

Selling Quality Ideas To Management

by **Brien Palmer**

In my work with quality professionals, I am amazed at how many people have great ideas that are not seeing the light of day because they have not been accepted by management.

This situation exacts a high cost. It lowers morale, lowers employees' regard for management, causes problems to continue and thwarts improvements that would profoundly benefit organizations.

In 50 Words Or Less

- **Align your ideas with organizational goals, and get help to apply dollar values to proposed changes.**
- **Become the project manager of your idea, then measure and mitigate resistance.**
- **Plan a short and sweet executive presentation in which you're prepared for questions or for getting bumped from the agenda.**

Worthy ideas fail to reach fruition for a number of reasons:

- They compete with other priorities, and managers—who have to allocate limited resources—choose to focus on competing initiatives instead.
- The manager displays really poor leadership practices, such as excessive control, jealousy, shortsightedness, unwillingness to listen or trepidation.
- We—the owners of the idea—don't do a good enough job selling it to managers. Sometimes we don't communicate the attractiveness or worth of the idea effectively or establish the likely financial gains clearly enough.
- Sometimes we don't focus on the most effective channels of approval, manage relationships or build consensus—that is, we sometimes blow the internal politics of the organization. See "How We Shoot Ourselves in the Foot" (p. 30) for other ways quality professionals undercut themselves.

We can't turn our bosses from "idiots" into thoughtful sages, so let's not waste time trying to change them. Instead, let's work on something we can control: our own approach to communicating the merit of our ideas to management. Let's make it easy for them to say yes and hard to say no.

Developing an Idea

Figure 1 is a model of a simple process useful for developing and selling an idea. Like many models, it is not necessarily linear in application, but it is drawn that way for purposes of illustration.

It goes without saying most of us think our ideas are good. Here are three effective ways to develop the merit of an idea.

1. Align the idea with organizational goals.

Regardless of where the idea came from, you should align it as closely as possible with organizational goals such as mission, vision, values, strategies and departmental goals and objectives.

The more an idea clearly matches an organizational goal, the harder it is to say no to it, and the better it will fare against competing ideas. And if your idea does not match very well with an organizational goal, why exactly are you promoting it? You may think the world of ISO 9001, for example, but your organization is unlikely to seek certification unless this relates to a larger business strategy.

Your boss's departmental plans and your own personal development plans represent other opportunities for alignment. The point is to avoid pushing an idea—instead, let it be pulled by a business objective.

2. Build a business case for your idea. A business case is an analytical study of a proposal indicating such things as the current and future situations, expected costs, returns on investment (ROI) and implementation methodologies.

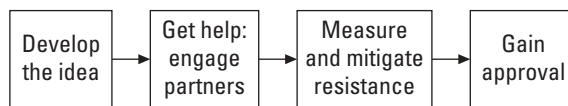
While business cases can become quite complex, I am referring to a simple, practical algorithm that addresses three questions:

- Why are we doing this?
- What if we did not do this?
- What do we expect for outcomes?

You may choose to include more detail—the three questions are a minimum set of considerations.

For a minute, think of the change you want in the same manner as you would a major new product or business venture. If you wanted to promote a major new product or business venture to your organization, you would undoubtedly build a strong case, addressing such things as the timing, likely ROI, costs and risks. You would undoubtedly think through the pros and cons, anticipate questions and consider who might object to your

FIGURE 1 Idea Selling Process



proposal and how to respond.

In a similar manner, you should solicit input from all affected parties and put it into a concise business case for the idea

Here's an important point: The business case should convincingly show the risks and effects of not changing greatly exceed the costs and risks associated with changing. If they don't, you should reevaluate your plans.

The biggest threat to any idea is the status quo. Your idea is going to require some money, time, effort or other resources. That will put you at an immediate disadvantage. ("You want \$20,000 and six months of two people's time!") To mitigate this disadvantage, show how the status quo is costing time, money, errors and frustration and how your plan will cost less overall.

The business case should present clear logic to people at all levels of the organization. For management, it should describe the rationale for the project and what to expect from it.

To gain acceptance from the general body of employees, it should explain the reason behinds the project. Failure to gain acceptance is one of the major reasons for project failures.

For the sponsor and project team, the business case provides an elevator speech to use whenever discussing the project with those not involved.

The business case should be summarized on a single page with any required attachments. See the sidebar "Business Cases for Change Example" p. 32).

3. "Dollarize" your proposal. The commonly accepted gold standard argument for a quality idea is its economic benefit. Specifically, if you can quantify a benefit in dollars (or more precisely, the dollars gained in excess of dollars cost), you are making a strong case. After all, money is the language of business.

