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This document discusses the implementation of TQM by Defense Depot Memphis. It includes the depot mission statement, guiding principals, improvement goals, implementation strategy and milestones.

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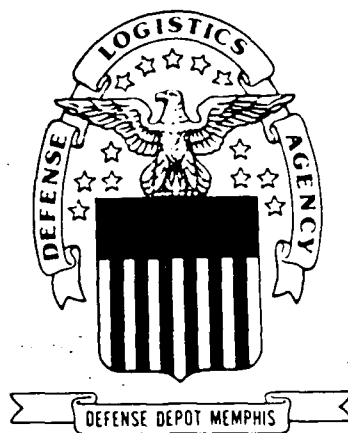
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# TOTAL QUALITY MANAGEMENT IMPLEMENTATION PLAN

DEFENSE DEPOT MEMPHIS

JULY 1989



COMMITMENT TO EXCELLENCE

## A Message from the Commander

The Defense Depot Memphis, Tennessee (DDMT) Total Quality Management (TQM) Implementation Plan is a point of departure for visualizing and inventing the future for DDMT. Leadership, management, work and life styles will take on new meanings as we adjust to a continually changing work environment where change is the norm. We are talking about changes in attitudes and habits.

Total Quality Management is not a panacea for correcting ills because we are not sick. However, it provides a non-traditional approach for viewing, improving and managing our work processes. The application of TQM philosophy unleashes the energy of our people, creates new ventures and identifies more efficient ways of doing our jobs. The vision of where we want to be and expected outcomes is more clearly defined. Goals then become more realistic and achievable. Employment of TQM principles allows us to manage change and not be controlled by it.

At the very heart of Total Quality Management are our people. Continuous investment in their skills and knowledge and allowing them to participate in decision making will yield long-range benefits for the customer, the Depot and each individual. This commitment will ensure continuous quality support to our Armed Forces.

Top management must lead the way in this Total Quality Management journey. I accept the challenge with full commitment and enthusiasm. I expect and encourage each of you to join me as we make the transformation to a Total Quality Management environment.

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James. M. Johnston  
Colonel, USAF  
Commander

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# **I. Philosophy**

**Background**

**Total Quality Management In  
The Department Of Defense**

**Total Quality Management In  
The Defense Logistics Agency**

**Total Quality Management At  
The Defense Depot  
Memphis, Tennessee**

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## PHILOSOPHY

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### BACKGROUND

The concept of Total Quality Management (TQM) springs from Dr. W. Edwards Deming's approaches to improving the processes which lead to continuous improvements in the quality and productivity of products and services provided to customers. Dr. Deming's success is best reflected in the gigantic accomplishments made by the Japanese industry. Japan's penetration of world markets has been steady and appears to be growing or at least sustaining its high level of performance. Japan gives considerable credit to Dr. Deming for its industrial successes.

Management is responsible for the success of the organization. Many managers think that only minor changes will solve quality and productivity problems. There are numerous productivity programs available, most of which avoid the recognition of management's responsibility to change the system it operates. Dr. Deming asserts that 85 per cent of all the problems of an organization belong to the system, which only management can change, and only 15 per cent of the problems can be solved by the workers. If this is true, and there is sufficient evidence to support this premise, significant gains in quality-productivity will come only if and when there is a change in management styles and methods. Dr. Deming's "85 per cent" is summarized in the following way by W. W. Scherkenbach, Director, Statistical Methods Activity, Ford Motor Company:

*"Management's job is to lead in the examining of every management system, style and operating precedent in effect to determine if it supports or inhibits continuing improvement in quality and productivity."*

This doesn't mean dismantling existing systems but rather installing a systematic approach to looking at all processes, building on the good aspects and establishing new, efficient methods. It also includes getting rid of dumb, inefficient practices which don't contribute value to the products and services provided to our customers.

Concepts on how to improve quality-productivity and TQM have given birth to a totally new industry. There is no shortage of vendors with ideas and plans to sell "the best package." In our quest for TQM implementation, we are chartering a deliberate, company-fitted course based on the vision we corporately share for the Defense Depot Memphis. The DDMT TQM Implementation Plan is a living document. We have established goals, strategies, specific tasks and milestones to keep us on track. However, the plan is sufficiently flexible to accommodate changes in methods without distorting the vision.

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## **PHILOSOPHY**

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### **TOTAL QUALITY MANAGEMENT IN DEPARTMENT OF DEFENSE**

TQM is a DoD initiative for continuously improving performance at every level and area of DoD responsibility. Improvement is directed at satisfying broad quality, productivity, cost and schedule goals, and at modifying management techniques. TQM brings together existing improvement efforts and specialized technical skills under a disciplined structure focused on improving all DoD processes. It demands commitment and discipline. It involves everyone. Increasing user satisfaction is the overriding Total Quality Management objective.

### **TOTAL QUALITY MANAGEMENT IN THE DEFENSE LOGISTICS AGENCY**

The Defense Logistics Agency fully supports DoD's TQM initiatives for continuous improvement at every level. The DLA TQM Master Plan serves as the foundation for the implementation of TQM within the Agency.

DLA stands to realize major gains from the implementation of TQM throughout the Agency. As a Quality Buyer, a substantial portion of these gains will be found in the products and services we acquire from industry.

We will work toward ensuring that our suppliers embrace the principles of TQM. Our outreach programs will be oriented to encourage industry to adopt TQM and to guide industry by example in furthering TQM principles, practices and philosophy. DLA will be universally recognized as a "World Class" logistics support activity.

We do not intend to abandon the many productive and innovative improvement programs already developed and working throughout the Agency. On the contrary, ongoing programs will be enriched through renewed emphasis under the TQM umbrella.

DLA productivity improvement initiatives pursuant to Executive Order Numbers 12552 and 12637 will enjoy renewed focus under the TQM umbrella. Some other initiatives under TQM include: Competition for Performance, Statistical Process Control (SPC), automated data processing modernization programs, Success Sharing, the Model Installation Program and the Management Improvement Program.

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## PHILOSOPHY

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### TOTAL QUALITY MANAGEMENT AT DEFENSE DEPOT MEMPHIS

The Defense Depot Memphis, Tennessee (DDMT) fully supports the DoD and DLA TQM initiatives for continuous improvement at every level and in all areas of responsibility. DDMT's TQM Implementation Plan is a supplement to the DLA TQM Master Plan and will serve as the operating plan for our Depot.

DDMT has embarked on a Depot-wide initiative to implement long-term improvement in quality and productivity. This initiative will be realized through the application of TQM philosophy and methodology. This plan provides us an approach to achieve the goals identified in the DLA TQM Master Plan.

