

Introduction to Total Quality Leadership

Student Guide

**Prepared by:
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Coronado, CA and Little Creek, VA**

**Prepared for:
Chief of Navy Education and Training
Pensacola, Florida**

January 1997

Letter of Promulgation

Note:

***This Letter of Promulgation
is typically provided by CNET***

Acknowledgment

This Department of the Navy (DON) Course, Fundamentals of Total Quality Leadership, CIN: P-500-0003A, has under gone a major revision since its last update of November 1992. As part of an ongoing process improvement effort, all of the Total Quality Leadership (TQL) courses have been revised and updated to meet the evolving needs of the DON. The following personnel, members of the course revision team, are recognized for an extraordinary effort and commitment in the research, design, development, and management of this course of instruction:

Ken Hayes - CINCUSNAVEUR
Jim McFarlane - CINCUSNAVEUR
MGYSGT Joe Hess - NLTU Little Creek
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This course was initially developed by the Navy Personnel Research and Development Center, San Diego, California, as part of the DON's education and training curriculum in Total Quality Leadership. A significant commitment to researching and studying the philosophy of Dr. W. Edwards Deming and its application to the DON went into the development of this course. Recognition is given to the following personnel in the Organizational Systems Department, Management Development Division, for their dedication and efforts:

Daira Paulson - Author
Judy Wasik - Author
Barbara Tarker - Author
Chan Shumate - Author
Prentice St. Clair - Course Materials Production

Table of Contents

Front Matter	Page
Letter of Promulgation	i
Change Record	ii
Acknowledgment	iii
Table of Contents	iv
A. Student Guide Format	
Student Information	vii
B. Course Objectives	
Course Mission Statement	vii
Course Objectives	vii
Course Overview	
VG-1 Course Overview	1
VG-2 Course Mission Statement and Objectives	1
VG-3 Course Structure and Schedule	2
VG-4 DON Approach to Quality Management	2
Module 1 - DON Quality Approach	
VG-5 DON Quality Approach	3
VG-6 Definition of Quality	3
VG-7 Dimensions of Quality	4
VG-8 Quality Depends On	4
VG-9 What is a Process?	5
VG-10 Examples of Processes	5
VG-11 Two Approaches to Quality	6
VG-12 Quality through Inspection	6
VG-13 Inspection Example	7
VG-14 Costs of Inspection	7
VG-15 Quality through Process Improvement	8
VG-16 Investments in Process Improvement	8
VG-17 The Chain Reaction in the DON	9
VG-18 Why Focus on Quality?	9
VG-19 Benefits of Focusing on Quality	10
VG-20 DON Definition of Total Quality Leadership (TQL)	10
VG-21 Total Quality Leadership Model	11
VG-22 Videos: "TQL Welcome Aboard" and "TQL: A Marine Experience"	11

Table of Contents (continued)

Module 2 - Quality Improvement Teams

VG-23	Quality Improvement Teams	12
VG-24	Quality Improvement Team Structure	12
VG-25	Team Approach to Managing Quality	13
VG-26	Executive Steering Committee (ESC)	13
VG-27	Quality Management Board (QMB)	14
VG-28	Process Action Team (PAT)	14

Module 3 - System of Profound Knowledge

VG-29	System of Profound Knowledge	15
VG-30	DON Approach to Quality Management	15
VG-31	What is a System?	16
VG-32	Systems and Subsystems	16
VG-33	Organization as an Extended System	17
VG-34	Optimization of the Organization	17
VG-35	Suboptimization of the Organization	18
VG-36	The Organization as a System, Subsystems, and Processes	18
VG-37	Understanding Similarities of People	19
VG-38	Understanding Differences of People	19
VG-39	Changing Organizational Culture	20
VG-40	Working in Teams	20
VG-41	Why Variation Occurs	21
VG-42	Shewhart's Discovery	21
VG-43	Understanding Variation	22
VG-44	Theory of Knowledge	22
VG-45	Typical Approaches to Planning and Decision-Making	23
VG-46	Quality Approaches to Planning and Decision-Making	23
VG-47	The Plan-Do-Check-Act (PDCA) Cycle	24
VG-48	PDCA Cycle and Process Improvement	24

