

AD-A213 185

DCASR
BOSTON



DTIC
ELECTE
OCT 06 1989



S
D & D

STRATEGIC/
TOTAL QUALITY MANAGEMENT
MASTER PLAN

USING
MANAGEMENT BY PLANNING
(MBP)



JUNE 1989

DISTRIBUTION STATEMENT A
Approved for public release
Distribution Unlimited

89 10 6 005

REPORT DOCUMENTATION PAGE

Form Approved
OMB No. 0704-0188

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503.

1. AGENCY USE ONLY (Leave blank)	2. REPORT DATE June 1989	3. REPORT TYPE AND DATES COVERED
---	------------------------------------	---

4. TITLE AND SUBTITLE DCASR Boston Strategic/Total Quality Management Master Plan Using Management by Planning (MBP)	5. FUNDING NUMBERS
--	---------------------------

6. AUTHOR(S)	
---------------------	--

7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Defense Contract Administration Services Region (DCASR) Boston Boston, MA	8. PERFORMING ORGANIZATION REPORT NUMBER
--	---

9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)	10. SPONSORING/MONITORING AGENCY REPORT NUMBER
--	---

11. SUPPLEMENTARY NOTES

12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for Public Release; Distribution is Unlimited.	12b. DISTRIBUTION CODE
--	-------------------------------

13. ABSTRACT (Maximum 200 words) This document discusses the DCASR Boston approach and plan to implement Total Quality Management (TQM). It includes the DCASR Boston vision, management by planning, one-year plan, milestones and training plan. Vision elements and management by planning are discussed in detail. <i>Report</i>
89 10 6 005

14. SUBJECT TERMS TQM (Total Quality Management), Continuous Process Improvement, Contract Administration Services, Management by Planning	15. NUMBER OF PAGES
	16. PRICE CODE

17. SECURITY CLASSIFICATION OF REPORT UNCLASSIFIED	18. SECURITY CLASSIFICATION OF THIS PAGE UNCLASSIFIED	19. SECURITY CLASSIFICATION OF ABSTRACT UNCLASSIFIED	20. LIMITATION OF ABSTRACT UL
--	---	--	---

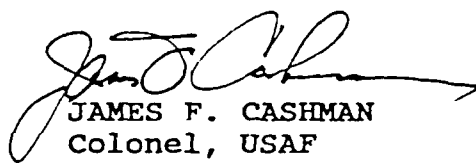
FOREWORD

DCASR Boston's management is committed to providing all managers, supervisors and personnel with the tools, training and incentives to improve the quality, timeliness and efficiency of the services we provide our customers.

The Strategic/Total Quality Management (TQM) Master Plan developed through Management by Planning (MBP) is a living, breathing document to ensure that the directions, targets and objectives of our organization are well developed and defined, clearly communicated, monitored, implemented and responsive (based on system feedback).

To attain our vision, we must have commitment, vision (strategic), principles, communication, organization, targets (tactical), execution, assessment and standardization.

In realizing our vision, I challenge you, "DCASR Boston's Team," to work towards improving the systems, functions and processes dedicated to supporting our customers.


JAMES F. CASHMAN
Colonel, USAF
Commander

Accession for	
NTIS	CRS
DIC	735
Classification	
Justification	
By	
Distribution	
Availability	
Dist	
A-1	



STRATEGIC/TOTAL QUALITY MANAGEMENT MASTER PLAN

TABLE OF CONTENTS

Commitment Letter	1
Mission Statement	4
Total Quality Management - Its Definition	6
DCASR Boston Vision Statement	8
Elements of Vision:	10
Management Commitment	11
Employee Involvement	12
Feedback	13
Customer Focus	14
Process Thinking Orientation	15
Measures of Vision Attainment	16
Management By Planning	17
One-Year Plan	23
Milestones	30
Training Plan	31
Annexes	34
Glossary	35
Principles	39



**COMMITMENT
LETTER**

DCASR BOS-D

SUBJECT: Total Quality Management - Our Future

TO: All Employees

I am committed to creating an environment involving management and employees, now and in the Region's future, where essential elements of mission attainment and success are measured in terms of customer satisfaction.

Every DCASR employee must share a common desire to eliminate the regulatory and bureaucratic obstacles inhibiting the continuous improvement of the services we provide our customers. In the Total Quality Management environment, we are all customers. Traditionally, focus has been on the external customer--buying commands and industry. TQM expands this concept to include us--the individuals within the system. The internal customer of this new focus is the next person in the process--the user of the product each of us produces.

I challenge you to work towards improving the systems, functions and processes dedicated to supporting our customers. We need to change the way we think and perform our jobs: to continuously improve our processes; to broaden our view of what we do; and to understand the impact of our actions on each other and on the functional areas of our organization. I am committed to providing us with the necessary tools to make these changes.

We are in the beginning stages of planning to meet these challenges by using the TQM philosophy and Management by Planning techniques. These approaches are neither fads nor pet projects. Rather, they are a way of improving everything we do to support our customers and enhance our environment.

DCASR BOS-D

Page 2

SUBJECT: Total Quality Management - Our Future

Attaining our shared vision will allow us to:

- o know our customers,
- o provide the proper service to our customers, and
- o measure continuous improvement of our service.

This is our vision and our challenge for the future of DCASR Boston.

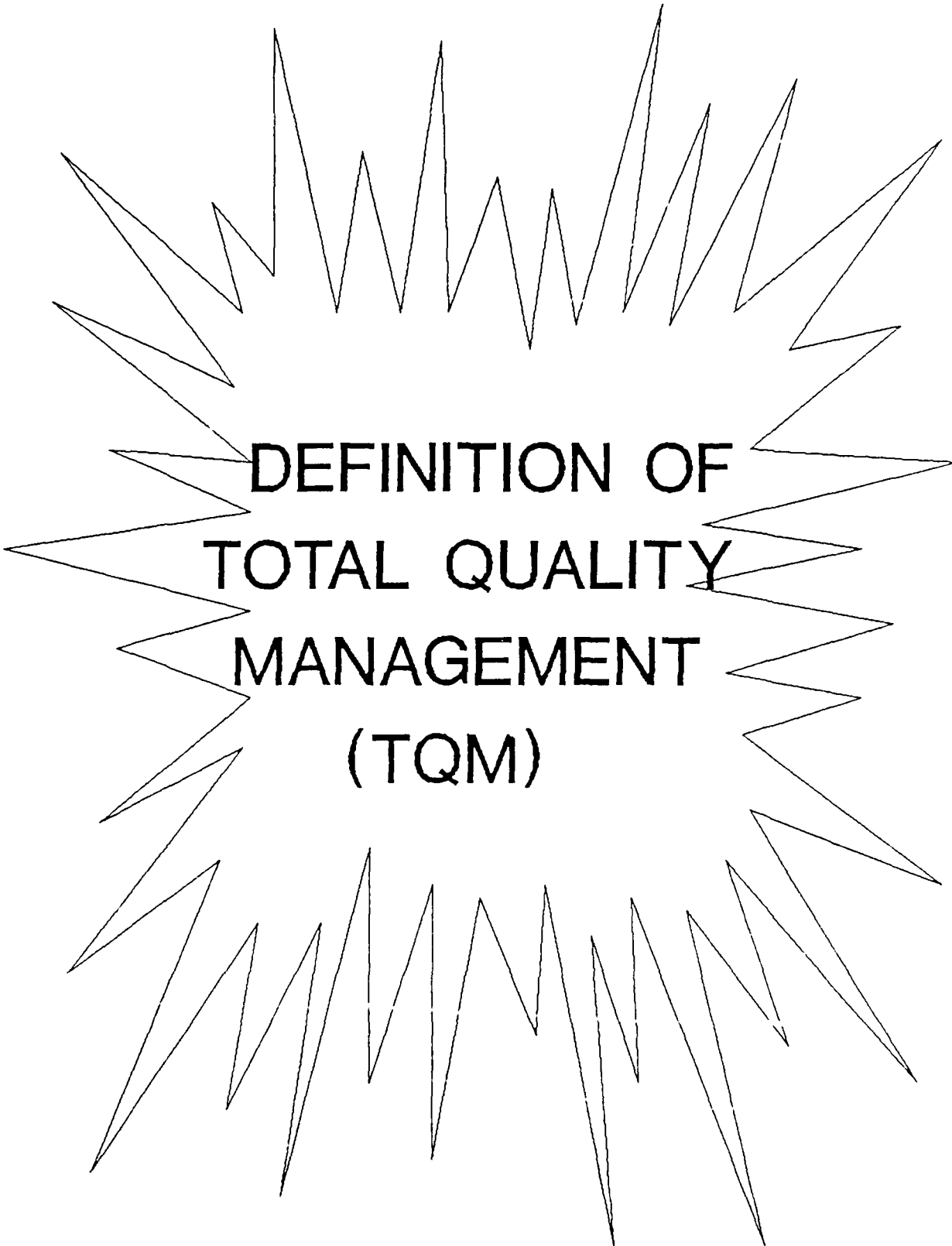
JAMES F. CASHMAN
Colonel, USAF
Commander



**MISSION
STATEMENT**

MISSION STATEMENT

OUR MISSION IS TO ADMINISTER
DELEGATED CONTRACTS AND
PROVIDE QUALITY PRODUCTS
AND SERVICES TIMELY AND
ECONOMICALLY; TO BE RESPONSIVE
TO OUR CUSTOMERS' NEEDS BY BEING
PROACTIVE AND SEEKING
CONTINUOUSLY TO IMPROVE THE
ACQUISITION PROCESS.