TQM is not just another program. It is a philosophy which will be embedded as the way of life at DDMT. Adopting this philosophy will require a cultural change in the way we live, think and do business. We will nurture our environment to accommodate this change. We will also adopt new concepts, tools and techniques that must become instruments for this change.

We do not intend to abandon the many productive and innovative programs already developed and working throughout this Depot. On the contrary, ongoing programs will be enriched through renewed emphasis under the TQM umbrella.

This plan recognizes the importance of decentralizing TQM planning and execution. TQM can and must begin at all levels of employment. We welcome ideas and initiatives. We also recognize that the major TQM benefits will be accrued at the working level.

The DDMT TQM Implementation Plan provides an approach to achieve the broad goals identified in the DLA Master Plan. It also describes direction for achieving specific goals which relate to mission accomplishment at DDMT. TQM is a journey that we all must take together. There is no final destination. There will never come a time when we can stop, quit or say, "we are there." TQM is a never-ending adventure. We will promote TQM as a way of life throughout this installation.



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## PHILOSOPHY

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### PURPOSE/GOAL

The TQM Implementation Plan is the DDMT road map to achieving the vision of being the most effective and efficient depot in providing products and services to our military forces.

### OBJECTIVE

Our primary objective is to put in place those processes which promote continuous improvement in the quality of support provided to our customers. Specific responsibilities and dedicated resources are delineated to instill TQM principles as a way of life, both for internal and external customers.

### SCOPE

This plan involves all personnel of the Defense Depot Memphis and invokes the commitment, involvement and dedication of each individual. These functions include:

|                   |                       |                |
|-------------------|-----------------------|----------------|
| Comptroller       | Quality               | Security       |
| Personnel         | Installation Services | Public Affairs |
| Distribution      | Telecommunications    | Counsel        |
| Safety and Health | Internal Review       |                |

The TQM Implementation Plan complements and enhances the Defense Depot Memphis Strategic Integrated Logistics Master Plan, which gives long-range, broad directions for specific subordinate plans. It provides a mechanism for breaking down traditional barriers and crossing organizational lines to achieve Depot goals. The TQM Implementation Plan is the "umbrella plan" because it:

- builds and sustains a culture committed to continuous improvement;
- focuses on satisfying customer needs and expectations;
- requires dedication, commitment and participation from top DDMT leadership;
- involves every individual in improving his/her own work processes;

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## **PHILOSOPHY**

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- creates teamwork and constructive working relationships;
- recognizes people as the most important resource;
- employs the best available management practices, techniques and tools.

## **ORGANIZATION RESPONSIBILITIES**

An organizational structure outlining specific responsibilities has been established. Individual and group tasks are defined and milestones set to track our TQM process.

## **LEADERSHIP**

Leadership is vital to successful TQM implementation. It transcends management in that it establishes the basics for direction and focus. Being the most effective and efficient depot must be clearly visualized by our leaders. This leadership is visible and consistent throughout the organization and is evidenced by allocation of time, people, money, equipment and facilities to secure mission goals.

## **II. Definitions**

**What is Quality?**

**Operational Definition of Quality**

**What is Total Quality Management?**

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## DEFINITIONS

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### WHAT IS QUALITY?

A peculiar and essential character; a degree of excellence. --N. Webster

Conformance to requirements; non-quality is non-conformance. --P. B. Crosby

Fitness for use. --J. M. Juran

Consists of the capacity to satisfy wants. --C. D. Edwards

**Quality** is never an accident; it is always the result of high intention, sincere effort, intelligent direction and skillful execution; it represents the wise choice of many alternatives.

**Quality** is free, but it's not a gift. The actual cost of quality is the expense of doing things wrong. The execution of quality is the obligation and opportunity of our management and employees.

### OPERATIONAL DEFINITION OF QUALITY

The **RIGHT** materiel in the **RIGHT** quantity and the **RIGHT** condition to the **RIGHT** place at the **RIGHT** time for the **RIGHT** customer at the **RIGHT** cost.

### WHAT IS TOTAL QUALITY MANAGEMENT?

The Total Quality Management (TQM) concept is based upon the pioneering work of Dr. W. E. Deming, Dr. Joseph Juran, Phillip Crosby and others.

#### TQM:

- is a systematic process for improving products and services;
- is a structured, disciplined approach to identifying and solving problems;

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## DEFINITIONS

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·is a participatory work style, conveyed by management actions and commitment, which harnesses the creativity and ideas of all employees;

·is a road map to continued improvement;

·combines fundamental management techniques, existing improvement efforts and specialized technical skills under a rigorous, disciplined structure focused on continuously improving all processes;

·relies on people and involves everyone.

Quality management is a systematic way of guaranteeing that organized activities happen the way they are planned.

### **III. MISSION STATEMENT**



DEFENSE LOGISTICS AGENCY  
DEFENSE DEPOT MEMPHIS  
2163 AIRWAYS BOULEVARD  
MEMPHIS, TENNESSEE 38114-5000



IN REPLY  
REFER TO

DDMT-D

15 September 1988

SUBJECT: DDMT Letter No. 88-3, Quality-Productivity Policy  
Statement

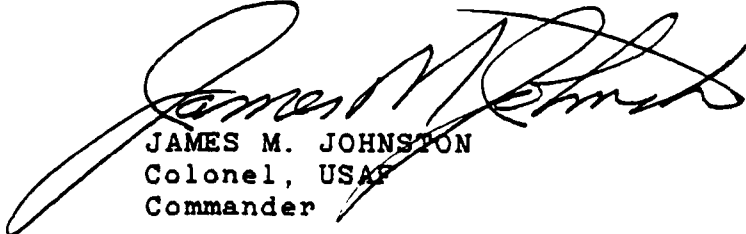
TO: All DDMT Employees

1. Defense Depot Memphis is a major field activity under the Director, Defense Logistics Agency. Our mission is to receive, store and ship materiel to our customers. We are to provide effective and economical support of assigned common supplies and services to the Military Departments and other DoD components and federal civil agencies.

2. How we are to accomplish this mission is contained in the following DDMT Quality-Productivity Policy Statement:

"Provide exactly the supplies and services our customers have a right to expect. . . . Satisfy these requirements on time, every time."

3. This is our commitment to our customers and to ourselves. This policy applies to all DDMT employees and will be enforced throughout the Depot.

  
JAMES M. JOHNSTON  
Colonel, USAF  
Commander

## **IV. GUIDING PRINCIPLES**



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## GUIDING PRINCIPLES

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### DEFENSE DEPOT MEMPHIS, TENNESSEE

#### TOTAL QUALITY MANAGEMENT GUIDING PRINCIPLES

The goal of Defense Depot Memphis is to be the premier Department of Defense agency in support of our nation's defense. We are committed to continually improving our primary mission of receiving, storing and shipping supplies to support our military forces and other federal agencies.

