not, your luggage might make its way to McMurdo Station, Antarctica.

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3. Measure improvement

A dedicated focus on measurement and improvement metrics will help to parade or stumble your quality focus. For instance, a large hospital management team was attempting to tackle their long waiting times at an outpatient clinic. Their goal was to "Reduce average waiting times by at least 50%."

A 50% reduction sounds like a good improvement outcome. I asked, "Is it though?" Tilting their head to one side, a manager responded, "Our patients will still be waiting." If that's the case, 50% reduction should not be the end goal.

Here is a quality and patient-centric example:

- **The goal:** "Patients will be seen by a healthcare provider within 15 minutes of arriving at the outpatient clinic on Saturdays."
- **The improvement metric:** "We will reduce average waiting times of Saturday clinics from three hours to 15 minutes in six months."

The more specific and meaningful the metrics are, the better the customer experience.

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4. Deliver improvement

There is no *best* method, just the *right* one for the need: a bite-sized improvement approach or an incremental, yet major transformation. The sky's the limit when seeking to wow the customers. For the airline customer, this might mean enjoying a first-class experience regardless of where they're sitting.

5. Spread and scale up improvement

Once the idea has transformed into an innovative improvement, explore further opportunities to apply, spread or scale up. There’s no need to reinvent the wheel. If you already have it, see where else it might make a difference. The training investment is precious, since staff will apply the improvement mindset and their knowledge to other areas.

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Whether for a small business owner, a senior leader of a large organization or an airline manager, a continuous improvement focus will launch a transformational journey that you, your staff and your organization will continually seek to evolve for the better.

The focus of consistently delighting the customer will generate loyalty and increased revenue. Increased revenue will lead to innovation, engaged employees and investment in development. Skilled and happy employees will make fewer mistakes and provide efficient and cost-effective service. Efficient operations will continue to delight the customer, and so on. Such a dazzling competitive edge cycle! Enjoy taking off and journeying into the wondrous world of continuous improvement.

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