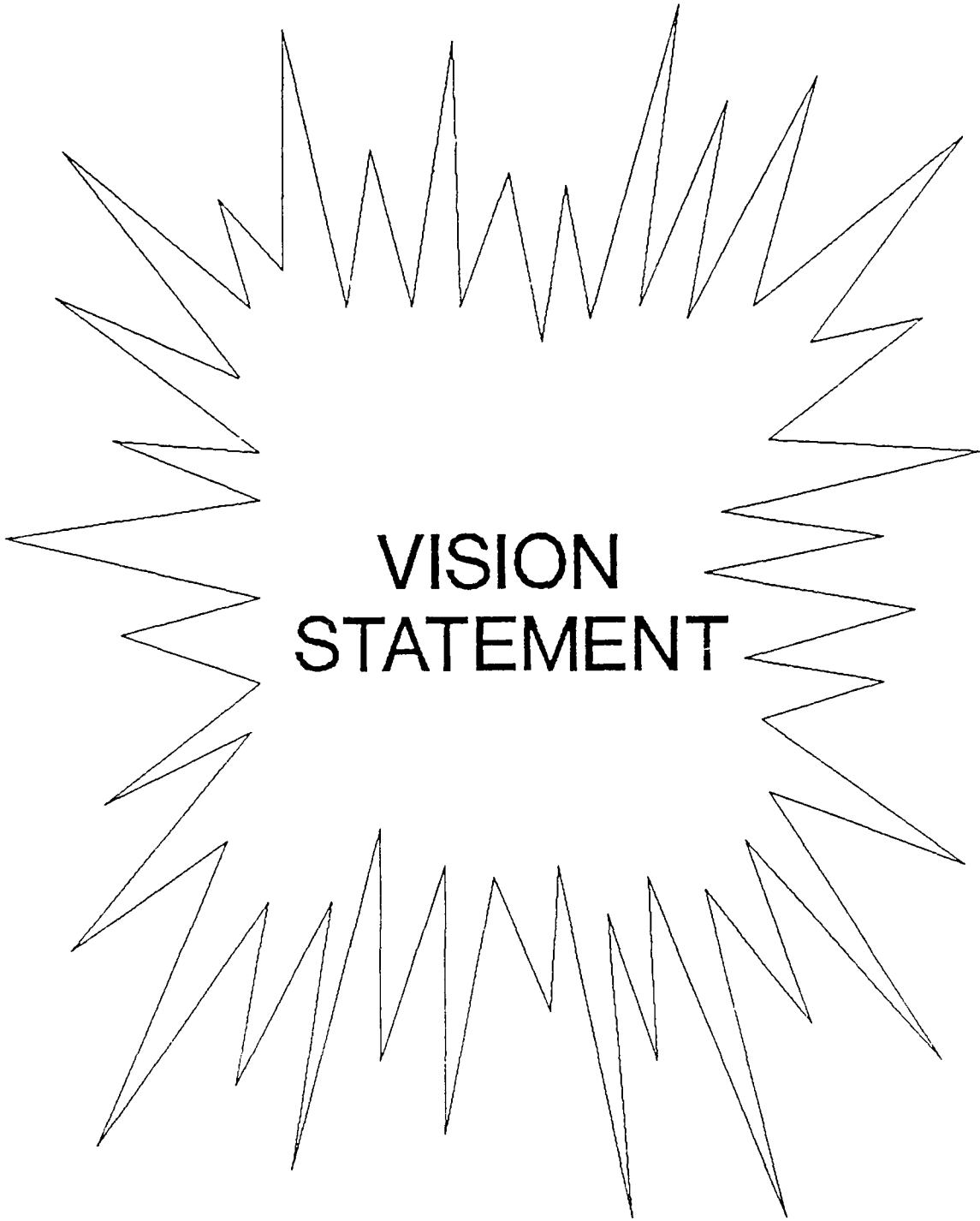


**DEFINITION OF
TOTAL QUALITY
MANAGEMENT
(TQM)**

TOTAL QUALITY MANAGEMENT (TQM)

TQM IS BOTH A PHILOSOPHY AND A SET OF GUIDING PRINCIPLES ANCHORING A CONTINUOUSLY IMPROVING ORGANIZATION.

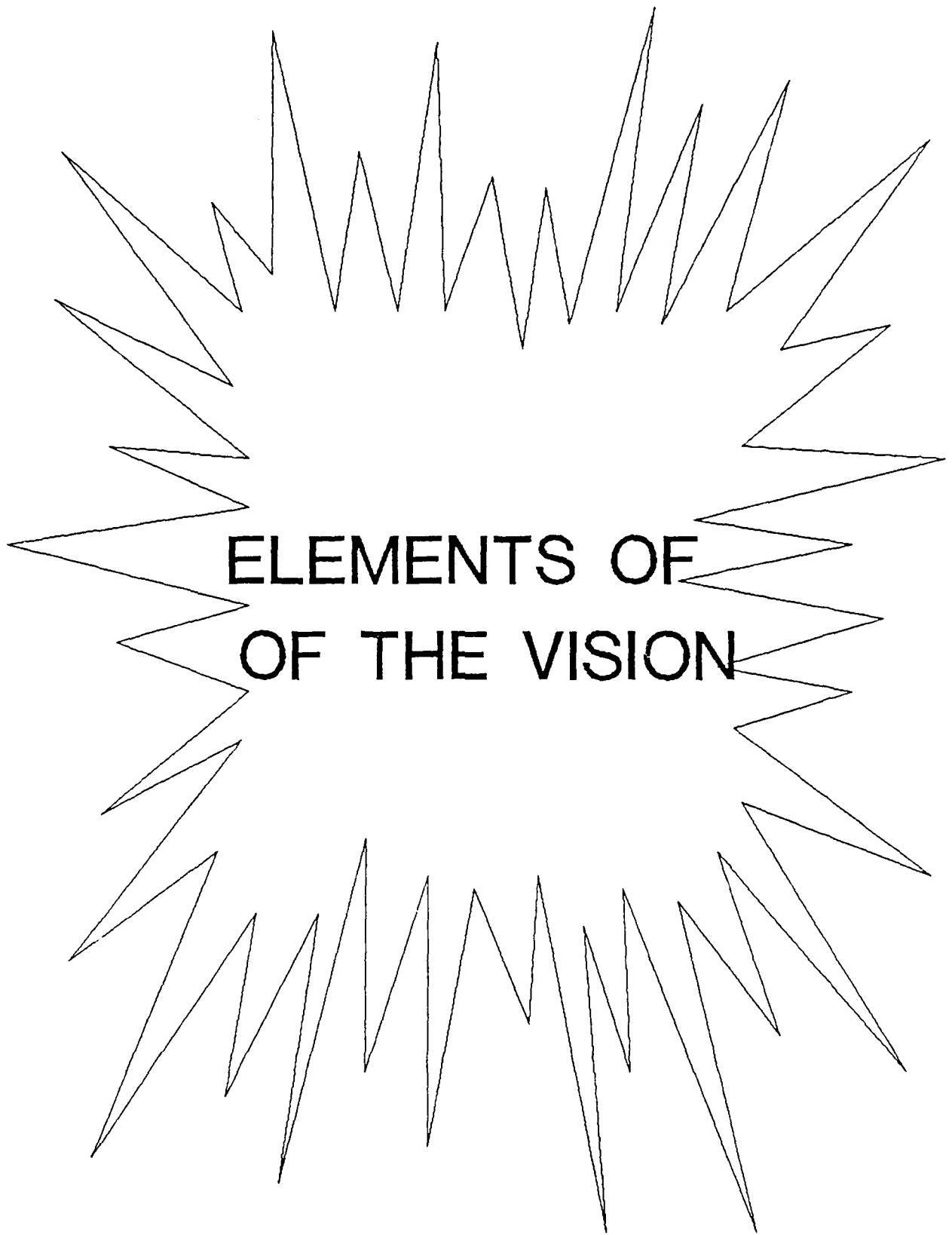
TQM IS APPLYING QUANTITATIVE METHODS AND HUMAN RESOURCES TO IMPROVE THE MATERIAL AND SERVICES SUPPLIED TO AN ORGANIZATION, ALL THE PROCESSES WITHIN AN ORGANIZATION AND HOW CURRENT AND FUTURE NEEDS OF OUR CUSTOMERS ARE MET.



**VISION
STATEMENT**

DCASR BOSTON FIVE-YEAR VISION

CREATE AN ENVIRONMENT
THAT PROMOTES CUSTOMER
SATISFACTION THROUGH
TEAMWORK AND CONTINUOUS
PROCESS IMPROVEMENT.



**ELEMENTS OF
OF THE VISION**

MANAGEMENT COMMITMENT

NARRATIVE

MANAGEMENT COMMITMENT IS A LONG-TERM DEDICATION AND RESPONSIVENESS TO CHANGE CONCURRENTLY WITH DEVELOPING CLEAR POLICIES FOR CONTINUOUS IMPROVEMENT. MANAGEMENT COMMITMENT MUST PROVIDE GROWTH OPPORTUNITIES FOR BOTH INDIVIDUALS AND THE ORGANIZATION THROUGH EDUCATION AND TRAINING. IT ALSO INCLUDES INVESTING TIME AND RESOURCES TO PAVE THE WAY FOR ACHIEVEMENT.

IMPEDIMENTS

- NOT INVENTED HERE
- JUST ANOTHER FAD
- CRISIS MANAGEMENT
- LACK OF PLANNING
- LACK OF EDUCATION AND TRAINING
- ORGANIZATIONAL CULTURE
- LACK OF UNDERSTANDING OF MANAGEMENT PRINCIPLES
- PETER PRINCIPLE
- STIFLING EMPLOYEE CONTRIBUTIONS
- BUREAUCRACY
- CONFORMITY
- OBTAINING COMMITMENT FROM ALL MANAGEMENT LEVELS
- WE'VE ALWAYS DONE IT THIS WAY
- RESISTANCE TO CHANGE
- BLIND OBEDIENCE

COUNTERMEASURES

- PRACTICE, PRACTICE, PRACTICE
- COMMON LANGUAGE; COMMON UNDERSTANDING
- EDUCATION AND TRAINING
- FEEDBACK MECHANISMS
- PUBLICITY
- MBP AND TQM
- RECOGNITION

EMPLOYEE INVOLVEMENT

NARRATIVE

THE ANALYSIS OF EMPLOYEE INVOLVEMENT CONFIRMED THE DEMING ASSERTION: "MANAGEMENT IS RESPONSIBLE FOR 94 PERCENT OF THE PROBLEMS AND EMPLOYEES ARE RESPONSIBLE FOR ONLY 6 PERCENT."

EMPLOYEES MUST BE INVOLVED IN THE DECISION-MAKING PROCESS, MOTIVATED TO CONTRIBUTE THEIR IDEAS AND THOUGHTS ON WHAT IS VALUABLE AND ON WAYS TO EFFECT IMPROVEMENTS. THESE ARE THE PEOPLE DOING THE JOB. MANAGEMENT IS ULTIMATELY RESPONSIBLE FOR MAKING THE DECISIONS, BUT BY INVOLVING EMPLOYEES, MANAGERS CAN MAKE MORE INFORMED DECISIONS.