But if this is true, why doesn't everybody do it automatically?

First, it is difficult. We in the quality profession are not necessarily skilled in ascribing dollar values to proposed changes, nor are we perceived as having this ability. And even financial professionals are challenged here, because this requires complex analyses of the current situation and then of the conditions after the idea is implemented. It also requires judgments, estimates, probabilistic assessments—and guesses. Most of us prefer to deal with topics of greater certainty.

Also, the assumptions and judgments you make in the course of dollarizing your idea are subject to challenge. An unfriendly audience can undercut your estimates from the start by challenging your assumptions as overly optimistic. This is yet more evidence the people aspects of selling an idea are at least as important as the analytical aspects.

Given these difficulties, how do we put a dollar value to a quality idea? Here's a suggestion: Get help from your CFO, treasurer, controller or other financial professional to get sound estimates. Your peers in finance have experience doing this sort of modeling, such as when supporting mergers and acquisitions, buying a new facility or making rent vs. buy decisions.

Besides bringing the necessary skills to bear, financial professionals have earned a reputation for caution and prudence. If you make a presentation in which your CFO delivers the cost-benefit analysis, you have gained certain credibility. After all, if both finance and quality back an idea, it must have been well evaluated.

Six Sigma project managers always have engaged financial professionals in their projects to establish the credibility for the numbers. We can all learn a lesson from this.

How To Engage Partners

Many of us associate too closely with the idea we are promoting. We know our organization needs to apply for the Malcolm Baldrige National Quality Award, for example. We take any resistance or pushback personally and let our sense of self-esteem ride on how well this idea is received within the organization. This excessive attachment damages both us and the idea's chance for acceptance.

It is silly to take on this level of attachment. If your idea has merit, other people will be able to

see it. If others can't see it, maybe you ought to look at the situation objectively and determine whether you really want to fight the battle.

If you have a compelling idea others can readily accept, use their help. Decisions are usually made in organizations by an evolving informal consensus, coupled with the assent of the senior responsible manager or management team. It is important to understand how this works and what you can do to boost your chances.

The business case should convincingly show the risks and effects of not changing greatly exceed the costs and risks associated with changing.

First, become project manager of your idea and its acceptance. In other words, accept personal responsibility for all of the promotion, education, communication, politicking and other activities required for an idea to gain acceptance in an organization.

It is not enough to ask your boss for approval, make a presentation or engage in any other single activity, even if you have established the economic benefits of your idea. Unfortunately, life is not that simple.

As project manager for getting your idea approved, you recognize there is a necessary path for getting approvals in your organization. You are committing to accept personal responsibility to plan, allocate resources, measure progress and do everything else good project managers do to reach a successful outcome—in this case, acceptance and implementation of your idea.

Second, make alliances with key managers and peers:

- Ask for their help. Approach them by consid-

- ering how your proposal will help them.
- In particular, seek a management sponsor—someone who will agree to provide resources to open doors to other managers once your idea is sufficiently developed. If you cannot find a management sponsor, you should probably reconsider your proposal altogether—after all, if you can't convince one manager, how are you going to convince several?
 - With your allies, build or strengthen the busi-

How We Shoot Ourselves in the Foot

We quality professionals can do a lot to turn off executives inadvertently and hurt our chances of selling good ideas. Be honest. Have you ever done any of these things or seen others do them?

- **Demonstrate a lack of business and financial skills.** The higher the position, the greater the necessity for global business and financial skills. Quality managers will not progress to the executive level until they expand their thinking from a narrow functional to wider business focus.
- **Focus too much on techniques.** Many quality professionals get so excited about the execution of the methods, they focus on that when speaking to senior managers. The CEO doesn't really care about the method. He or she cares only about the benefit.
- **Use language that turns off senior management.** Leave *kanbans*, *kaizen*, *poke yoke* and other such terms to your quality certification exams. You need to understand the theory. The CEO isn't interested in learning Japanese.
- **Focus narrowly instead of broadly.** If you focus exclusively on matters that directly concern your department, your perceived "value bandwidth" will remain quite narrow. Instead, we quality professionals should offer broader views, based on how departments and activities fit together systematically. Our familiarity with systems thinking should enable us to contribute to big picture discussions. If we never speak up, people won't realize the additional value we can add.
- **Feel discomfort around senior managers.** Sometimes people are just not comfortable around senior managers, for whatever reason. They avoid meetings, never speak up, stay in the quality department and avoid taking positions. This lack of comfort is transparent and works against teaming with executives. The only cure is conscious, value adding exposure, which is good for quality, your personal growth and your career.
- **Be excessively conservative.** In the quality profession, we quite appropriately take great care to check, verify and assure every aspect of our work. When we deal with executives, however, we need to adapt to their style. Typically this is direct and blunt. When we do get an audience with executives, we need to get straight to the point and not qualify all of our statements or provide mountains of data before we give an opinion. We also need to anticipate interruptions and challenges from executives and severe curtailing of time available.

