

# Cadillac quality honored

**F**OURTEEN INCHES high, weighing in at about 20 pounds and bearing the seal of the President of the United States, the 1990 Malcolm Baldrige National Quality Award sits in the offices of Cadillac Motor Car Division, the only automaker to capture the award in its three-year history.

"We're in a fishbowl," said Rosetta Riley, Cadillac customer satisfaction director. "We raised expectations and the world is looking at us. We now know that our processes and systems are right. Our product improvement has been tremendous in the past five years, but still there is lots of work to do in order to get our cars to world class in every respect."

In October, Commerce Secretary Robert A. Mosbacher announced the four winners of the 1990 Malcolm Baldrige National Quality Award for excellence in quality management: Cadillac Motor Car Division (Detroit) and IBM Rochester (Rochester, Minn.) in the manufacturing category; Federal Express Corp. (Memphis) in service; and Wallace Co. Inc. (Houston) in small business.

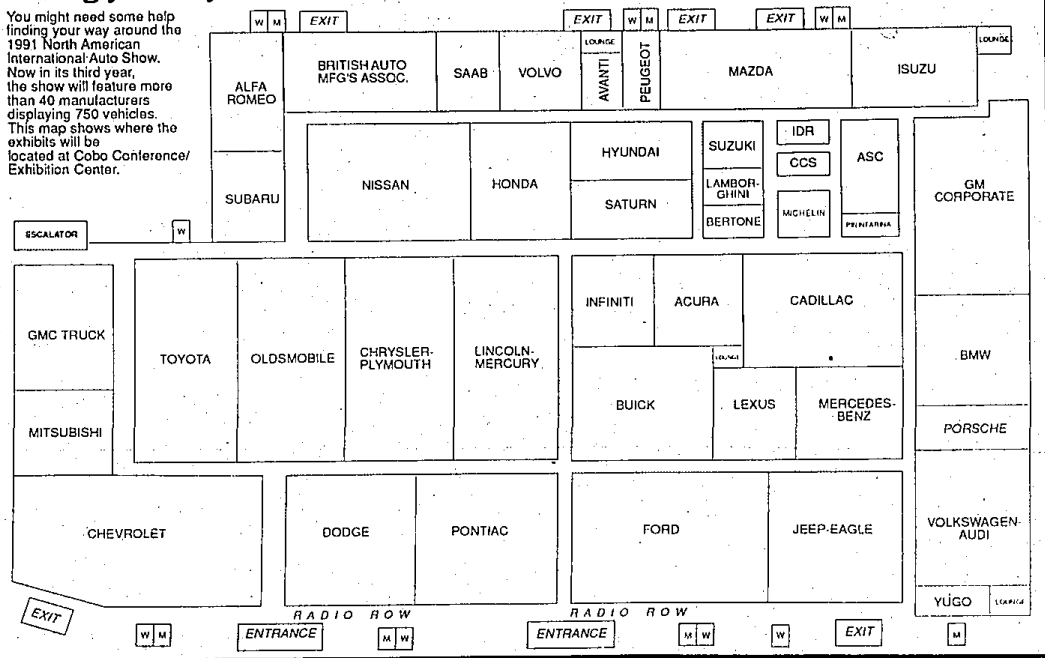
"When President Bush said in this year's State of the Union address, 'Made in the U.S.A. is recognized around the world as the symbol of quality,' he made clear the importance of quality to our economy. Quality is the key to increasing our exports around the world and to a strong economy that assures job growth," Mosbacher said in October.

"The winners of this award have made quality improvement a way of life. Quality is their bottom line, and that kind of can-do attitude makes for world-class products and services."

THE CADILLAC Motor Car Division, headquartered in Detroit, was founded in 1902. It is the flagship division of the General Motors American Automotive Operations. In 1990, sales of nine models are projected to total 305,525 units and generate \$7 billion. The company employs 10,000 workers. In the domestic market, accounting for nearly 99 percent of sales, cars are sold through a network of 1,600 franchised dealerships.

## Finding your way

You might need some help finding your way around the 1991 North American International Auto Show. Now in its third year, the show will feature more than 40 manufacturers displaying 750 vehicles. This map shows where the exhibits will be located at Cobo Conference/Exhibition Center.



A GIRALT BEDFORD/Observer & Eccentric

The Baldrige award, named after the late secretary of Commerce in the Reagan administration, was signed into law in 1987. There can be two winners in each category, but only nine awards have been given since the award's inception. The 1990 competition drew 167,000 application requests but only 97 companies completed them and just six made it to the finals in the manufacturing category.

Dr. Curt Reimann, Malcolm Baldrige National Quality Award program director, said, "The limited number of awards given so far sends a clear signal to everyone involved that the standards are absolute standards and not relative standards."

How Cadillac came to be in the running for the Baldrige award is really the story of Cadillac's resurgence during the last five years. To John Grettenberger, Cadillac general manager and GM vice president, the award is the "validation of our hard work as a dedication of our goals of quality, customer satisfaction and continuous improvement."

CADILLAC STRUGGLED with the downsizing of its cars in the middle 1980s, the difficult birth of its high tech Detroit-Hamtramck Assembly Center and the residual fallout from the closing of the Fleetwood-Fisher Body and Clark Street assembly sites. "They were

very hard years," Grettenberger said. "We had to find new ways of operating our business."