Module 4 - Fourteen Obligations of Management

VG-49	Fourteen Obligations of Management	25
VG-50	DON Approach to Quality Management	25
VG-51	Points 1, 2, and 3	26
VG-52	Points 4, 5, 6, 7, and 8	26
VG-53	Points 9, 10, and 11	27
VG-54	Points 12, 13, and 14	27

Table of Contents (continued)

Module 5 - Basic Process Improvement Tools

VG-55	Basic Process Improvement Tools	28
VG-56	Basic Tools for Process Improvement	28
VG-57	Purpose of Tools	29
VG-58	Flowchart	29
VG-59	Symbols Used in Flowcharts	30
VG-60	Linear Flowchart Example	30
VG-61	Flowchart Exercise Example	31
VG-62	Brainstorming	31
VG-63	Affinity Diagram	32
VG-64	The Finished Affinity Diagram	32
VG-65	Cause and Effect Diagram	33
VG-66	Basic Layout of Cause and Effect Diagrams	33
VG-67	Cause and Effect Diagram Example	34
VG-68	Multivoting	34
VG-69	Nominal Group Technique (NGT)	35
VG-70	Checksheets	35
VG-71	Checksheet Example #1	36
VG-72	Checksheet Example #2	36
VG-73	Pareto Chart	37
VG-74	Pareto Chart Example #1	37
VG-75	Pareto Chart Example #2	38
VG-76	Histogram	38
VG-77	Histogram Example #1	39
VG-78	Histogram Example #2	39
VG-79	Run Chart	40
VG-80	Course Summary	40

A. Student Guide Format

Student Information

This Student Guide contains all of the viewgraphs for this course. You can follow along with the instructors as they guide the discussion. Margins are provided for note-taking as appropriate.

Safety/Hazardous Awareness Notice

During the instruction of this course there are no safety/hazardous teaching situations. All instruction is within a normal classroom environment.

Security Awareness Notice

This course is unclassified and does not contain any classified material.

B. Course Objectives

Course Mission Statement

To provide the student with a basic awareness of Total Quality Leadership principles and techniques that lead to improving mission performance and readiness.

Course Objectives

By the end of this course the student will have a basic awareness of the following:

- ◆ The DON quality approach
- ◆ The quality improvement team structure
- ◆ The System of Profound Knowledge
- ◆ The Fourteen Obligations of Management
- ◆ Basic process improvement tools

Introduction to Total Quality Leadership

Course Overview

Introduction to
Total
Quality
Leadership

Course Overview

**Course Mission Statement
and Objectives**

*To provide the student with an awareness of Total
Quality Leadership principles and techniques*

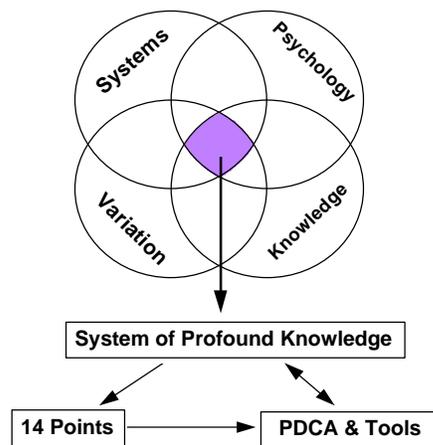
**By the end of this course the student will have a
basic awareness of the following:**

- ◆ The DON Quality Approach
- ◆ The Quality Improvement Teams
- ◆ The System of Profound Knowledge
- ◆ The Fourteen Obligations of Management
- ◆ Basic Process Improvement Tools

Course Structure and Schedule

- ◆ Module 1 - DON Quality Approach - 2 Hrs
- ◆ Module 2 - Quality Improvement Teams - 1 Hr
- ◆ Module 3 - System of Profound Knowledge - 2 Hrs
- ◆ Module 4 - The Fourteen Points - 1 Hr
- ◆ Module 5 - Basic Process Improvement Tools - 2 Hrs

DON Approach to Quality Management



Introduction to Total Quality Leadership

Module 1: DON Quality Approach

Introduction to **T**otal **Q**uality **L**eadership

Module 1
DON Quality Approach

Definition of Quality

qual.i.ty (kwal e ti), n.