**People are our greatest asset, the strength of the Depot.** Each of us is a part of the process which provides products and services to our customer. Each of us can help improve the process and affect the quality of output and ultimate customer satisfaction. We will nurture an environment of trust which encourages creativity, fosters innovation, embraces superior accomplishments and assures individual dignity and self-respect.

**Teamwork is our way of life.** We are all members of the team who treat each other with trust and respect. We value different views, backgrounds and experiences and will use the best of these resources to develop and perform at the peak of our abilities.

**Customer satisfaction is a right.** We will provide exactly the supplies and services our customers have a right to expect. Satisfy these requirements on time, every time. We will emphasize the customer approach to working with others, both internal and external to the Depot. All work is done with the customer in mind.

**Quality of our products and services comes from the excellence of our people.** Each of us is a customer for work done by other Depot employees. We expect quality work from others, and we have an obligation to supply quality effort/product to others. We will improve the quality of what we do because better quality improves mission performance, increases productivity and reduces cost.

**Continual improvement is essential to our success.** This demands a profound knowledge of our work processes in a constantly changing work environment. We will maintain a relentless pursuit of continuous improvement through investments in work force development, innovations and quality of life for our people.

Our success is measured by this Depot's ability to support the readiness and sustainability of our Armed Forces to protect home, family and country.

## **V. KEY ELEMENTS**

**CUSTOMERS**

**PEOPLE**

**PROFOUND KNOWLEDGE**

**PROCESS ANALYSIS**

**MEASUREMENT**

**CONTINUOUS PROCESS  
IMPROVEMENT**

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## KEY ELEMENTS

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Successful implementation of TQM requires consistency of purpose, which must be oriented toward identifying our customers, both internal and external; recognizing our employees as our most important resource; achieving continuous process improvement by empowering our employees to use their profound knowledge to make improvements; and utilizing process analysis and measurement of data to identify problems and solutions.

### CUSTOMERS

Everyone has a customer, whether our customers are co-workers, bosses, organizations, activities or Soldiers, Sailors, Airmen and Marines. Our customers deserve to receive exactly what they requested and we promised to deliver.

Both parties in the customer/supplier relationship must work together to ensure that needs and capabilities are correlated accurately, completely and timely.

DDMT's TQM effort requires a close customer/supplier relationship and the flexibility to achieve continuous improvement in order to focus future direction and establish future goals.

### PEOPLE

The largest and most valuable investment is our people. Our employees provide the knowledge and experience on which the Agency relies. The success of TQM throughout DDMT necessitates the active involvement of every individual working for the Depot. Each member of the DDMT family is personally responsible for developing an attitude that encourages ownership, pride in performance and constructive change; identifies opportunity; and stimulates innovative ideas for continuous improvement.

Training, team building and work-life enhancements are important elements in creating an environment in which our people can grow and gain experience.

Management is responsible for creating an environment which values all individuals and encourages the trust which allows open communication and permits change because employees perform like the attitude of management. People have been conditioned to believe error is inevitable, but there is absolutely no reason for having

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## KEY ELEMENTS

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errors or defects in any product or service. Attitudes are really what it's all about, and changing mind sets is the hardest of management jobs.

Employee involvement will be actively sought in our quest to upgrade the quality of the products and services DDMT buys, produces and provides. At the same time, management must strive to provide leadership by example and upgrade the quality of work life (equipment, rest rooms, break rooms, warehouses, office areas and maintenance), which will also contribute to an environment which fosters continuous improvement. Individual and group efforts will be appropriately recognized for contributions to process improvements, quality of work life and participatory management improvements.

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*The quality of a person's life is in direct proportion to their commitment to excellence, regardless of their chosen endeavor. Every job is a self-portrait of the person who did it. Autograph your work with excellence!*

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## PROFOUND KNOWLEDGE

A basic principle of TQM is that all of our employees have a profound knowledge of each process with which they are involved and that they use that knowledge to promote efficiency and effectiveness. Process knowledge is essential for positive change. Employees must thoroughly understand their processes since positive change is primarily created through process improvement ideas generated by them.

A key component of improving employee knowledge of Depot business and processes is our Workforce Certification Program. This comprehensive initiative is aimed at improving functional skills of Depot warehouse personnel, the majority segment of our work force. Only after every aspect of each process is mastered can analysis, measurement and improvement efforts be implemented.

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*We are what we repeatedly do. Excellence, then, is not an act but a habit.*

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## KEY ELEMENTS

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### PROCESS ANALYSIS

Process analysis is a critical component of the DDMT TQM effort. Many proven management techniques and analytical tools, i.e., statistical process control, using fish-bone charts, histograms, pareto charts, scatter diagrams; group dynamics skills; etc., are available to assist us in process analysis.

By using our knowledge and appropriate statistical tools we can identify potential improvements, beginning with the areas offering the largest return on investment. It is imperative that critical control points be isolated in processes where opportunities for improvement exist. Process variations have many sources which must be considered, i.e., method, misallocation of resources, materiel, equipment, environment, etc.

Process analysis requires the application of disciplined systems. By applying problem-solving techniques, systematic weaknesses and potential, we can identify solutions and determine the impact of alternative solutions. The process improvement cycle can help us in determining whether our processes are within acceptable tolerances.

### MEASUREMENT

Measurement data will be used to determine whether process analysis and improvement techniques are successful. If changes to processes are ineffective, new or revised process changes will be incorporated in the process improvement cycle.

People really like to be measured when the measurement is fair and open. Quality measurement is only effective when it's done in a manner that produces information people can use and understand.

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*While it only takes one bad bit of data in the chain to disturb its effectiveness and accuracy, the only person who makes no mistakes is the individual who never does anything. Do not be afraid of mistakes provided you do not make the same mistake twice. The winner never quits, and the quitter never wins!*

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## **KEY ELEMENTS**

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### **CONTINUOUS PROCESS IMPROVEMENT**

A process is a systematic approach to accomplishing a specific task. Just as everyone has customers, every task involves processes.

Emphasis is placed on preventing defects through detection and process improvement rather than discovering deficiencies through customer complaints. Feedback information from customers will be part of the formula used to build and maintain an improved prevention system.

Whatever the task, most of our people are involved with processes which contribute to DDMT mission accomplishment. TQM will progressively be applied to improve all of our work processes. Employee knowledge, analysis, measurement and unending improvement of work processes are keys to our success in TQM.

