While a doctoral student at Harvard Business School, Steve Spear was mentored by Professor Kent Bowen, someone completely committed to the scientific method of robust theory development. The two decided that Spear should discover the causal source of Toyota’s unmatched success. Companies that replicated the easily-observed characteristics of Toyota — the seemingly mechanical tools of “pull” scheduling, set-up and changeover time reduction, and other popular devices — did not improve as fast as Toyota. The true cause of Toyota’s success remained a mystery.

Spear’s research, heavily utilizing personal hands-on experience in organizations, led him to far-reaching findings, summarized in a 1999 Harvard Business Review article. “Decoding the DNA of the Toyota Production System,” which Spear and Bowen co-authored, described four “rules in use” at Toyota that were not easily observable but were inherent to the management and operations of the company. Those rules concerned how to design and operate processes, and emphasized that immediate and widespread problem solving using the scientific method was crucial.

Committed to the scientific method that both Bowen and Spear’s experience at Toyota had fostered, Spear knew he was not finished. To test his theory about those four rules, he had to find out if commitment to those rules would enable organizations in other arenas to improve much more quickly and effectively than their competitors. A theory is not valid because one example was found. It becomes valid through being tested.

So Spear set out to see if his theory of the rules applied in widely diverse settings, ranging from Alcoa to the noncommercial Navy Nuclear Power Propulsion Program, to healthcare. The result: Chasing the Rabbit, a description of the theory of causal factors that differentiate high-velocity organizations from the organizations that struggle behind, and insightful sharing of the stories that refined it through the validation process.

Chasing the Rabbit describes two characteristics and four capabilities that are the causal factors differentiating high-velocity organizations from the rest of the pack.

**The Two Characteristics**

1. Functional competence is important and continually developed, but of equal importance is the focus on how those competencies support the processes of which they are a part. The structure of these organizations supports, and in fact requires, that intertwined priority.

2. With the complementary focus on technical excellence in support of processes, speed becomes possible through an unwavering commitment to see, understand, and solve problems.

**The Four Capabilities**

1. The best organizations want all workers at all levels to have explicit knowledge of the currently best known way to accomplish any work, and built in to that method the ability to immediately recognize any process failure. Ambiguity on what is to be done and what result is expected limits opportunities for learning, and is to be avoided.

2. Creating visibility for problems, immediate swarming of resources to identify the root
cause and countermeasure of any problem, and use of nothing less than the scientific method in executing that problem solving is fundamental behavior.

3. Understanding the reasoning and the process behind development of the specific countermeasure to eliminate a specific problem, and capturing the gained knowledge in a way that enables others to benefit, enables high-velocity organizations to build on cumulative experience and knowledge rather than individual exposure.

4. Leaders of Rabbit organizations recognize the importance of creating an organization skilled at learning. They are passionate about developing in their employees the ability to see, examine, and drive out problems, along with the understanding that using those skills is a basic responsibility. Through this commitment, leaders distribute improvement skills throughout the organization, fueling a pace of improvement and enhanced learning that separates them from the rest.

Just as understanding the HBR “…DNA…” article took several readings for most people, this brief summary of Spear’s theory is unlikely to clarify for you exactly what to do differently tomorrow to become a high-velocity organization. However, in Chasing the Rabbit, Spear does a good job of providing examples of what works, along with examples of what doesn’t, and explains the distinctions in a way that is helpful.

Tedious in places, interesting in most, Chasing the Rabbit is must reading for leaders who aspire to lead great organizations, and those who truly mean “our people are our most important resource.”

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