Websters Dictionary:

- ◆ Peculiar or essential character
- ◆ An inherent feature or property
- ◆ A distinguishing attribute or characteristic
- ◆ The degree of excellence which a thing possesses

DON Definition:

- ◆ The extent to which a product or service meets or exceeds customer requirements and expectations

Dimensions of Quality

- ◆ Performance
- ◆ Timeliness
- ◆ Reliability
- ◆ Durability
- ◆ Aesthetics
- ◆ Personal interface
- ◆ Reputation
- ◆ Ease of use
- ◆ Features
- ◆ Consistency
- ◆ Uniformity
- ◆ Accuracy
- ◆ Conformance to specifications
- ◆ _____

Quality Depends On:

- ◆ The context in which it is used
- ◆ The customer's perception
- ◆ The needs and wants of the customer

What is a Process?

- ◆ **A series of operations or steps that results in a product or service**

- ◆ **A set of causes and conditions that work together to transform inputs into an output**

Examples of Processes

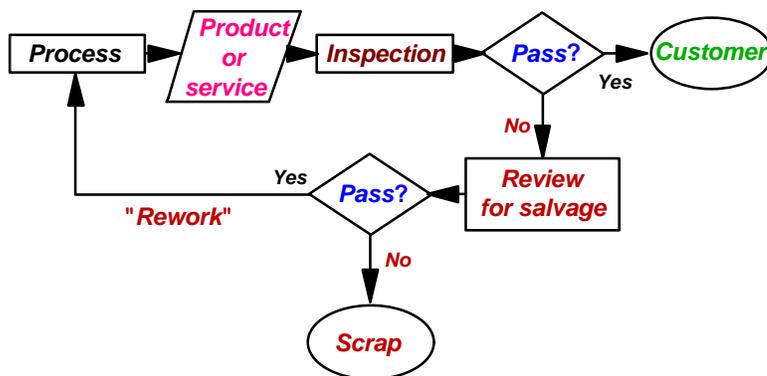
- | | |
|--|---|
| ◆ Loading ordnance | ◆ Purchasing supplies |
| ◆ Dropping anchor | ◆ Plating metal |
| ◆ Arranging travel | ◆ Training people |
| ◆ Preparing a report | ◆ Preparing a budget |
| ◆ Processing payments | ◆ Transporting hazardous materials |
| ◆ Admitting patients | ◆ _____ |
| ◆ Starting propulsion equipment | |

Two Approaches to Quality

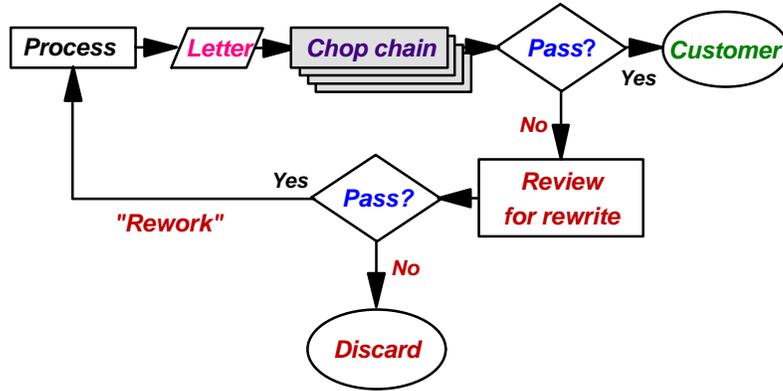
- ◆ **Quality through Inspection**
 - To detect and remove poor quality