## **VI. GOALS**

**A TRAINED WORK FORCE**

**EFFECTIVE COMMUNICATIONS**

**TOTAL EMPLOYEE  
INVOLVEMENT**

**GOOD CUSTOMER/VENDOR  
RELATIONSHIPS**

**RECOGNIZE EMPLOYEE  
CONTRIBUTIONS**

**AN ENRICHED ENVIRONMENT/  
QUALITY OF WORK LIFE**

**TQM -- A WAY OF LIFE**

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## GOALS

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### A TRAINED WORK FORCE

The TQM philosophy recognizes that adequate training is essential for employees to do their jobs. We expect quality performance from all DDMT employees, and we will provide the necessary training to do the job. This includes identifying the appropriate training for each job and the training and education required to advance. Cross-training and rotational assignments will be used as avenues to allow employees to gain the skills and qualifications needed to enter other career fields. We will also encourage and promote self-development by permitting employees to pursue educational opportunities during duty hours. This pursuit of training and education will be a continuous effort, using both internal capabilities and external sources.

### EFFECTIVE COMMUNICATIONS

One of the most valuable benefits of TQM is improved vertical and horizontal communication. Our goal is to break down the barriers of communication between divisions, branches, etc., and to promote teamwork at all levels. The real benefit of communication is that it gets supervisors and employees in the habit of talking positively about quality.

Effective communications will contribute to increased knowledge by providing two-way transfer of information, which will level the playing field for the entire work force. Customer/vendor relations will be improved through the identification of customers and what they want. This understanding will permit a better delivery of products and services.

Maintaining a consistent and meaningful flow of information to the work force on "what's happening" promotes enthusiasm. Informed employees become involved, and involvement creates excitement. A TQM newsletter and spots in the Depot newspaper will be used to publicize success stories, highlight individual and group recognition for achievements, and keep the work force informed on events and future plans.



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## GOALS

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### TOTAL EMPLOYEE INVOLVEMENT

Employee involvement concepts will be implemented at DDMT by training higher management and the entire work force in TQM principles (team building, participative management, group dynamics and related courses). We will achieve continuous process improvement by empowering our employees to make improvements in the processes in which they are knowledgeable. This will be aided by formation of task-oriented teams which cross functional and organizational lines to get a particular job accomplished.

We will actively and continuously seek input from all employees as we identify work processes and look for solutions to problems. Individuals performing the tasks are in the best position to provide remedies to unfavorable work practices.

The basic intent is to eliminate barriers to success, whether internally or externally imposed. By orienting, talking, helping, guiding, badgering and whatever, we will nurture a positive culture where opinions, ideas and plans of all employees are valued.

Employees having a profound knowledge of each process with which they are involved can use this knowledge to enhance productivity and quality. Positive improvement is primarily generated from the ideas of all of us who participate in these processes.

### GOOD CUSTOMER/VENDOR RELATIONSHIPS

At DDMT many different tasks are performed daily by members of our very talented work force. There is at least one customer for every effort expended in the performance of our duties. Whether these customers are internal or external, they expect, and deserve, the best we individually and collectively can provide.

TQM embraces the customer/vendor relationship by focusing attention on providing timely, quality products and services in everything we do. Our customers deserve quality, on-time services. Providing quality products and services on time requires that each of us knows and thoroughly understands each of our customers' needs. We must work together (customer and vendor) to ensure that the needs and capabilities

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## GOALS

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are correlated to the maximum extent possible. These are key features:

- Customer Orientation -- Invite customers to visit the Depot.
- Knowledge of Customers' Needs -- Visit customers.
- Close Customer/Vendor Relationships -- Determine and work mutual concerns.
- Flexibility -- Look for new and better ways to satisfy customers.

## RECOGNIZE EMPLOYEE CONTRIBUTIONS

With the arrival of TQM at DDMT, our recognition system must be modified to promote employee involvement and commitment to quality and continuous process improvement. This recognition system will be flexible enough to satisfy a variety of individual and group initiatives and timely enough so that the recognition is tied to the TQM accomplishment. It is essential that employees be recognized for their participation and contribution to the TQM process which lead to the improvement of work processes.

## AN ENRICHED ENVIRONMENT/QUALITY OF WORK LIFE

Another key goal is the presence of an enriched environment -- a work place that encourages creativity and stimulates employee pride and dedication. Employees want to come to work in an atmosphere where every individual will accept no less than excellence and will continually strive for improvement. Work areas, eating facilities, break rooms and rest rooms must be clean and attractive. Equipment, supplies and furnishings must be sufficient to permit efficient operations.

We must also do away with the traditional adversary relationship between union and management. We are all part of the team; we share a commitment to a strong defense; and we are determined to build and sustain an enriched environment.

The role of the supervisor will change drastically in the new culture. Supervisors, from first line to top executives, need to realize and understand these changes and be committed to learn a different way to deal with subordinates to not only get the job done but continually improve the process and meet customer demands. The old thoughts of managing by intimidation are no longer effective. People are more

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## GOALS

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productive when treated as individuals and not just as workers. Supervisors must master the skill of effectively dealing with people, guiding and encouraging constant improvement in order to help employees meet their full potential. We must include employees fully in the roles traditionally reserved for management.

### TQM -- A WAY OF LIFE

Our ultimate goal for TQM at DDMT is to have it lose its own identity. Even though the TQM journey in itself is ongoing, the principles, training programs and processes directed at the achievement of continuous improvement will become the normal way DDMT conducts its business. The "TQM" label will cease to exist when continuous process improvement is ingrained throughout the Depot as the routine method of operation by every employee at every level.

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*It is a striking coincidence that "American" ends with "I can."*

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## **VII. STRATEGY**

**DEVELOP TQM STRUCTURE**

**DEVELOP A TRAINED WORK  
FORCE**

**IMPROVE WORK PROCESSES**

**NURTURE CUSTOMER/SUPPLIER  
RELATIONSHIPS**

**IMPROVE THE QUALITY OF  
WORK LIFE**

**ENHANCE RECOGNITION/  
REWARD SYSTEM**

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## STRATEGY

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### DEVELOP TQM STRUCTURE

Successful TQM implementation demands a structured, disciplined approach. The TQM structure is consistent with our traditional organizational structure.

The **Depot Commander** is our TQM champion. He is responsible for and totally supports the entire TQM organization. His commitment to TQM is shown through his superior leadership.

The **Corporate Council**, consisting of our directors, establishes the guidance and direction of this Depot. It sets the policy and makes resources available for our TQM effort.

The **TQM Group** is the catalyst of our TQM endeavor. It assists the Commander and the Corporate Council in the implementation of TQM goals. Its members act as facilitators -- coordinating, identifying, training and assisting wherever those efforts are needed in support of TQM.