IMPEDIMENTS

SEE NEXT PAGE

COUNTERMEASURES

- EDUCATE MANAGERS
- DEFINE EMPLOYEE INVOLVEMENT
- PUBLICIZE
- IMPROVE THE RESPONSIVENESS ON PROGRAM AREAS SUCH AS BENEFICIAL SUGGESTIONS, MIPS
- BEGIN USING TASK TEAMS
- REESTABLISH "REAL" QUALITY CIRCLES
- DEMONSTRATE THROUGH PRACTICE
- ACKNOWLEDGE RESPONSIBILITY - HOW?
- RECOGNIZE EMPLOYEES AS CUSTOMERS
- CHANGE THE CULTURE
- IMPROVE EMPLOYEE ORIENTATION (ALL SUPERVISORY LEVELS)
- USE DCAS (VIP) BRIEFING FOR ALL EMPLOYEES
- IDENTIFY AN INCENTIVE FOR MANAGERS TO CHANGE
- IDENTIFY AN INCENTIVE FOR EMPLOYEES TO CHANGE

MANAGEMENT CONTINUUM

MANAGEMENT	BRIDGE ---> BOTH	BOTH	BRIDGE ---> EMPLOYEES	EMPLOYEE
WORKFORCE DEVELOPMENT	: AWARDS	: LISTENING	: MIPS	: INVOLVEMENT IN SYS DEVL
HORIZONTAL/VERTICAL STRUCTURES	: EDUCATION	: PARTICIPATIVE MANAGEMENT	: BENEFICIAL SUGGESTIONS	: EMPLOYEE GOALS
CROSS-FUNCTIONAL INTEGRATION	: CREATIVE MANAGEMENT	: FREEDOM OF THOUGHT	: KNOWING HOW TO DO JOB	: DEGREE OF EMPLOYEE SAY
KNOWLEDGE OF THE ORGANIZATION	: DRIVE OUT FEAR	: QUALITY CIRCLES		: IN DECISION MAKING
HOW TO GET EMPLOYEE INVOLVEMENT	: FORMAL/INFORMAL ORG	: CROSS-FUNCTIONAL TRAINING		: ORGANIZATIONAL STATUS
PEOPLE ARE OUR MOST IMPORTANT ASSET	: PRIORITIES	: KNOWLEDGE OF WHAT'S AVAILABLE		: PRIDE IN WHERE YOUR AT
RECOGNIZING EMP CONTRIB - ALL LEVELS	: COMMON LANGUAGE	: KNOWING WHAT THE JOB IS		: TRAINING
REWARDS	: COMMON UNDERSTANDING	: RESISTANCE TO CHANGE		
DATA ANALYSIS ... HOW TO USE TOOLS		: ATTITUDE ADJUSTMENT		
WORK DRIVERS		: NETWORKING		
USE OF INTERNAL VS EXTERNAL TRAINERS		: UNDERGROUND NETWORK		
TRAIN THE TRAINERS		: IDENT & BREAKING DOWN BARRIERS		
ALTERNATE WORK SCHEDULES		: PEER PRESSURE		
ENHANCE CREATIVITY		: STRESS		
JOB SATISFACTION		: INTERPERSONAL RELATIONSHIPS		
FACILITIES (SPACE)		: WHEAT FROM CHAFF		
RESOURCE UTILIZATION COMMITTEE		: SOCIAL FUNCTIONS		
RESPONSIVENESS OF PERSONNEL SYSTEM		: ENTERTAINMENT		
RESPONSIVENESS OF MANAGEMENT				
RIGHT PERSON RIGHT JOB				
SECRETARIAL POOLS/SUPPORT				
PD ADEQUACY				
JOB CLASSIFICATION SERIES				
JOB BANDING				
EMPLOYEE MORALE				
RESOURCE PLANNING				
PLANNING				
INTERNAL VS EXTERNAL RECRUITMENT				
TIMELY JOB SELECTIONS				
REGULATIONS AND PROCEDURES				
CENTRALIZATION VS DECENTRALIZATION				
EMPLOYEE INVESTMENT INCENTIVES				
TRAINING				
BENEFITS				
AUTOMATION				
EQUITABLE SELECTION PROCESS				
RECOGNIZING INTERNAL TALENT				
PROMOTION OPPORTUNITIES				
UPWARD MOBILITY				
LONG TERM GOALS VS SHORT TERM GOALS				
OVERCOMING FEAR OF REPRISAL				
UNION'S RIGHT AWAY				
PERFORMANCE EVALUATION				

FEEDBACK

NARRATIVE

FEEDBACK IS A TWO-WAY PROCESS. IT ENHANCES COMMUNICATIONS CROSS FUNCTIONALLY, PROMOTES A COMMON LANGUAGE AND SERVES A CONSTANCY OF PURPOSE. FEEDBACK MUST FLOW BOTH WAYS--FROM EMPLOYEES TO MANAGEMENT AND FROM MANAGEMENT TO EMPLOYEES--AND INCLUDE ACROSS-THE-BOARD PARTICIPATION.

IMPEDIMENTS

- LACK OF COMMON LANGUAGE
- TELLING PEOPLE WHAT THEY WANT TO HEAR RATHER THAN HOW IT IS (FEAR)
- REQUIRES COMMUNICATION
- KNOWLEDGE OF TOOLS
- WITH WHOM DO I TALK?
- IT'S TOUGH TO DO
- KNOWLEDGE OF CUSTOMERS
- TIMELINESS OF RESPONSE

COUNTERMEASURES

- EDUCATION
- TRAINING
- PUBLICITY
- CROSS-FUNCTIONAL ORIENTATION
- RECOGNITION
- PRACTICE (TO ELIMINATE FEAR)
- TENACITY

CUSTOMER FOCUS

NARRATIVE

CUSTOMER FOCUS IS KNOWING YOUR CUSTOMERS, IDENTIFYING THEIR NEEDS AND MEASURING THE SATISFACTION OF THE SERVICES DCASR BOSTON PROVIDES.

THERE ARE EXTERNAL CUSTOMERS (i.e., BUYING COMMANDS) AND INTERNAL CUSTOMERS (i.e., THE EMPLOYEE WITHIN THE SYSTEM--THE NEXT PERSON IN THE PROCESS). IDENTIFYING AND ACKNOWLEDGING CUSTOMERS PROVIDES THE OPPORTUNITY TO PROMOTE CUSTOMER SATISFACTION THROUGH TEAMWORK AND CONTINUOUS PROCESS IMPROVEMENT.

IMPEDIMENTS

- DO THEY KNOW THEY ARE OUR CUSTOMERS?
- POOR MARKETING
- APATHY
- VERTICAL THINKING
- CONFLICTING PRIORITIES
- POOR DEFINITION OF THE WORD "CUSTOMER"
- LACK OF RESPONSIVENESS
- POOR PERFORMANCE
- CULTURE

COUNTERMEASURES

- EQUITABLE RECOGNITION
- EDUCATION
- TRAINING
- FEEDBACK (CUSTOMER COMPLAINTS/SUGGESTIONS
(INTERNAL/EXTERNAL)
- PUBLICITY (INTERNAL/EXTERNAL)
- CROSS-FUNCTIONAL THINKING
- CLEAR DIRECTION ON PRIORITIES
- IDENTIFY CUSTOMERS
- PERFORMANCE MEASUREMENTS JOINTLY DEFINED

PROCESS THINKING ORIENTATION

NARRATIVE

PROCESS-THINKING ORIENTATION IS A METHODOLOGY OF IDENTIFYING THE PROCESS FROM BEGINNING TO END AND DOCUMENTING THAT PROCESS THROUGH STATISTICAL TOOLS. IT ALSO REQUIRES INVOLVING ALL LEVELS WITHIN THE ORGANIZATION AND IDENTIFYING HOW A CHANGE IN ONE PART OF THE SYSTEM AFFECTS OTHER PARTS OF THE ORGANIZATION AND THE PROCESS AS A WHOLE.

IMPEDIMENTS

- HARD TO DEFINE - NO RIGHT OR WRONG; LOT OF GRAY AREAS
- EXISTING PRACTICES
- GOAL ORIENTATION
- HQs DRIVEN GOALS
- USE OF STATISTICAL METHODS (FEAR OF USE)
- LACK OF PLANNING
- INACCURATE INFO. - LOTS OF WHAT'S BUT NO WHY'S
- WE MAKE ASSUMPTIONS (DECISIONS) WITHOUT SUPPORTING DATA
- VERTICAL ORIENTATION - EVERYTHING IS TOP DOWN
- ANOTHER FAD
- LACK OF EDUCATION AND TRAINING
- PEOPLE WANT TO BE LED RATHER THAN LEAD

COUNTERMEASURES

- EDUCATION { HORIZONTAL THINKING
<USE OF VALID MEASUREMENT TOOLS
- TRAINING { DEFINITION
- MANAGEMENT COMMITMENT { SHOW ME
<ALLOCATION OF TIME
{ CREDIBILITY
- FEEDBACK { CONTINUOUS COMMUNICATION
<ON SUCCESSES
{ PROGRESS; CHECKUPS
- PATIENCE
- USE { SEEING IS BELIEVING
{ BELIEVE IT CAN HAPPEN
- PERSEVERANCE
- GETTING EMPLOYEES INVOLVED OVER TIME

MEASURES OF VISION ATTAINMENT

NARRATIVE

MEASURES OF VISION ATTAINMENT ARE THE COMMON STATISTICAL METHODS WHICH PROVIDE BASE LINE INFORMATION FOR CONTINUOUS PROCESS IMPROVEMENT. MEASURES MUST BE "TIME SENSITIVE," TIED TOGETHER AND ATTAINABLE.

