New Product Excellence

A Newsletter from J. H. Welsch Consulting, L.L.C.

Imagine you lived in the golden days of radio...

Here's a little mental exercise for you... Imagine you are living in the early 1930's. One of the most significant items in your living room is a radio. In fact, it's the focus of the family's attention on most evenings. In addition to music and news there are many comedy and drama series such as "Fibber McGee and Molly", "The Life of Reilly", and "The Shadow". More likely than not, your radio is an attractive and rather imposing device prominently located in the living room both for convenience and so visitors can see and appreciate it. The radio band, of course, is only AM. Reception and sound quality are poor and stations are limited.

Now imagine a representative of RCA, the Radio Corporation of America, comes to your town and invites you and your neighbors to a meeting at the local community center. Once everyone has gathered, the leader explains that the company is vitally interested in developing the next generation product. This will be a brainstorming session to collect the "voice of the customer" to assure that the new product will meet your "unmet needs." Normal brainstorming rules apply; no idea is a bad one, no criticism allowed, etc. What results might be expected?

I've actually tried this exercise on some of my university classes and, even though my students are living in the 21st century, their responses were almost universally those that might have been expected 80 years ago...

- Better reception
- Better sound quality
- More stations
- Easier tuning
- More attractive cabinet design
- Different wood species
- Etc., etc. etc.

Only <u>once</u> did any of my students say they wanted a picture on the front so they could <u>see</u> what was happening! And, of course, unlike our fictitious panel of yesterday, my students <u>knew</u> about television!



My message is this... If your idea of collecting "voice of the customer" is asking folks what they want, it's highly unlikely that you'll get anything more than incremental improvements to what already exists. Granted, those improvements may be necessary to keep your current offering viable in the face of competition but more is needed to propel your company to the next level.

Continued...

Team or Committee?



Like many of you, I've worked on and with both teams and committees for decades. For the past several decades I've had oversight responsibility for teams engaged in new product development. It has always frustrated me when people referred

to these groups as committees. Why? Because committees and teams have very different objectives and methods of operation.

Think of any committee you've known. Chances are good that it was created to <u>exercise control</u> over something. It's also likely that the membership was somewhat homogeneous and that all members were empowered to vote on any given subject. Now, think of a team. I'm guessing it was created to <u>get something done!</u> These two objectives are, in fact, often in direct conflict.

Continued...

Radio (cont.)

In their absence, who among us would have suggested the development of the television, the home computer, the cell phone, the DVR or any of the other ubiquitous products around which our lives revolve?

In order to develop truly innovative, commercially successful products, you must interpret the term "Voice of the Customer" more broadly. It must be aimed at learning about the customer's life. What is important to her? How does she use the types of products that you sell? What frustrations does he have with the product? How has he modified the product to better serve his purposes? The list goes on but hopefully you grasp the idea; if you understand the customer, you can often

discover a "need" that she did not even know she had! When you fill that need, both you and your customers will benefit.

Teams (cont.)

More significant than the semantics is the reality that many teams <u>act</u> like committees in that they vote or seek consensus, even when some members clearly have expertise in certain areas while others do not.

Some years ago, I happened to be sitting in an airport waiting lounge as I was preparing a presentation on teamwork. I reflected on the flight crew and others who would work together to get me and others safely to our destinations. Is such a group a team or a committee? Do I want it to operate by voting or consensus or do I want it to rely on its experts? Should the ground crew make the weather predictions? Should the flight attendant decide whether a forecast thunderstorm presents a threat? Sure, it's OK for the baggage handler to opine, "Gee, those clouds look scary!" but then he's out of it; someone more qualified needs to make the go/no-go decision.

Don't let your NPD teams work like committees. Allow anyone to voice an opinion but then expect everyone to support the decisions of those most qualified to make them.

Our Offering

Assessment - "Prescription without diagnosis is malpractice." We will work with you to assess your strategy, culture, people and process and to create a plan to build on your strengths and mitigate your weaknesses.

Process Development - Based on core methodologies and an assessment of your realities, we will work with you to create a process that gives you an appropriate level of control while minimizing unproductive and dispiriting red tape. We also offer customizable templates and tools that greatly facilitate the process by reducing workload and improving communication.

Education and Training - Once a process has been developed, we can provide both education and training; the former to develop understanding of the principals and the latter to develop understanding of how the game is to be played. If needed, we can also do training in team dynamics to assure that your teams are working collaboratively.

Discovering Customer Needs - Asking customers what they want is necessary, of course, but it only scratches the surface. Understanding of customer needs involves intimacy between key developers and customers at all levels in the distribution chain. We can help you discover a methodology to delight your customers by solving problems of which they were not even aware.

Oversight - It is only in the heat of a real project that you will discover what works and what does not. We can work with you through a project or two, meeting periodically with members of both executive and project teams, to refine the process to your satisfaction.

J. H. Welsch Consulting, L.L.C.
Phone: 570-351-1722
Home: 570-842-2715
e-mail: info@jhwelsch.com
www.jhwelsch.com/npd

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