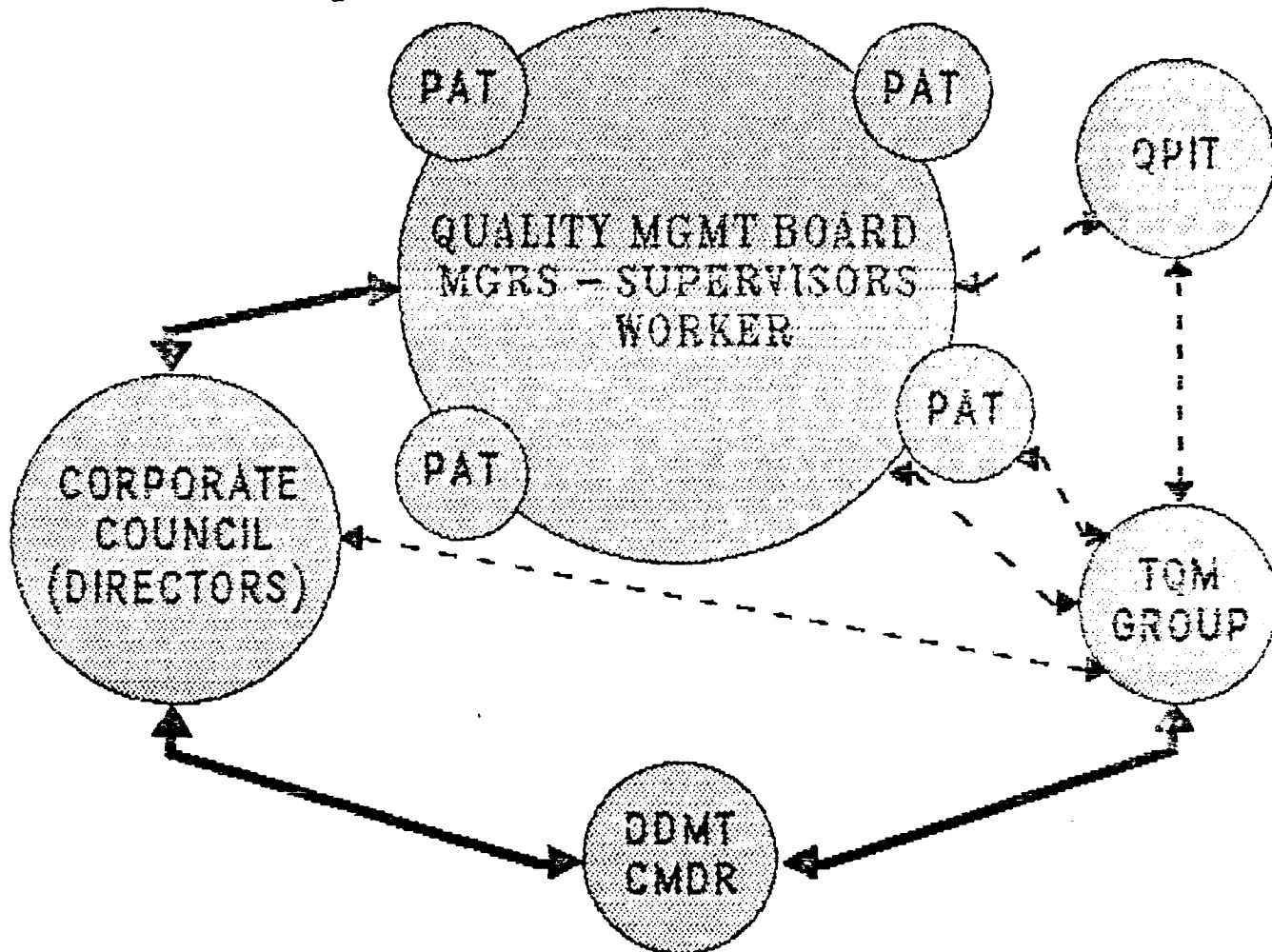
Quality-Productivity Improvement Team (**QPIT**) is a group of individuals from each directorate. QPIT will determine tactical direction and provide practical guidance for the implementation of TQM at DDMT.

The Quality Management Board (**QMB**) is a group of managers, supervisors and workers whose primary function is to provide a vehicle to improve communication and participate in team-building activities. The QMB is tasked with problem solving and process improvement. The QMB will provide the necessary structured management support to ensure implementation of Process Action Team (**PAT**) recommendations.

**PATs** will be formed consisting of employees from the work force who have expertise in the relevant subject matter. PATs will deal with specific process problems; identify control points in the process; establish measurement devices; recommend changes and measure to see whether changes are working correctly.

Each group interfaces to ensure technical and administrative assistance is provided as needed to support our common goal of making TQM a way of life at DDMT.

# TQM STRUCTURE



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## STRATEGY

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### DEVELOP A TRAINED WORK FORCE

Quality improvement has no chance unless we recognize that improvement is always necessary. TQM requires a level of commitment, involvement and dedication which can only be achieved by a structured, continuous educational program. This training must begin at the executive level and deliberately permeate the entire work force through an organized, downward training cycle.

We will institute an organized training effort at DDMT because education will never be as expensive as ignorance. Future budgets include monies earmarked for TQM training.

To begin our journey through TQM, the following training will be scheduled for higher management: Strategic Planning, Deming Seminars, Team Building, Transformation of American Industry, TQM Seminars and Keys to Leadership.

TQM Briefings, Investment in Excellence, Math and Statistical Methods, Team Building and Statistical Process Control (SPC) training will be presented to our entire work force, either by supervisors or in-house facilitators.

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*It's not possible to know what you need to learn; therefore, you must constantly seek out new experiences and exposures. When you stop learning, you become history.*

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### IMPROVE WORK PROCESSES

A process is a methodical approach to accomplishing a specific task. Every task involves processes. Concentrating on the processes used to create products and services is fundamental to TQM. Since process analysis is essential to our TQM efforts, Process Action Teams (PAT) will be established to continuously identify areas where improvements can be initiated.

The key element in improving a process is its initial definition and understanding. Specific problems require specific solutions. Next is incremental process improvement and the integration of effective improvements. Unless you know how you are doing as you move along, you'll never know when you're done or if you have succeeded.

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## STRATEGY

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Training provided to the work force in Math, Statistical Methods and Statistical Process Control will enable us to identify, track and improve our work processes.

The way to get started on the TQM journey is to recognize that we often cause problems for ourselves, and we must find ways to prevent them. You can create solutions to complicated problems by being the only one to break that complicated problem down to the basic causes. Corrective action is just a matter of getting all the rocks rolled over and seeing what is under them.