IMPEDIMENTS

- LACK OF UNDERSTANDING
- KNOWING WHAT TO MEASURE
- KNOWING HOW TO MEASURE
- FEAR OF USING QUALITY CONTROL AND MANAGEMENT TOOLS
- KNOWING THE CUSTOMERS
- CAN'T MEASURE WHAT WE WANT TO; MUST CONTINUE TO MEASURE SOMEONE ELSE'S GOALS

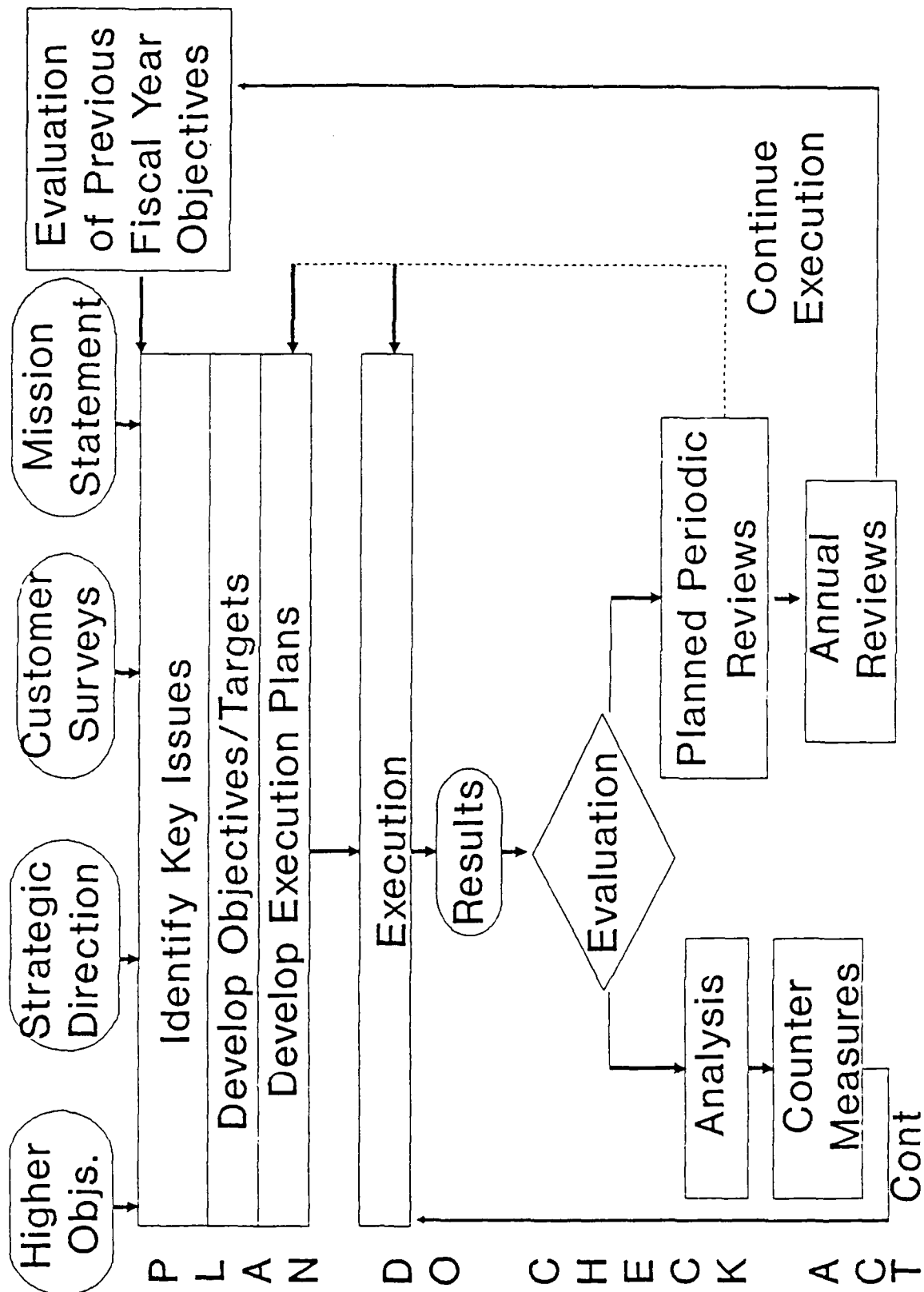
COUNTERMEASURES

- EDUCATION AND TRAINING
- USE OF THE TOOLS; EXPOSURE AND PRACTICE
- FEEDBACK
- ABOLISH ARBITRARY GOALS
- CULTIVATE CUSTOMER RELATIONSHIPS

MANAGEMENT BY PLANNING
SUPPORTING DOCUMENT

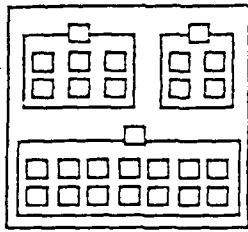
DETAILED PLANNING STRUCTURE

Management by Planning (MBP) Process

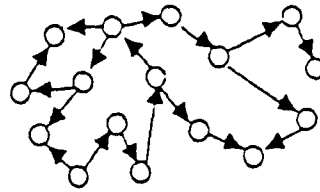


The Seven Tools for Management and Planning

General Planning

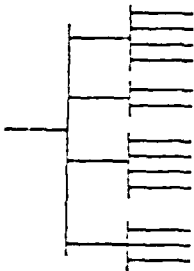


The Affinity Chart (KJ) makes sense out of disparate language information by placing it on cards and grouping the cards.



The Interrelationship Digraph identifies causal relationships between language data and thereby identifies critical items and originating items.

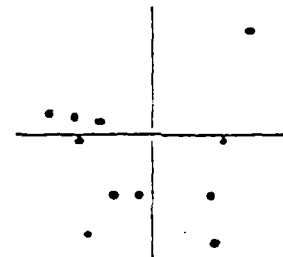
Intermediate Planning



The Tree Diagram systematically breaks items down into details.

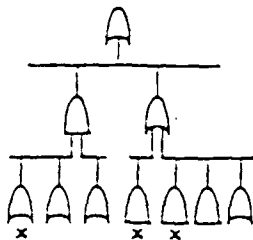
		A				B			
		1	2	3	4	5	6	7	8
1	1.1	1.11	1.12	1.13	1.14	1.15	1.16	1.17	1.18
	1.2	1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.28
2	2.1	2.11	2.12	2.13	2.14	2.15	2.16	2.17	2.18
	2.2	2.21	2.22	2.23	2.24	2.25	2.26	2.27	2.28

The Matrix Chart compares one set of items against another set and identifies the strength of their relationship.

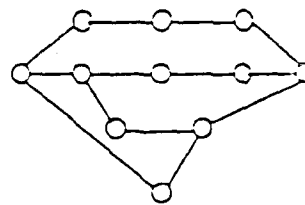


The Matrix Data Analysis plots items on an x- and y-axis thus showing relationships of individual items and groups of items.

Detailed Planning



The PDPC (Process Decision Program Chart) identifies the various things that can go wrong in a plan and identifies countermeasures or contingencies.



The Arrow Diagram identifies which things can be done simultaneously. The critical path is the longest time line from beginning to end of project.

MANAGEMENT BY PLANNING (MBP)

THE MBP SYSTEM BREAKS PLANNING INTO SIX STEPS:

FIVE-YEAR VISION

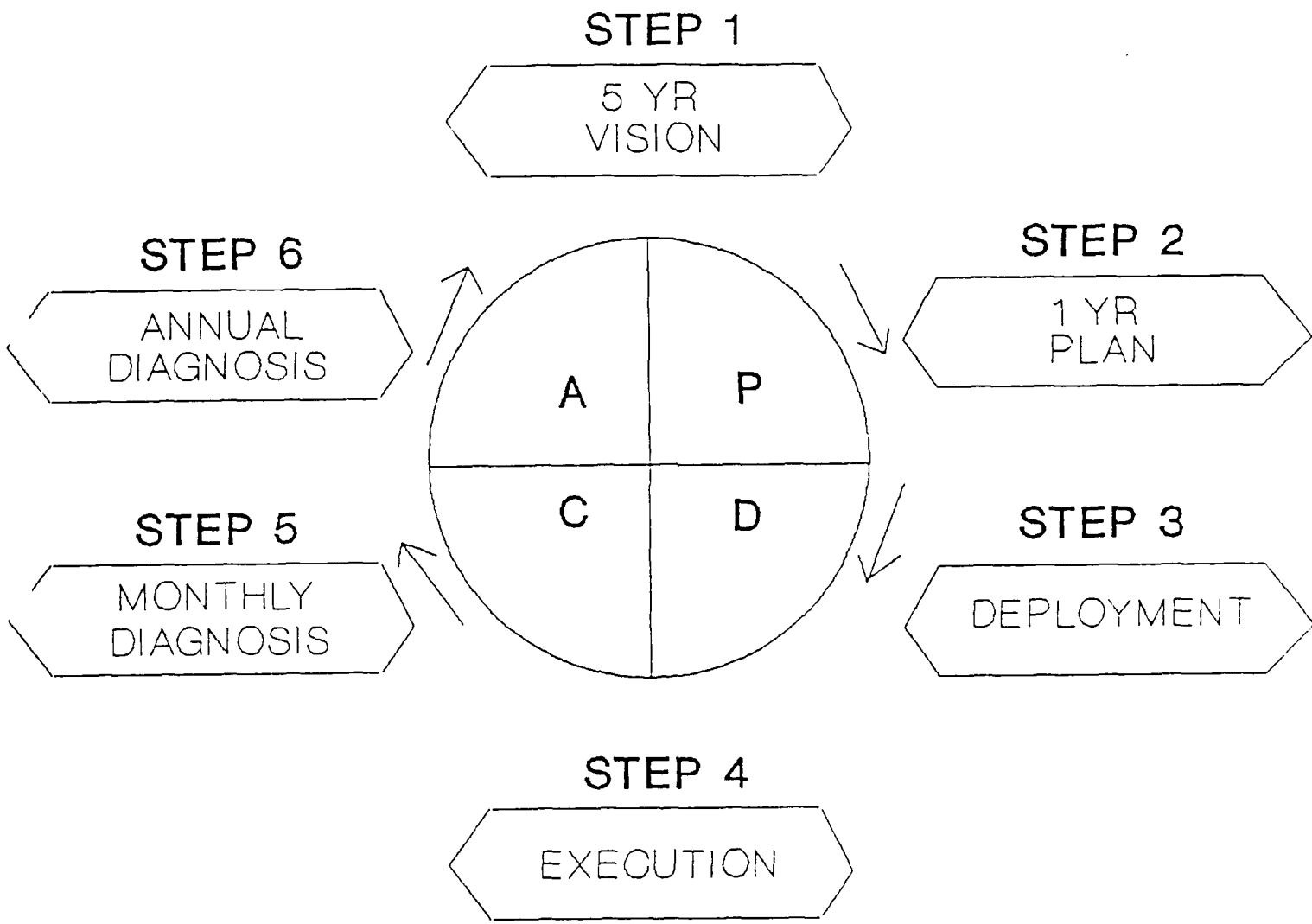
ONE-YEAR PLAN

DEPLOYMENT TO DEPARTMENTS

EXECUTION

MONTHLY DIAGNOSIS

ANNUAL DIAGNOSIS



THE SIX MBP STEPS

STEP 1 -- FIVE-YEAR VISION

THE FIVE-YEAR VISION IS COMPRISED OF ELEMENTS WHICH WE WANT TO CHARACTERIZE OUR ORGANIZATION. THIS MUST BE DONE BY SENIOR MANAGEMENT, BUT WHILE STILL IN DRAFT, IT SHOULD BE CIRCULATED TO ALL MANAGERS FOR COMMENTS ON WHAT ACTION PLANS IT MIGHT GENERATE.