If our case is business focused and well supported by data, and we are able to make it concisely and then go with the flow of interruptions, dialogue and time constraints, we will then be behaving in a manner executives understand and respect. We will then be more likely to make our case.

ness case and the financial ROI. Ask for help in planning to get appropriate approvals. Who needs to consent to this? How can we approach them? If we need to give a formal presentation, whom should we invite? What are their needs and concerns?

As a rule of thumb, you should do most of this work before you give an executive presentation. You should enter the executive presentation already knowing you have the support from a majority of attendees.

As you start talking about your topic, you will want to see heads starting to nod. If you don't, you were not ready for the meeting.

Measure and Mitigate Resistance

In general, people do tend to try to maintain the status quo. We should appreciate this, because it gives organizations continuity. From a pragmatic perspective, we should understand all new ideas raise what has come to be known as resistance. This knowledge lets us anticipate resistance and mitigate it.

In fact, people do not so much resist change as resist being changed. Our job is to involve affected managers from the beginning. New ideas fare much better if people believe they have some control and understand the change has a good purpose: Either their lives will be made easier, or the business as a whole will benefit.

Since resistance is inevitable, acknowledge it openly. Seek out doubts and criticisms, and don't try to negate them. It is far healthier to discuss professional concerns in the open rather than drive the discussions underground. In a similar vein, don't try to minimize the cost and effort the proposed change will require.

Generally, some 20% of any given group will actively support a reasonable change effort; these people are ideal to have on the implementation team, provided they have the required expertise. Recognize these individuals and reinforce their behavior.

A majority of people will start out neutral and take a wait and see attitude. They can end up either supporting or opposing the change. This group warrants the most attention from the change team. They need to become more and more convinced until the change effort reaches an intangible tipping point, and the momentum clearly supports completing the change. If this does not occur, the majority could come to oppose the change and throw the tipping point into the other direction.

A minority of about 20 to 30% will actively oppose the change. They too must be dealt with because they can sway the uncommitted majority. The best way to deal with this minority is through the honest dialogue described earlier. In the end, though, recognize that not everybody will come to support the change. Spend most of the time convincing the neutral majority, not the skeptical minority.

Table 1 shows a tool that's useful for evaluating management support and resistance. In meetings, use this tool to understand the current political environment and identify where further action is required. In the affected departments, address the following questions:

- Who are the stakeholders—in other words, who controls resources, who can block the proposed idea directly or indirectly, who must approve aspects of it and who owns the overall process?
- How does the stakeholder view the merits of the idea? List the estimated level of support, with 5 indicating strong support; 3, neutrality; and 1, strong opposition.

TABLE 1 Tool for Evaluating Management Support and Resistance

Department	Key stakeholder	Current acceptance	Criticality to project	Level of attention needed

- Determine how critical the person's support is to the success of the project. Use the same five-point scale, in which 5 indicates the person's support is vital and 1 indicates a low level of criticality.
- Based on the discussion, identify the level of attention needed for each person as high, medium or low. In general, a highly critical stakeholder with a low current acceptance of

the effort warrants a high level of attention, whereas one with low criticality and high acceptance warrants less.

With this information, you can build an influence strategy for ensuring the success of the project in the political dimension. For example, strong cynics with high criticality warrant a lot of attention. Try to understand their opposition and turn it into support. Strong supporters require recognition

Business Case for Change Example

What follows is a business case for a successful financial services company in transition from ownership by the founder and "dictator" to ownership by a new partnership formed by former employees.

Although the company kept growing, it did not develop the leadership skills and management systems necessary to support growth. The culture also suffered from some bad practices originated by the founder.

The business case documented the reasons for changing the current practices:

Why We Need To Change

- The current situation is not meeting our expectations.
- We are starting to experience problems related to quality and customer satisfaction.
- We don't have a long-range strategy, business plans and goals.
- We are not providing our people with sufficient training, recogni-

tion and management support.