### NURTURE CUSTOMER/SUPPLIER RELATIONSHIPS

A thorough understanding of the needs of our customers, both internal and external, is vital to the success of TQM. Each individual employee at DDMT will be expected to know who his or her customers are, i.e., the internal customer of a stock selector is a packer. DDMT customer relationships will be nurtured by surveying our external customers, the receivers of our supplies.

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*People forget how fast you did a job, but they remember how well you did it. It is well worth remembering that the customer is the most important factor in any business.*

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### IMPROVE THE QUALITY OF WORK LIFE

Our goal of creating a cultural environment will be achieved by setting realistic, disciplined goals for DDMT as a whole and on down the chain at operational levels by evaluating the needs and desires of our customers. Our vision of an enriched environment includes improved quality of work life.

We will create an atmosphere in which every employee is committed to responsibly meet our customers' needs with the highest quality and at the least cost. That atmosphere requires a work force within which every employee will accept no less than excellence and will continually strive for improvement.

We will not lose sight of the fact that the enriched environment is not the ultimate goal. An enriched environment is a means to achieve our goal of meeting the needs of our customers with the highest quality and at the least cost.



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## STRATEGY

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We will change management focus from the immediate to the future, from tasks to the mission those tasks support, from people as a tool of production to people as the source of productivity and quality improvement. We will recognize that everyone is a part of the team and make long-term investments in our people.

If quality management is to be practical and achievable, it must start at the top. Management will value all individuals of the DDMT family, drive out fear to improve effectiveness, encourage open communication, permit positive change, involve everyone, remove barriers that take away pride of workmanship, and promote TQM as a way of life throughout the Depot.

Employee participation groups will give employees skills in problem analysis and collective decision making, skills that will make them more effective participants in their assigned work groups. Employees who feel good about themselves, who know that they are listened to and can get along with their fellow workers, improve their value to the organization as a whole.

Unions are the designated and elected representatives of the employees. As such, they are key partners in the task of building an enriched environment. Supervisors and managers will be particularly encouraged to avail themselves of the union's consulting services in opening lines of communication and structuring work teams.

To achieve excellence, we must build a work force that is product and customer oriented. The ideal work group reflects this focus by combining all of the skills required to support a single set of customers or products. The emphasis is on possessing multiple skills. Workers capable of doing many tasks can be assigned more flexibly, and so fewer workers may be necessary.

Every organization's work force should match its workload. While a permanent full-time core staff is essential, we have become increasingly aware of the benefits of using alternatives to full-time permanent employees in building a flexible work force. Alternatives include part-time permanent and temporary employees.

One goal of an enriched environment is the removal of barriers that thwart the individual's instinct to excel. Building motivation is more than just tearing down barriers. Motivation is fueled by a climate where individuals and their contributions are respected and recognized. The foundation is a regard for politeness and common courtesy. Beyond that basic level is the recognition of a job well done.

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## STRATEGY

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In order to motivate our work force to achieve significant productivity improvements, we must provide decent working conditions. If we want them to care, we must demonstrate that we care about them. We must provide a work environment that is hazard free and conducive to productivity. Improvements will be made at DDMT through upgrading of rest rooms, break rooms, warehouses, office areas, etc.

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*We cannot direct the wind, but we can adjust the sails. Today's preparation determines tomorrow's achievement.*

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### ENHANCE RECOGNITION/REWARD SYSTEM

Genuine recognition of performance is something people really appreciate. Individual and group efforts will be appropriately recognized for their contribution to process, quality of work life and participatory management improvements.

To be considered for TQM-related monetary recognition, the employee or group of employees must demonstrate substantial, measurable savings to the Command, using an approved TQM method or process. Documentation such as flow charts, base-line measurements, data collection and analysis must offer tangible evidence of quantifiable results.

The primary purpose of non-monetary recognition is to recognize the employee or group of employees in which the end results are not equated to measurable, substantial savings but nevertheless contribute to improvement of a process or resource.

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*Don't measure yourself by what you have accomplished but by what you should have accomplished with your ability. No one ever attains very eminent success by simply doing what is required of him; it is the amount and excellence of what is over and above the required that determines the greatness of ultimate distinction. Act now for reward later!*

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# **VIII. EXECUTION**

## **MILESTONES**

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## EXECUTION

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### MILESTONES

|            |                    |                 |
|------------|--------------------|-----------------|
| Phase I:   | Preparation        | AUG 87 - APR 89 |
| Phase II:  | Implementation     | MAY 89 - APR 90 |
| Phase III: | Monitor Progress   | MAY 90 - ?      |
| Phase IV:  | TQM, A Way Of Life | ?               |

| MILESTONES FOR DDMT'S EXECUTION PLAN |                                          | CY 1989 |   |   |   | CY 1990 |   |   |   | CY 1991 |   |   |   | CY 1992 |   |   |   | CY 1993 |   |   |   | CY 1994 |   |   |   |
|--------------------------------------|------------------------------------------|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|
|                                      |                                          | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 |
|                                      |                                          |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| A                                    | PREPARATION PROCESS                      |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| A1                                   | ESTABLISH EXECUTIVE STEERING GROUP       |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| A2                                   | DEVELOP/ESTABLISH PRODUCTIVITY STATEMENT |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| A3                                   | ESTABLISH GUIDING PRINCIPLES             |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| A4                                   | APPOINT TQM FACILITATOR                  |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| A5                                   | ESTABLISH TQM GROUP                      |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| A6                                   | DEVELOP TRAINING PLAN/BUDGET             |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| A7                                   | DEVELOP TQM FACILITATOR GUIDE            |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
|                                      |                                          |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| B                                    | IMPLEMENTATION                           |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| B1                                   | COMMUNICATION                            |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |

LEGEND:

○ SCHEDULED START      ■ SCHEDULED COMPLETION      ● STARTED      ■ COMPLETED      === ON-GOING PROCESS

| MILESTONES FOR DDMT'S EXECUTION PLAN |                                     | CY 1989 | CY 1990 | CY 1991 | CY 1992 | CY 1993 | CY 1994 |
|--------------------------------------|-------------------------------------|---------|---------|---------|---------|---------|---------|
|                                      |                                     | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 | 1 2 3 4 |
| B1a                                  | DEVELOP TQM BRIEFING                | !       |         |         |         |         |         |
| B1b                                  | TQM BRIEFING                        | •       | !       |         |         |         |         |
| B1c                                  | SUCCESS STORIES                     | •       | =       | =       | =       | =       | =       |
| B1d                                  | TQM NEWSLETTER                      | 0       | =       | =       | =       | =       | =       |
| B2                                   | DEVELOP TRAINING REQUIREMENTS       | !       |         |         |         |         |         |
| B3                                   | CONDUCT TRAINING                    | •       | =       | =       | =       | =       | =       |
| B3a                                  | DEMING PHILOSOPHY FOR TOP MANAGERS  | !       |         |         |         |         |         |
| B3b                                  | TRANSFORMATION OF AMERICAN INDUSTRY | !       |         |         |         |         |         |
| B3c                                  | CADRE TRAINING                      | !       |         |         |         |         |         |
| B3d                                  | WORKFORCE CERTIFICATION             | •       | =       | =       | =       | =       | =       |
| B3e                                  | PROBLEM SOLVING/STATISTICS          | •       | =       | =       | =       | =       | =       |