THIS STEP ENABLES TOP MANAGEMENT TO DEVELOP A VISION WHICH THEY KNOW TO BE CLEAR AND UNDERSTOOD BY ALL AND WHICH WILL PRODUCE DESIRED ACTION--BASED ON THE BUY-IN OF PARTICIPATION.

STEP 2 -- ONE-YEAR PLAN

THE ONE-YEAR PLAN IS DEVELOPED USING STATISTICAL PROBLEM SOLVING TECHNIQUES. THE ONE-YEAR PLAN FOCUSES ON THE FIVE-YEAR VISION, WHAT'S GOING ON IN THE WORLD AND IN THE ORGANIZATION, AND ON LAST YEAR'S SUCCESSES AND FAILURES.

ADVANTAGES OF USING MANAGEMENT BY PLANNING TOOLS FOR THE ONE-YEAR PLAN INCLUDE: A HIGH LEVEL OF DETAIL WHICH HELP DETERMINE CAPABILITY POTENTIAL FOR CONTINUITY, e.g., SOLVING LAST YEAR'S PROBLEMS, THOROUGHNESS AND A SYSTEMATIC APPROACH.

STEP 3 -- DEPLOYMENT

DEPLOYMENT FOCUSES ON THE IDENTIFICATION OF KEY IMPLEMENTATION ITEMS AND A CONSIDERATION OF HOW THEY CAN SYSTEMATICALLY ACCOMPLISH THE PLAN.

STEP 4 -- EXECUTION

EXECUTION FOCUSES ON THE POWER OF CONTINGENCY PLANNING. THE STEPS TO ACCOMPLISH THE TASK ARE IDENTIFIED AND ARRANGED IN ORDER. THE IMPEDIMENTS AND COUNTERMEASURES AT EACH STEP ARE LISTED FOR EACH POTENTIAL PROBLEM. THIS THOROUGH APPROACH REDUCES THE LIKELIHOOD OF THINGS FALLING THROUGH THE CRACKS.

STEP 5 -- MONTHLY DIAGNOSIS

THE MONTHLY DIAGNOSIS FOCUSES ATTENTION ON THE PROCESS AND THE ROOT CAUSE RATHER THAN THE SYMPTOMS. THE MONTHLY DIAGNOSIS IS TO ASSURE DIRECTION AND CONSTANCY OF PURPOSE.

STEP 6 -- ANNUAL DIAGNOSIS

THE ANNUAL DIAGNOSIS FOCUSES ON THE PROCESSES THAT UNDERLINE THE RESULTS. IT ALLOWS MANAGEMENT TO MAKE SURE THAT EACH SECTOR OF THE ORGANIZATION IS CAPABLE OF MEETING ITS TARGETS.