- We have inconsistent work processes, particularly between different offices.
- Managers and employees are expressing frustration.
- These problems are limiting our ability to grow and may hurt the long-term value of the company.

What If We Fail To Act

- We will face more disorganization in the future.
- We stand a good chance of losing business clients.
- We may end up with fewer satisfied clients.
- We face potential legal liabilities.
- Our reputation may suffer, causing further damage to business.
- We will lose good employees.

What the New Environment Will Look Like

- Defined lines of authority, accountability and responsibility of all levels in the organization.

- Structure in policies and procedures so employees know what they are expected to do, adequate training to show them how to do their job, support to allow them to function successfully and recognition by peers and management.
- Written standards and guidelines to instill professionalism in management practices, job fulfillment and development of employees.
- The input of all employees in developing a better run company.
- Explicit shared organizational purpose and goals to increase capacity for new business and provide teamwork, pride among employees and more opportunities.
- Increased financial health of the company, which will increase long-term stability and value to our stakeholders: our customers, employees and shareholders.

and involvement to keep their support strong. In some cases, all we want is for a neutral person to remain neutral.

While this evaluation of the political environment may seem distasteful to some, particularly technical people, it is absolutely essential. Like it or not, office politics usually trumps technical expertise. Better to be technically correct and successful than correct but dead in the water.

Executive Presentation

Many ideas—particularly ones with significant impact—will require some sort of executive presentation and formal approval. Here's how to plan your presentation.

First, know who will be present and where they stand regarding your idea. In general, the executive presentation should reiterate what you have already discussed with the individual managers; it should not introduce new ideas.

Next, use a one-minute business case (one or two slides) to open your talk. "Ladies and gentlemen, today I will show that [what you want to do] has a big impact on [an important strategy]. To succeed, I need [whatever you want from them—money, agreement] and I will ask you for that. Does that sound OK?" Then, having told them what your conclusions are and what you want, use your material to justify this.

Plan to conclude your talk at about one-third of your time allocation. That's right: For a 60-minute slot, finish your pitch in about 20 minutes. You want to walk away with a decision. Far too many presentations take up their entire time slot, leaving no time for a decision to be made. What a waste of a precious opportunity!

After your presentation but well before your time is up, ask, "Ladies and gentlemen, you've seen the facts, and you've heard my recommendation. Can I count on your support?" That way, you will have allowed plenty of time for dialogue, questions and answers, and a decision.

Resist the urge to fill the silence that follows. Let your audience speak up. You will likely see some tentative questions and expressions of support.

If you have done your homework, several managers will give some support. In this circumstance, most people will instinctively see the idea

has momentum, and you are likely to get an initially positive response.

When people raise questions and criticisms, don't think you must answer everything yourself. (Many presenters make this mistake.) Remember—you are the project manager of the idea. Feel free to call on other resources to help you make your case.

For a 60-minute slot, finish your pitch in about 20 minutes.

For example, let's suppose somebody objects to your ROI estimates. You answer a couple of questions, and then the conversation quickly becomes technical, involving topics you understand less than perfectly. You might turn to your CFO (or other financial partner) and say "Chris, you looked at this pretty closely. What do you think?"

As a result, you will get a better technical answer and have shown management support from a peer manager.

If you are not sure of the result as time draws to a close, ask for a decision. You might say, "I see we are running out of time. Do I have your concurrence to take the next step?" If you hear yes, that's great. If you hear a persistent concern, say something like, "I am hearing a legitimate concern about [restate the concern accurately]. Let me look into that and see if I can resolve it to your satisfaction. May I have a few minutes on the next meeting's agenda to address this?"

This way, you are presuming acceptance of the general idea while respecting the specific objection.

Sometimes your presentation will be put on an agenda as part of a longer meeting, such as a monthly, all-day executive meeting. If the preceding agenda items run overtime, as often happens, your topic might get bumped. You could even lose a month, if you get rescheduled to the next executive team meeting.

If this starts to happen, respond by quickly saying, "Wait, I can do this in as little as five minutes."

CASE FOR QUALITY

Then ask for permission to give your business case summary slides. This will give you some protection from getting bumped and also show you can adjust rapidly—a quality that executives value.

In fact, sometimes executives will respond quickly and favorably to this sort of agility and sense of urgency and give the approval you need right on the spot. And even if they don't, you have planted the seed for a favorable future outcome.

If you have followed the advice of this article, congratulations! You've done everything you could reasonably be expected to do, and the next step is up to management. With a little luck, you will be rewarded with the opportunity to implement your good idea.

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