LEGEND:

SCHEDULED START      SCHEDULED COMPLETION      • STARTED      COMPLETED      == ON-GOING PROCESS

| MILESTONES FOR DDMT'S EXECUTION PLAN |                                 | CY 1989 |   |   |   | CY 1990 |   |   |   | CY 1991 |   |   |   | CY 1992 |   |   |   | CY 1993 |   |   |   | CY 1994 |   |   |   |
|--------------------------------------|---------------------------------|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|
|                                      |                                 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 |
| B3f                                  | TEAM BUILDING                   | ●       |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| B3g                                  | INVESTMENT IN EXCELLENCE        | ●       |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| B3h                                  | KEYS TO LEADERSHIP              | !       |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| B3i                                  | STATISTICAL PROCESS CONTROL     | 0       |   |   |   | 0       | = | = | = | =       | = | = | = |         |   |   |   |         |   |   |   |         |   |   |   |
| B3j                                  | FACILITATOR TRAINING            | 0       |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| B3k                                  | CUSTOMER/VENDOR RELATIONSHIP    | ●       |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |
| B4                                   | PROJECT IDENTIFICATION/TRACKING | ●       | = | = |   | ●       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B4a                                  | PROCESS ACTION TEAM             | ●       | = | = |   | ●       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B4b                                  | PROCESS ANALYSIS                | 0       |   |   |   | 0       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B4c                                  | MEASUREMENT                     | 0       |   |   |   | 0       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B5                                   | PHYSICAL ENVIRONMENT            | ●       |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |         |   |   |   |

LEGEND:

0 SCHEDULED START    ■ SCHEDULED COMPLETION    ● STARTED    ■ COMPLETED    === ON-GOING PROCESS

| MILESTONES FOR DDMT'S EXECUTION PLAN |                         | CY 1989 |   |   |   | CY 1990 |   |   |   | CY 1991 |   |   |   | CY 1992 |   |   |   | CY 1993 |   |   |   | CY 1994 |   |   |   |
|--------------------------------------|-------------------------|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|---|---|
|                                      |                         | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 |
| B5a                                  | REST ROOMS              | ●       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B5b                                  | BREAK ROOMS             | ●       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B5c                                  | OFFICES                 | ●       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B5d                                  | EQUIPMENT               | ●       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B5e                                  | AESTHETICS              | ●       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B6                                   | RECOGNITION             | O #     | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B6a                                  | GROUP                   | O       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| B6b                                  | INDIVIDUAL              | O       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
|                                      |                         |         | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| C                                    | MONITORING THE PROGRESS | ●       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |
| D                                    | TQM -- A WAY OF LIFE    | ?       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = | =       | = | = | = |

LEGEND:

○ SCHEDULED START

■ SCHEDULED COMPLETION

● STARTED

■ COMPLETED

=== ON-GOING PROCESS



## **IX. APPENDICES**

**TERMINOLOGY**

**ABBREVIATIONS**

**DDMT ORGANIZATIONS**

**INITIATIVES**

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## APPENDICES

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### TERMINOLOGY

**Process** - A systematic approach to accomplishing a specific task.

**Control Chart** - A method of monitoring the output of a process or system through the sample measurement of a selected characteristic or characteristics and the tracking/analysis of its performance over time.

**Fish-Bone Chart** - A cause and effect diagram for analyzing problems and the factors that contribute to those problems.

**Histogram** - A bar graph displaying a frequency distribution of actual factors.

**Pareto Chart** - A bar graph of identified causes shown in descending order of magnitude or frequency.

**Scatter Diagram** - A graph displaying the correlation of two characteristics, normally a comparison/relationship.

**Process Improvement Cycle** - An analytical method for improving processes. The improvement cycle consists of: identification and definition of the processes by which work is accomplished, identification of relevant measurement points, identification and prioritization of opportunities for improvement, implementation of the best solutions and monitoring of effectiveness.

**Productivity** - The efficiency with which resources are used to produce a Government service or product at special levels of quality and timeliness.

**Statistical Process Control** - A measurement method used for assessing the performance of processes.

**Total Quality Management** - A strategy for continuously improving performance at every level and in all areas of responsibility.

**Quality** - The extent to which a product or service meets customer requirements and is fit for use.

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### ABBREVIATIONS

|         |                                                      |
|---------|------------------------------------------------------|
| DCASR - | Defense Contract Administration Services Region      |
| DLA -   | Defense Logistics Agency                             |
| DMINS - | Distributed Mini-Computer System                     |
| DSC -   | Defense Supply Center                                |
| E4 -    | Excellence and Efficiency in an Enriched Environment |
| ESC -   | Executive Steering Committee                         |
| PAT -   | Process Action Team                                  |
| PLFA -  | Primary Level Field Activity                         |
| PSE -   | Principal Staff Element                              |
| QMB -   | Quality Management Board                             |
| QPIT -  | Quality-Productivity Improvement Team                |
| SPC -   | Statistical Process Control                          |
| SPD -   | Special Purpose Data                                 |
| TQM -   | Total Quality Management                             |

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### DDMT ORGANIZATIONS

DDMT-C - Office of Comptroller

DDMT-D - Director, Defense Depot Memphis

DDMT-DB - Office of Public Affairs

DDMT-DI - Office of Internal Review

DDMT-DW - Office of Safety and Health

DDMT-G - Office of Counsel

DDMT-I - Office of Command Security

DDMT-K - Office of Civilian Personnel

DDMT-Q - Directorate of Quality

DDMT-T - Directorate of Distribution

DDMT-W - Office of Installation Services

DDMT-Z - Office of Telecommunications and Information Systems

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### INITIATIVES

#### QPIT -- Customer Survey

The Quality-Productivity Improvement Team (QPIT) conducted a survey of DDMT's external customers in an effort to open the lines of communication and obtain feedback regarding our services.