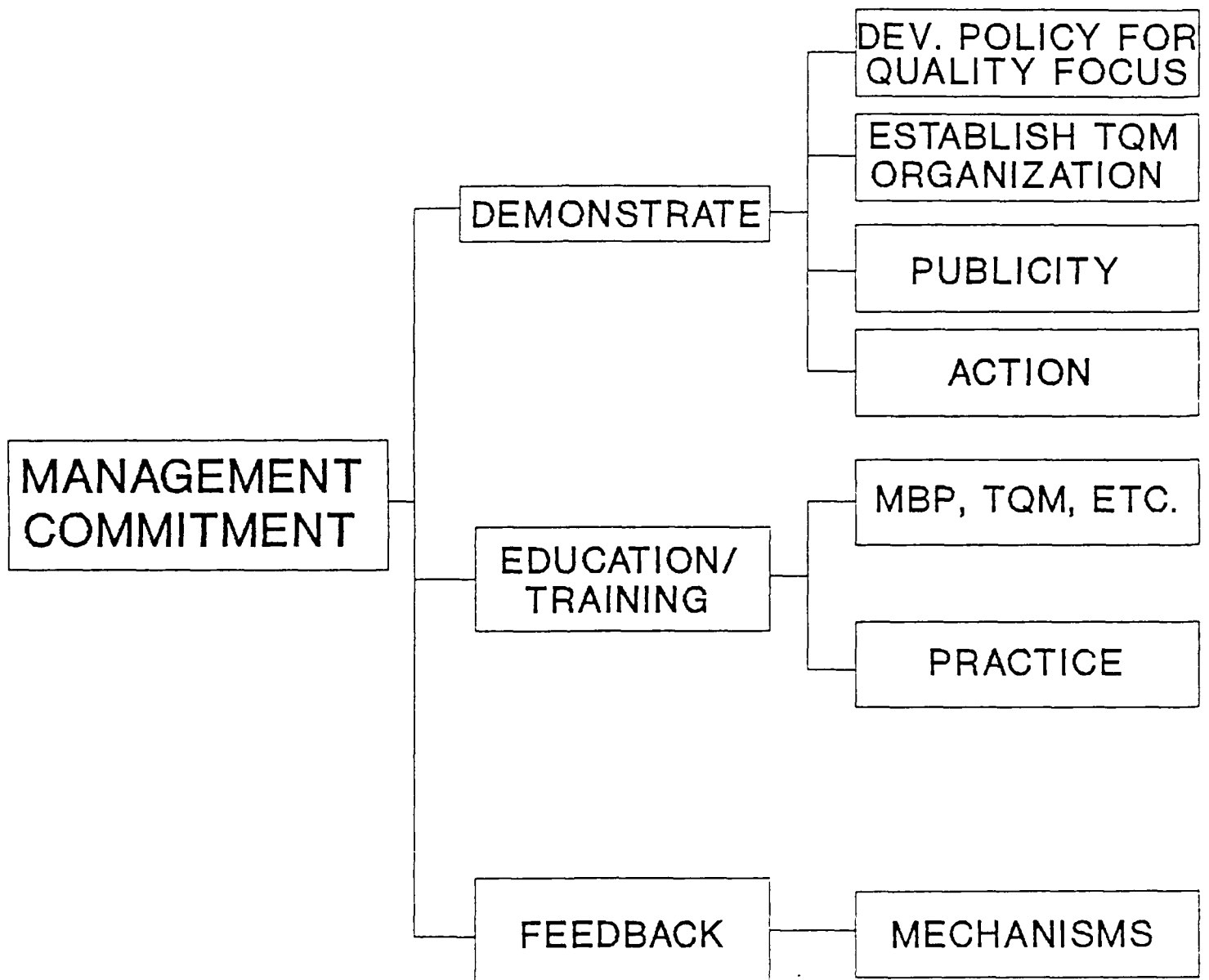
1 Y E A R P L A N

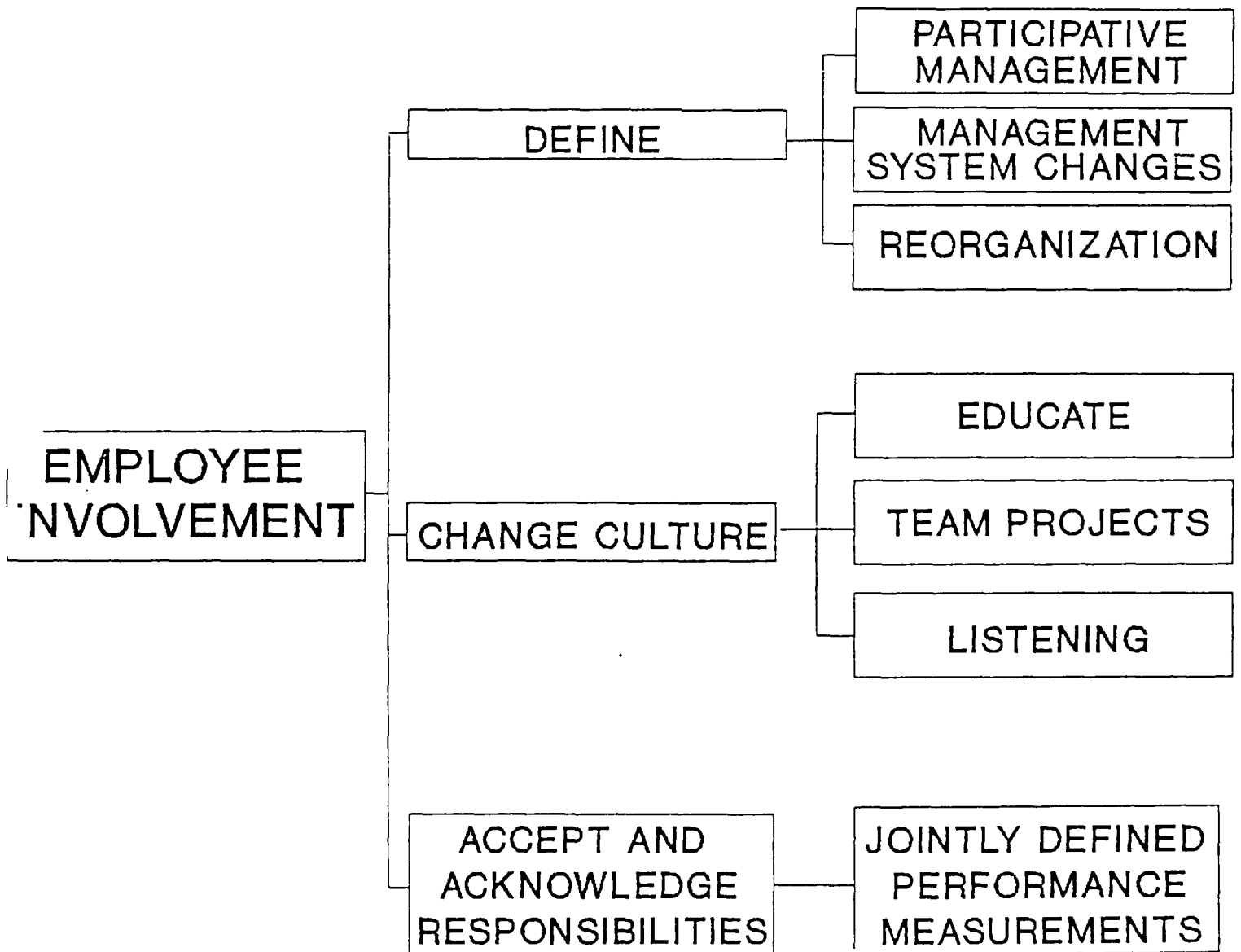
ONE-YEAR PLAN

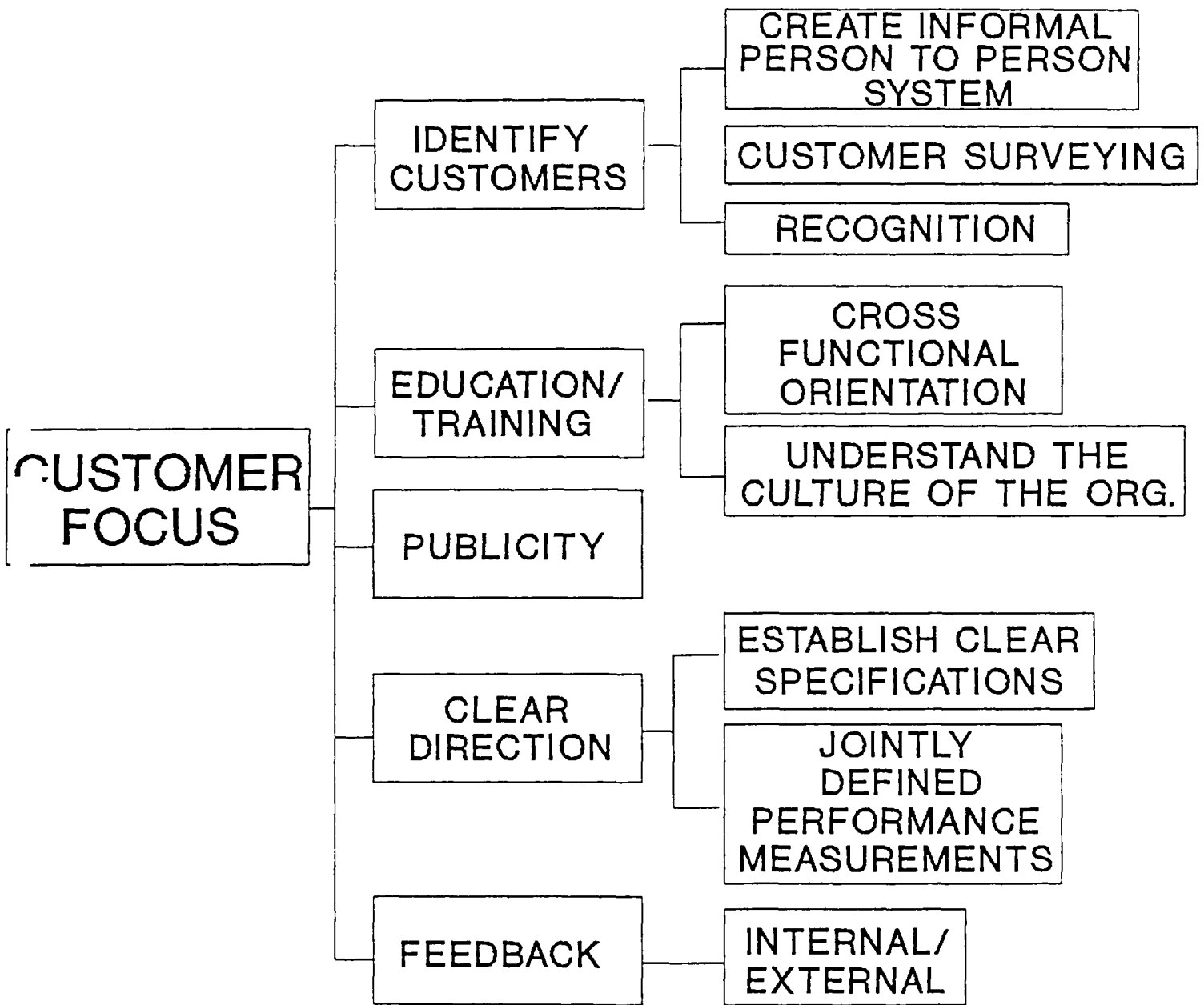
To realize our vision, we must first identify and rank our processes and then define those key processes analytically.

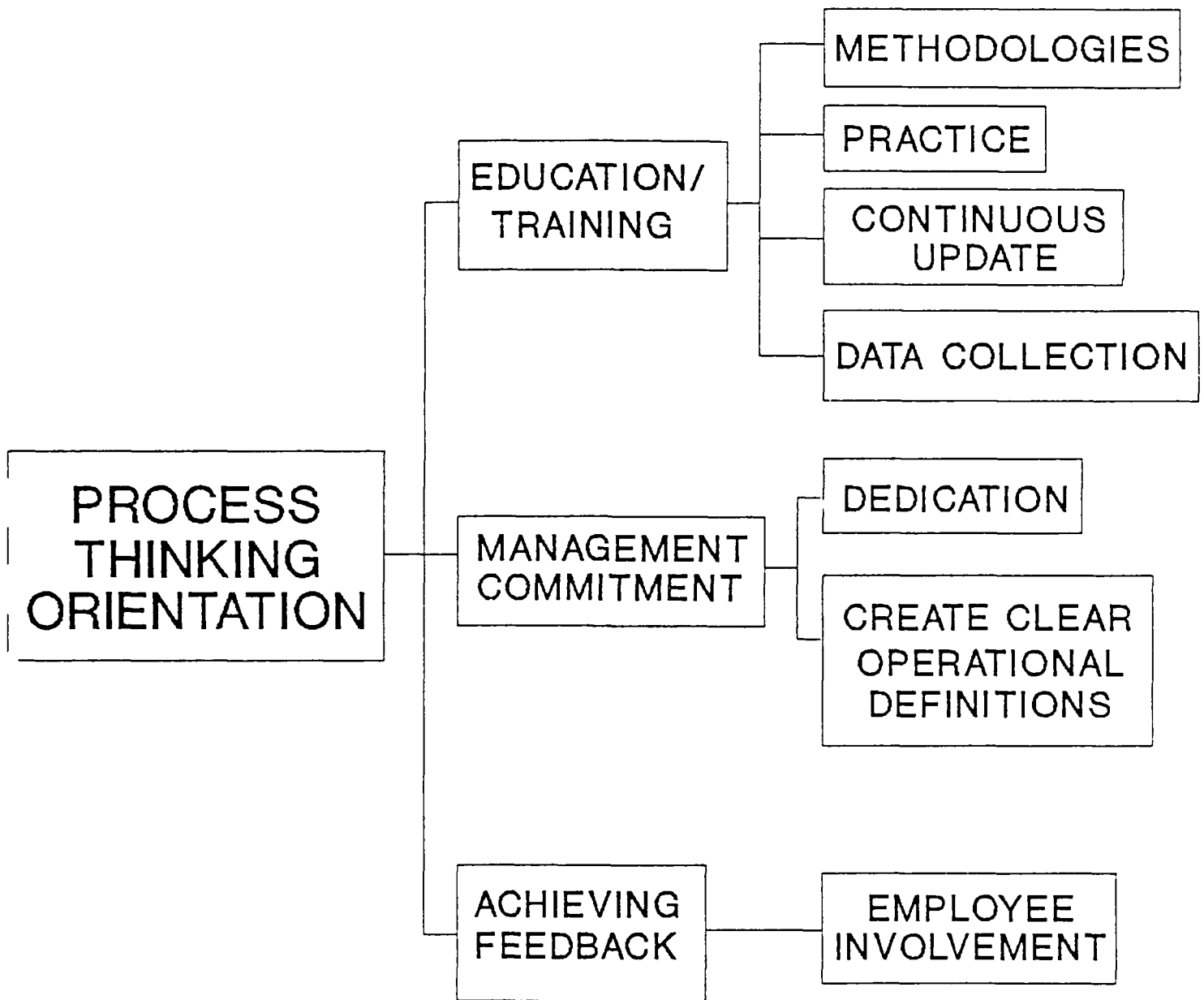
To achieve our plan, management at all levels must actively demonstrate its commitment. All managers, supervisors and employees must receive the education and training to understand the Total Quality Management (TQM) philosophy.

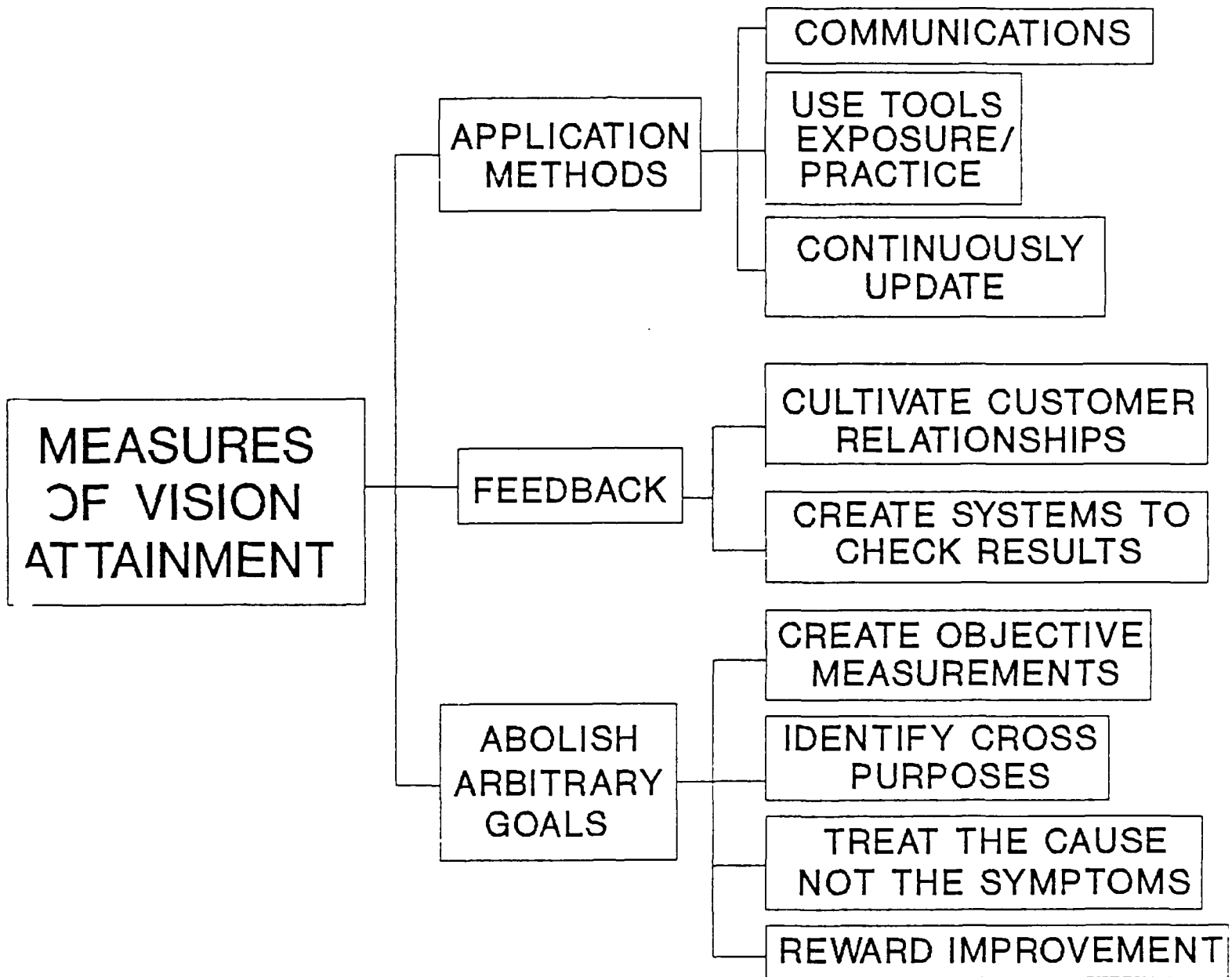
Identifying, ranking and defining the key processes and establishing targets will set the stage for the next phase of Management By Planning.