The "new ways" were three critical strategies implemented to transform Cadillac:

- A cultural change where teamwork and employee involvement are considered a competitive advantage.
- A focus on the customer, with customer satisfaction the master plan and quality both the strategy and the solution.
- A more disciplined approach to planning that focuses all employees on the quality objectives.

For the past four years, the independent research firm of J.D. Power and Associates named Cadillac the best domestic nameplate for overall customer satisfaction. Quality improvements have led to a 30 percent reduction in warranty costs over the last four years.

THE STORY of one of Cadillac's nearly 10,000 employees is a real illustration of just how dramatic the changes have been. Bill Howey, who celebrated 26 years with GM, calls "the first 20 years terrible, the last six, terrific, unbelievable."

In 1984, Howey left Fleetwood-Fisher Body for Detroit-Hamtramck to join an assortment of employees from a variety of United Auto Workers locals. While a General Assembly worker in pinstripping, Howey began taking classes in teaching group dynamics, and from there began studying problem-solving processes. Many's the night,

he says, that he had what he calls "evening opportunities — homework."

At Detroit-Hamtramck, initially, there was a major cultural barrier. Employees had come in from Fleetwood, Clark Street, the Conner Street Metal Stamping Plant and Livonia Engine. "Things weren't done the way they were done in the old plants," Howey said, "and it took a good 18 months for teams to really get their acts together."

By late 1986, Howey went to Detroit-Hamtramck's final process area as a team leader. The cultural change was becoming apparent by this time; Howey was gaining responsibilities. He calls it like "somebody turning the light on."

NOW TEAM leader for the World Class Quality Council, a plant liaison group composed of high seniority UAW employees, Howey was privy to some of the feedback last year when Cadillac applied for the Baldrige award, secured a site visit but did not capture the trophy.

"The examiners told us we were putting Band-Aids on some of our problems, that there had to be more of a plant-customer connection," Howey said.

"We worked with Rosetta Riley and came up with a program whereby we in the plant began making calls to new owners of Eldorados, Seattles and Atlantes (the Cadillacs built at Detroit-Hamtramck) who had not turned in their Gold Key customer satisfaction surveys after three months of ownership."

The information they learned by talking to the new owners was fed back into the system, Howey said, and "we closed a very important loop."

The loop between employee and customer closed even further when teams of hourly and salaried employees began working the auto show circuit, talking to customers and potential customers in a very positive way.

EDWARD CZAPOR, vice president and group executive corporate quality and reliability, says a Baldrige Award Selection Team is being created to assess the merits of interested GM business units on their potential application. The corporation is focusing on having a candidate in the Baldrige competition every year.

Czapor also points out that "based on the feedback from our past GM applicants, every organization completing a self-assessment against the Baldrige examination criteria has greatly benefited from the experience."

Dr. B. Joseph White, interim dean of the University of Michigan Business School, and a member of the Baldrige Board of Examiners, predicts this will be an interesting year for Cadillac.

"While winning the Baldrige award is a great honor and achievement for Cadillac, it also raises customer expectations about Cadillac quality. Cadillac now is challenged to meet and exceed these very high customer expectations in their product and service quality."

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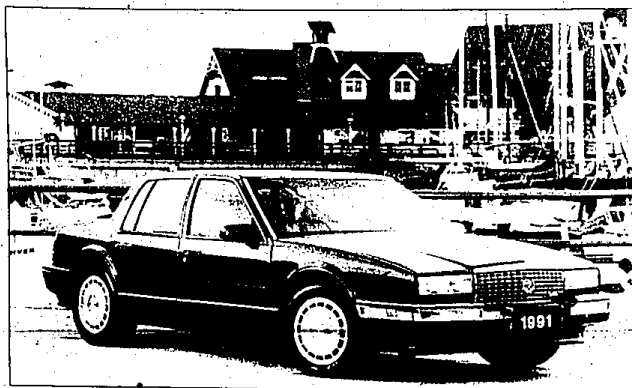
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**MILFORD**



This is the 1991 Cadillac Seville Touring Sedan.

## Concept cars reflect American dream

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body from the molds," said Bill Clark, special projects vice president.

"Then the interior is modeled and the interior is fitted. Some of the cars use full trim, others don't. Often we have working headlamps and taillamps and an instrument cluster."

"Actually, you don't get too much out of a drivable vehicle, and you can run up a lot of cost. One exception is the FPG pure cars, which lead off major race series; developed with a special body on an

existing chassis."

CONSTRUCTION of a concept car usually is squeezed between the end of a model year and the beginning of the show circuit in January.

That puts enormous pressure on the companies producing the cars, which normally are completed just as the show is opening. At last year's show, one major display slipped from the pedestal the night before the show opened, but was repaired and reinstalled before the curtain went up.

If the test of a future car is whether you ever see it in the future, most fail the test. Part of the reason is that there are serious problems with some favorite styling concepts. Bubble tops, for example, are difficult to make without distortion, bring in an enormous amount of heat, and always let the rain in on your head as soon as they are opened.

Regardless, bubble tops remain a styling favorite on concept cars, guaranteeing that that particular vision of the future will never come to pass.