The survey was divided into three subjects: materiel errors, packing errors and transportation errors. Under each subject specific problems were noted, and customers were requested to rate each one on a scale of one-five, one being not a problem and five being a big problem.

Thirty-one (31) customers out of 49 (or 63 percent) responded with the following information:

Materiel errors were rated with an overall average score of 2.0. Shortages, overages and wrong NSN were the problems rated highest.

An overall average score of 1.7 was rated for packing errors. The biggest problems noted were improperly marked containers and multi-pack errors.

Transportation errors received an overall average score of 2.37. The biggest problem noted was missing paperwork.

QPIT members discussed each of the findings and the general consensus was that we had been sacrificing quality for quantity. Solving the problems was the biggest concern, and QPIT members made the following recommendations:

- a. Train work force in Materiel Release Order (MRO) life cycle.
- b. Train work force in warehousing practices.
- c. Take prompt action on Inventory and Adjustment changes.
- d. Communicate errors to responsible person (who made the error).
- e. Publicize survey findings to work force.

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### RECEIVING DIVISION -- INTERNAL CUSTOMERS IDENTIFIED

The Receiving Division management personnel decided to introduce TQM to their employees by meeting with their internal customers, warehousing personnel.

Warehousing personnel discussed some typical problems they had experienced due to errors made in Receiving. EXAMPLE: 100 EA received, but unit of issue coded as HD, causing 99 denials.

Open communication and a better understanding between employees has resulted from this initiative.

### KEYS TO LEADERSHIP

Twenty members of our higher management types attended training in May 1989 on Keys to Leadership. The program consisted of six one-hour sessions, featuring a distinguished speaker each session.

Attendees were provided with new tools and insights into reducing resistance to change, negotiation, rewarding employees and leading by example. Also, they obtained a clearer understanding of the leadership secret that works, the theory of the self-fulfilling prophecy.

### OPERATION WORK-IN

The quality of work life has been greatly improved in the Hazardous/Open Shed Branch. Thanks to Operation Work-In, DDMT no longer has a DUMP YARD. DDMT's dump yard ceased to exist when some employees of the Hazardous/Open Shed Branch employed Deming's philosophy on quality and productivity.

With inspiration and encouragement from their section chief, these employees went the extra mile in making their work area a quality environment. The thought behind this initiative was, "without a quality work environment, employees' and customers' lives could be endangered." Quality is now apparent in the stocking, storing, pulling and shipping of materiel in the Hazardous/Open Shed Branch. Cleanliness is now a daily habit. It goes hand in hand with quality.

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### **IMPROVING MATERIEL HANDLING EQUIPMENT PERFORMANCE**

Installation Services and Distribution have joined together to form a Total Quality Management team to identify problems and design solutions concerning Materiel Handling Equipment (MHE). The team is made up of personnel from both Installation Services (vendor/maintenance) and Distribution (customer).

The emphasis of the team will be on the care of MHE equipment. This will be done through redesigning the training programs and licensing procedures for equipment operators. The focus of the new training programs and licensing procedures is the operator's knowledge of the equipment and preventive maintenance.

### **TEAM BUILDING**

A team-building seminar conducted by Keye Productivity Center was held 12 May 1989 with 25 employees from DDMT. The theme was "How to Build a Better Work Team."

People tend to like work they do best and dislike the work they do least well. Allowing people in teams to do work they prefer will result in the team's best efforts. The ideal team is composed of people whose preferences cover all phases of teamwork and each member does the work he or she prefers at the appropriate phase.

### **PERMANENT LOCATIONS IN THE PROCESS MINOR ITEMS SECTION**

A considerable amount of time was expended searching for materiel in the Process Minor Items Section, DDMT-TROC, in 490/3, to satisfy Materiel Release Orders (MROs). As a result of a TQM initiative, mobile bin racks were installed in this area. This allowed the assignment of permanent locations for items instead of general, temporary locations, thus improving the selecting of MROs while decreasing the denial rates. Also, this initiative allows better use of two full-time and two part-time employees.

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### ERROR-CAUSE REMOVAL PROGRAM

- An Error-Cause Removal (ECR) Program will be introduced to the work force. Our Suggestion Program and our Model Installation Program (MIP) are incentives for employees to point out our problems and suggest remedies. However, sometimes an employee knows a problem exists but no easy answer is available. The ECR Program will give employees the opportunity to communicate to management the problems or concerns they have that keep them from providing quality work.

If an implemented ECR results in tangible benefits, it will be submitted to the Suggestion Program or the MIP for employee recognition and reward.

### WORKFORCE CERTIFICATION PROGRAM

The Workforce Certification Program (WCP) is another DDMT initiative to ensure a trained work force. WCP identifies training needs by certifying employees' performance in the key elements of each task.

Supervisors and warehouse workers are currently being certified in the various tasks relating to Warehousing Operations. The WCP, which began in January 1989, is progressing as follows:

|                        |               |
|------------------------|---------------|
| Warehousing Division I | 90% Completed |
| Medical Warehousing    | 50% Completed |
| Hazardous Branch       | 50% Completed |
| Clothing and Textile   | 30% Completed |

Measurable, consistent improvements in the quality of work have been noted.

### INVESTMENT IN EXCELLENCE

The TQM Program Facilitator and a representative from Personnel attended Investment in Excellence facilitator training in St. Petersburg, Florida. Investment in Excellence was subsequently presented to 25 in-house facilitators by them in preparation for training our entire work force.



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The objective of this training is to make our employees aware of self-imposed limitations and ways to overcome them. Actual benefits of Investment in Excellence will be realized not only at the work site but also in the home and community.

### CHANGE WITHIN COMPTROLLER -- MANAGEMENT ENGINEERING DIVISION

The Management Engineering Division embarked upon a period of change to improve the product we provide the customer, to define the customer and give the customers what they want. The journey began with the formation of a key group of people who would analyze the present process and make recommendations for a radical transformation. We needed the change as a catalyst to raise the expectations of the individuals in the division and what is expected from the division by the Depot at large.

After the initial group met for a couple of weeks, it emerged with a plan to form basic teams to work the critical requirements within the division. The process is still developing and the journey is just that -- a journey. The process evolved into a team concept which crosses branch and division lines to form teams to perform comprehensive reviews when the teams visit other organizations. In the past, much effort and opportunity was lost when reviews were conducted without a well-balanced team. The reviews now concentrate on the process in addition to the individual tasks.

A notable branch, titled quality, was formulated. This section was titled Quality. This branch is the focal point for administrative functions with a key duty to assist other branches with their studies and other projects. This enlarged basic administrative duties and gave the people more meaningful tasks.

Our personnel are thinking differently when approaching new situations/tasks. The journey has begun, however more slowly than we would prefer.