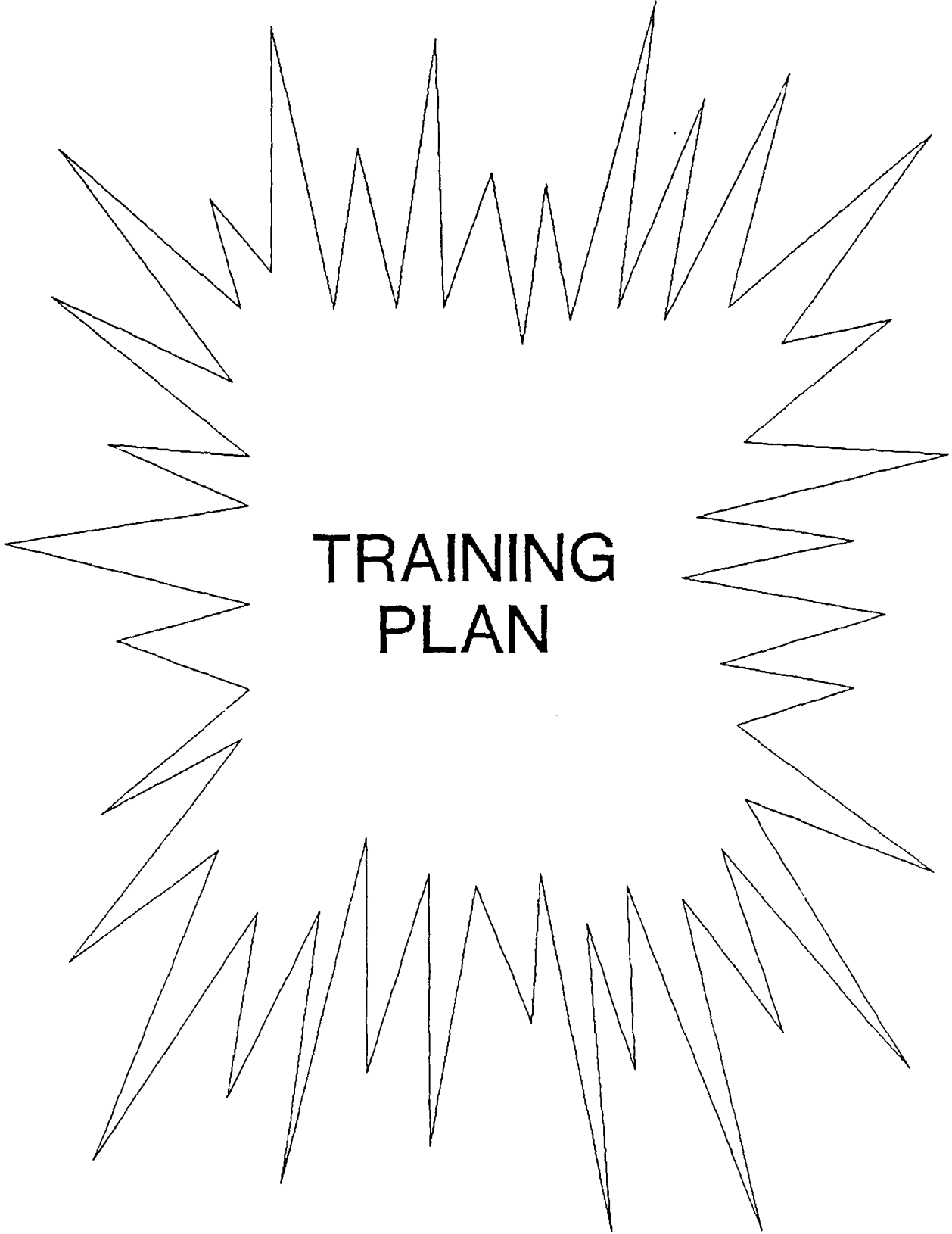






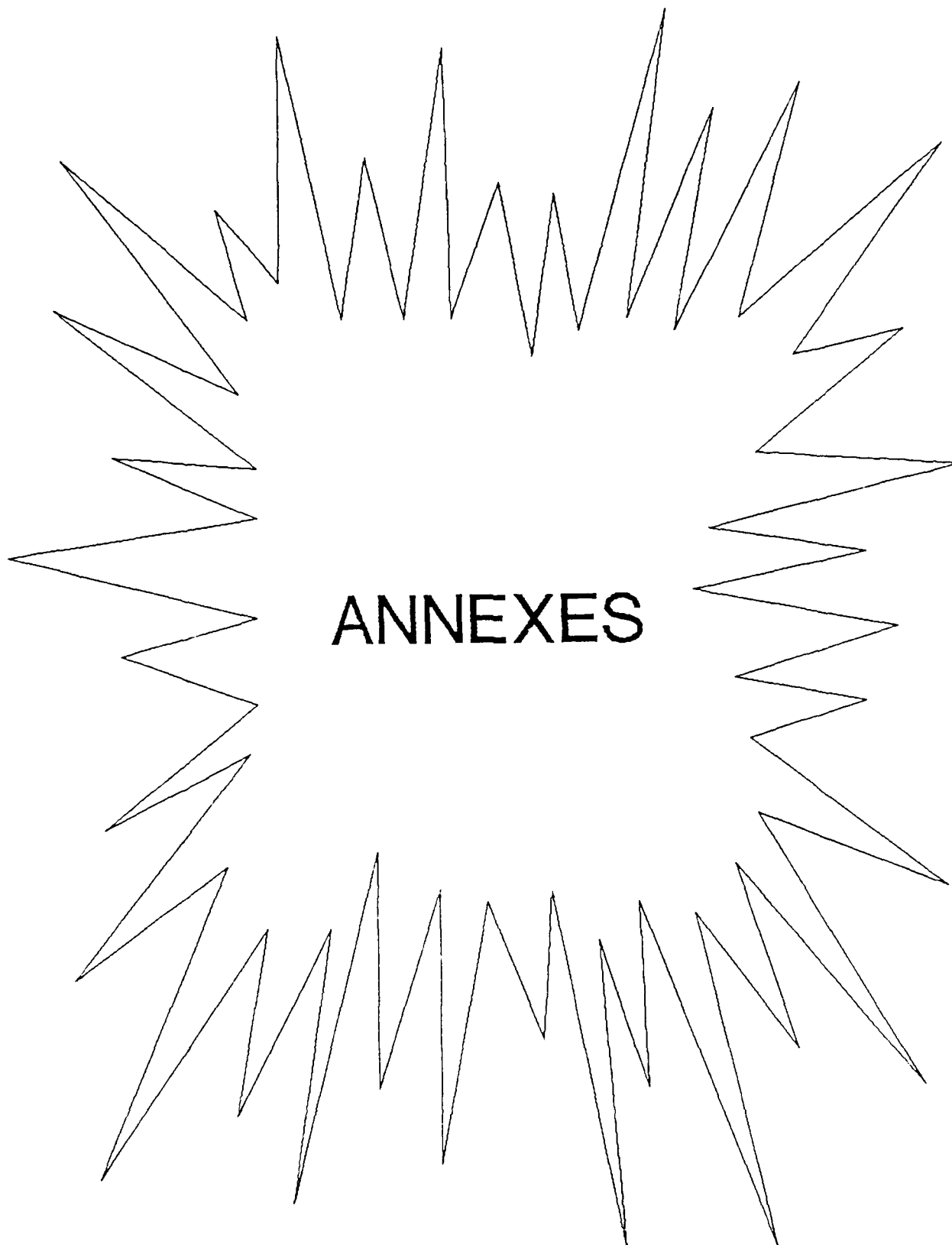


DCASR BOSTON'S MILESTONES FOR STRATEGIC/TQM EXECUTION PLAN		CY 1989				CY 1990				CY 1991				CY 1992				CY 1993			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
1.	ESTABLISH STEERING COMMITTEE		+																		
a.	ESTABLISH WORKING GROUP		+																		
b.	ESTABLISH TQM ORGANIZATION		+																		
2.	PUBLISH STRATEGIC/TQM MASTER PLAN		*	<																	
3.	TRAINING																				
a.	DEVELOP TRAINING REQUIREMENTS		*	---		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
b.	IDENTIFY COURSE AVAILABILITY		*	---		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
c.	CONDUCT TRAINING		*	---		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
4.	ONE-YEAR PLAN IMPLEMENTATION																				
a.	IDENTIFY PROCESSES		*	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
b.	PRIORITIZE PROCESSES		*	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
c.	DEFINE KEY PROCESSES		*	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
5.	SELECT INITIAL TQM PROJECTS																				
a.	MANAGEMENT BY PLANNING		*	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
b.	DEFECT REDUCTION CONTROL PROG.		*	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
c.	INVOICE COUNTING		>	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
d.	CONTRACT DATA BASE		*	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
e.	MONTHLY MANAGEMENT INDICATORS		>	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
f.	MANAGEMENT BY CONTRACTOR		>	-		---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
LEGEND:																					
> SCHEDULED START		< SCHEDULED COMPLETION				* STARTED				+ COMPLETED				--- ONGOING							



