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Mark Thomas,

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Fixing positive change

Creating an efficient corporate culture with a piece of string, a hammer and a bell

Mark Thomas

Mark Thomas is a Professor of Strategic Management based at Grenoble EM, Grenoble, France.

What do a long piece of string, a hammer and a bell have in common? The answer is that they can be found in three of the world's most successful companies and have had an impact on positive change of the corporate culture. This article will outline how tangible objects can encourage more efficient working practices and how they can be powerful tools for leading change within an organisation.

Toyota's *andon chord* empowering workers

One company that clearly understands this is Toyota. The Japanese car manufacturer has been credited for changing many practices in the car industry. First time visitors to Toyota, more used to more traditional factories, might be surprised though to see a long piece of rope suspended at head height all the way along the production line. This is known as the *andon chord*. By pulling it anyone can shut down the entire plant and employees are encouraged to do just that when they see a problem.

This is a radical change from the system built by Henry Ford where each small team or individual at each part of a plant would be responsible just for their task. At the end of the line, a quality control check would be completed. Cars with defects were then moved to a separate part of the factory to be repaired or even rebuilt. This system had its merits but the down side was the natural tendency to ensure that the production line kept moving even if there was a systemic problem. Responsibility to specific tasks prevailed over responsibility to the quality of the final product.

Toyota revolutionised this system. Pulling the *andon chord* signals the problem to the entire factory. It is then dealt with immediately and at source. This is a strong indication to employees of their duty to the final product and the role they have in achieving this. It is also a radical change in the culture between management and front-line workers which has traditionally been very poor in the industry due to a "them" and "us" mentality. Assemblers at Toyota are encouraged to seek out problems and stop production when necessary. This gives them the same power as senior managers and leads to greater commitment to their work. Although it has not eliminated the challenges in making cars, Toyota has been able to avoid the traditional struggles between management and unions that had dogged the industry for generations. It has become the world's largest car manufacturer in the process. Harvard Business School professor, [Raman \(2013\)](#), even goes so far as to describe the company as an example of a firm that gets "ordinary people to do extraordinary things".

A sledgehammer to enforce quality at Haier

A more dramatic symbol is the sledgehammer prominently displayed on the wall at Haier. It is also a symbol of their commitment producing quality products. Today, the Chinese firm

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is the largest manufacturer of white goods and appliances in the world. It has not always been like this.

Until the 1980s, Haier had a reputation for producing poor-quality goods in run-down factories. In 1985, shortly after his arrival, chief executive officer Zhang Rumin, discovered that there was a 20 per cent failure rate in production. In need of a dramatic change, he had sledgehammers distributed to the workers and made them smash up 76 fridges in full view of employees from the entire company. One of the hammers remains on public display today. This is a stark reminder of the culture of quality they have developed. With revenues close to \$30 billion in 2013, Haier has proved its ability to drive through positive change but keeps the hammer as a sign of what it has achieved and of its enduring commitment to excellence.

A tiny bell in Silicon Valley

A more discrete symbol is the small bell that sits on the large table of the Silicon Valley based firm, IDEO. The company is regarded as being one of the most innovative design companies in the world. It has created hundred of new products including the world's first mouse for Apple and became famous by redesigning a shopping cart in just two days for an *ABC Television* news report (ABC Niteline, 2009). IDEO is so well known that today the chief executive officer, Tim Brown, is able to cheerfully assert that they have a lower acceptable rate of applicants than Harvard Business School (Thomas, 2013). Indeed, the company has been the subject of several case studies from the same prestigious institution.

Running such a successful design company requires the ability to generate a massive quantity of innovative ideas. At IDEO, this is done in part through brainstorming sessions with groups of highly eclectic teams. Once elicited, the ideas are then posted up on the walls of the open plan office and discussed. However, even IDEO has found that the temptation to criticise other people's ideas before they are completely formulated is hard to resist. Human nature, it would seem, really does like the status quo. Hence the bell.

During their discussions, IDEO actively encourages its employees to come up with "wild and crazy" ideas but has a strict policy that these should not be criticised in the initial phases of the design process. Any person guilty of breaching this rule "gets the bell." The project leader will give a small *ding* to tell the detractor that they are out of line with one of the core values of the company. This is more than just a gimmick. It is a gentle but very powerful reminder that the foundations of IDEO's business model are based on employees discussing radically new ideas in an atmosphere of trust and encouragement. This contributes to the long-term sustainability of the company and the bell is a symbol of this.

Symbolising values with objects

Most companies talk about the importance of having a winning corporate culture. However, they often find it challenging to define. As Gerstner (2003, p. 182), former CEO of IBM, points out, "that's because [. . .] most of the really important rules aren't written down anywhere". Mission statements and normative company values hung on office walls are fine, but the vast majority of employees, whatever their level in the firm, are incapable of accurately reciting them.

Objects, by definition, are very real and what they represent stays fresh in people's minds over time. It might seem strange to denote core values through such things as a long piece of rope running through a factory, a sledgehammer attached to a company wall and a small bell that is occasionally rung in meetings. Chosen carefully, however, and with real meaning behind them, those objects can be very powerful symbols that have a lasting impact on corporate culture and can encourage positive change within the organisation.

Keywords:

Change management,
Corporate culture,
Toyota,
Haier,
IDEO,
Symbols

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