<u>SUBJECT</u>	<u>TQM FOR DOD</u>	<u>TOOLS</u>
<p>FUNCTION</p> <p>MANAGEMENT</p>	<p>(PHILOSOPHY & EDUCATION)</p> <p>REGION WIDE EDUCATION DEMING SEMINAR IMPROVING QUALITY & PRODUCTIVITY QUALITY & PRODUCTIVITY IMPROVEMENT TEAM PROCESS/SPC/METHODS ADMINISTRATIVE & SERVICE INSTITUTE INSTITUTE FOR PRODUCTIVITY THROUGH QUALITY SENIOR EXECUTIVE INSTITUTE</p>	<p>(HOW)</p> <p>MBP OVERVIEW QFD OVERVIEW SELF INSP. OVERVIEW</p>
<p>DIVISION/ BRANCH/ SECTION</p>	<p>REGION WIDE EDUCATION IMPROVING QUALITY & PRODUCTIVITY QUALITY & PRODUCTIVITY IMPROVEMENT TEAM PROCESS/SPC METHODS</p>	<p>QC TOOLS MGMT. TOOLS MBP, QFD ADV. QFD SPC</p>
<p>WORK FORCE</p>	<p>REGION WIDE EDUCATION</p> <p>*APPLICABLE TO PROJECT</p>	<p>*QC TOOLS *MGMT. TOOLS *MBP, QFD *ADV. QFD *SPC</p>

DATE	COURSE TITLE	INSTRUCTOR	SLOTS	PARTICIPANTS
7/10	QFD EXECUTIVE OVERVIEW	STAN MARSH	10	TQM STEERING COMMITTEE
7/11 - 7/13	QFD FRACTITIONER/FACILITATOR	MICHAEL BRASSARD	22	MBF WORKING GROUP DCASR BOS-DG
8/22 - 8/25	DEVELOPING A COMPANY WIDE CON- TINUOUS IMPROVEMENT MASTER PLAN	GOAL/QFC STAFF	30	DCASR BOS-LR (2) DCASR BOS-DG (5) REGION FACILITATORS
8/29 - 8/31	QFD FRACTITIONER/FACILITATOR	MICHAEL BRASSARD	30	REGION FACILITATORS
9/7 - 9/8 9/21 - 9/22	IMPROVING QUALITY & PRODUCTIVITY DURING SERVICES	PAUL KRENSKY	30	DCASR BOS-LR (2) DCASR BOS-DG (5) TQM STEERING COMMITTEE
9/11	MBF EXECUTIVE OVERVIEW	BOB KING	30	TQM STEERING COMMITTEE REGION COMMANDERS DIRECTORS
9/12 - 9/14	MBF	MICHAEL BRASSARD	30	DCASR BOS-DG (4) REGION FACILITATORS
9/26 - 9/27	SEVEN TOOLS FOR MANAGEMENT AND PLANNING	MICHAEL BRASSARD	30	DCASR BOS-LR (2) DCASR BOS-DG (5) REGION FACILITATORS



ANNEXES

GLOSSARY

Affinity Diagram: (Also known as KJ Diagram) One of seven management tools which assists general planning. It makes sense out of disparate language information by placing it on cards and grouping the cards that go together in some creative way. "Header" cards are used to summarize each group of cards.

Annual Diagnosis: Review focusing on process, successes and failures in planning, execution, and monthly diagnosis to get better processes and results for the following year.

Arrow Diagram: One of the seven management tools which like the PERT (Program Evaluation Review Technique) and CPM chart (Critical Path Method), assists detailed planning by plotting the sequence of steps for doing parts of a job, indicating the jobs that can be done simultaneously, and the "critical" or longest path from beginning to end.

Catch Ball: A term that refers to the fact that communication up, down, and horizontally across the organization must sometimes go from person to person several times to be clearly understood.

Continuous Improvement: A system in which individuals in an organization look for ways to do things better, usually based on understanding and control of variation.

Control Item: Something measured to determine to what extent a target or means (measure) is met.

Daily Control: The system by which each worker identifies simply and clearly what they must do to fulfill their job function in a way that will enable the organization to run smoothly. Also the system by which these required actions are monitored by the employee himself.

Fishbone Chart: A cause and effect diagram for analyzing problems and the factors that contribute to those problems.

Flag System: A method of displaying the interrelationships of different organizational run charts in such a way that planned and actual results are clear as well as relationships between various units. The combination of lines and run charts has the appearance of flags, hence the name.

Histogram: A chart which takes measurement data (e.g., temperature, dimensions) and displays its distribution. A histogram reveals the amount of variation that any process has within it.

Interrelationship Digraph: One of the seven management tools which assist general planning by showing with arrows the cause and effect relationship between items. Important items are recognized by the high number of arrows going in and coming out. Items with arrows only going out are usually good places to initiate action.

Management by Planning (MBP): MBP is the strategic planning system that uses all improvement efforts. It was started in 1965 and has been fine tuned over the last twenty years.

Matrix Data Analysis: One of the seven management tools which assists intermediate planning by plotting items on x- and y- axes to show relationships between individual items and groups of items.

Matrix Diagram: One of the seven management tools which assists intermediate planning by comparing one set of items against another set and identifies the strength of their relationship.

Means: (or Measure) A way to accomplish a target.

Monthly Diagnosis: The self evaluation of performance against targets, an examination of things that helped or hindered in meeting the targets, and the corrective actions that will be taken.

Objective: The means to meet a one-year plan at the top of the organization or to support the base strategy at a lower level of organization.

One-Year Plan: A statement of objectives of an organizational event for a year.

Pareto Analysis: A vertical bar graph showing the bars in order of size from left to right. Named after the 19th century economist Wilfredo Pareto (who discerned that wealth was not evenly distributed). Helps focus work on the vital few problems rather than the trivial many.

PERT Chart: (Program Evaluation and Review Technique) This chart aids the reduction of over-all project time by showing what can be done simultaneously and enabling a reduction of delays between things which are done sequentially.

PDCA Cycle: (Plan-Do-Check-Act) The plan-do-check-act system, sometimes referred to as the Deming or Shewhart cycle, is the scientific methodology in which improvements are planned, tried, and checked to see if they deserve to be implemented or abandoned.

Plan: The means to achieve a target.

Policy: The objectives that are to be achieved through the cooperation of all levels of managers and employees. A policy consists of targets, plans, and target values.

Policy Deployment: One English translation for hoshin kanri. (Others are management by policy and hoshin planning.) Policy deployment orchestrates continuous improvement in a way that fosters individual initiative and alignment.

Process Decision Program Chart: (PDPC) A tool for detailed planning that identifies the various things that can go wrong in a plan and identifies the countermeasures or contingencies.

Project Teams: Ad hoc groups whereby the problem defines the team.

Run Chart: This chart visually represents data. It is used to monitor a system to see whether or not the long range average is changing.

Quality Function Deployment: (Also QFD or Quality Factor Development) A system that identifies the needs of the customer and gets it to all the right people so that the organization can effectively exceed competition in meeting the customers' most important needs, thereby increasing market share.

Quality Management: Those systems, organizations, and tools which make it possible to plan, fabricate and serve a quality product or service.

SDCA Cycle: (Set standard, Do it, Check it, Activate or Adjust it) This is the system by which standard procedures are implemented or changed.

Seven New Tools for Management and Planning: (Also called the Seven Management Tools or Seven New Tools) It includes Affinity Diagram (kJ), Interrelationship Digraph, Tree Diagram, Matrix chart, Matrix data analysis, PDPC (Process Decision Program Chart) and Arrow Diagram. They are used heavily in Management by Policy, Quality Function Deployment and Total Productive Maintenance.)

Standardization: The system of documenting and updating procedures to make sure everyone knows clearly and simply what is expected of them (measured by daily control).

Statistical Quality Control: (SQC) The use of knowledge and control of variation in improving and maintaining the organizational processes.

Storyboarding: A system developed and popularized by Walt Disney in which characters and plots and locations (etc.) were put on cards and reorganized to create new story lines. It is now used to describe any use of cards to arrange information.

Strategy: A means to meet an objective.

Systems Flow/Tree Diagram: One of the seven management tools that helps intermediate planning by systematically breaking down plans into component parts.

Target: The desired goal that serves as a yardstick to evaluate the degree to which a "policy" is achieved. It is also referred to as a "control point," "control item," or "target item."

Target Value: Normally a numerical definition of successful target attainment. This is not always possible. You must never separate the target from the plan.

Total Quality Management: (TQM) is the application of quantitative methods and human resources to improve the material and services supplied to an organization, all the processes within an organization and the degree to which the needs of the customer are met, now and in the future.

Vision: A five-year plan of direction.

PRINCIPLES

1. EVERYONE MANAGES A PROCESS.
2. THE ORGANIZATION IS A NETWORK OF INTERDEPENDENT PROCESSING SYSTEMS LINKED IN SUPPLIER/CUSTOMER RELATIONSHIPS.
3. SYSTEMS CAN BE DEFINED FROM MACRO TO MICRO LEVELS FOR ANALYSIS.
4. BOUNDARIES ARE DEFINED BY PROCESS FLOW.
5. RESPONSIBILITIES MAY CROSS FUNCTIONAL BOUNDARIES. THEREFORE, PROCESSING SYSTEM OWNERSHIP MUST BE MADE EXPLICIT.
6. PROCESS CONTROL REQUIRES MEASUREMENT AND FEEDBACK TO THE PROCESS MANAGER.
7. TARGETS, OBJECTIVES, AND MEASURES SHOULD HELP THE PROCESS MANAGER (SUPPLIER) MEET CUSTOMER REQUIREMENTS.
8. PROCESS IMPROVEMENT REQUIRES COMMUNICATION BETWEEN CUSTOMER AND SUPPLIER.
9. IMPROVEMENT IS PROCESS, NOT OUTCOME ORIENTED; OUTCOMES ARE MEASURED OVER TIME TO UNDERSTAND PERFORMANCE PATTERNS IN ORDER TO IMPROVE THE PROCESS.
10. VALUE IS ADDED WHEN THE CUSTOMER IS HELPED.