- ◆ **Quality through Process Improvement**
 - To build in quality

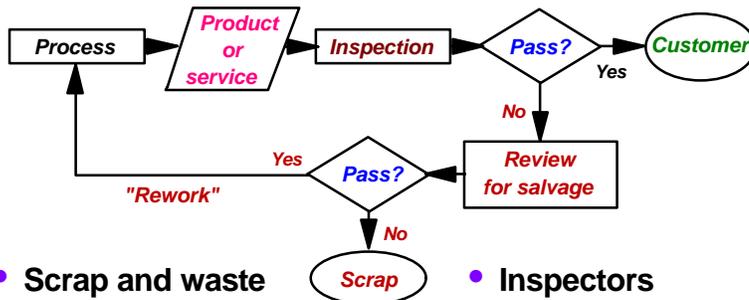
Quality through Inspection



Inspection Example

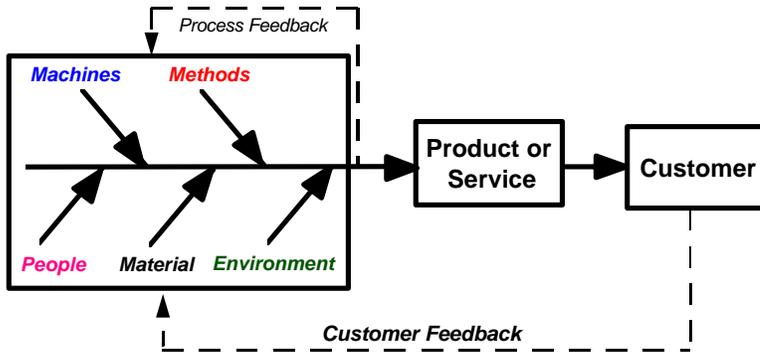


Costs of Inspection

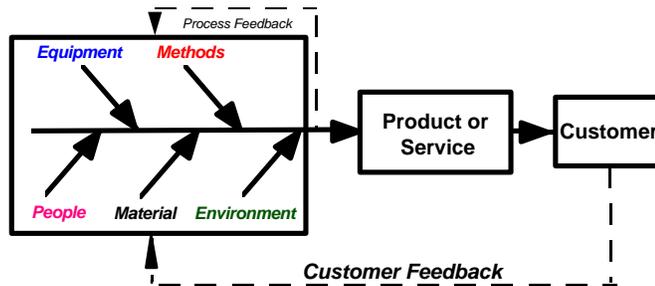


- Scrap and waste
- New material
- Time
- Delay
- Inspectors
- Employee burnout
- “Unknowable” costs

Quality through Process Improvement

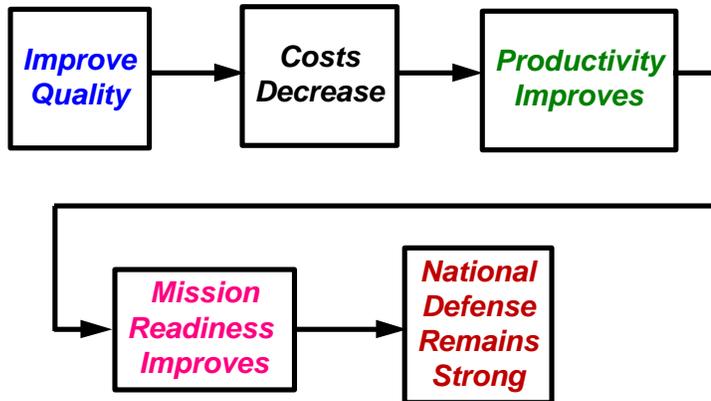


Investments in Process Improvement



- ◆ *Education and training*
- ◆ *Improving processes and systems*
- ◆ *Measurement and analysis*
- ◆ *Investment in innovation*

The Chain Reaction in the DON



(CNO TQL Teams, 1991)

Why Focus on Quality?

- ◆ The DON needs to maintain mission readiness
- ◆ There is a new direction for the DON
- ◆ The aim should be distinction in service
- ◆ TQL can help the DON meet the goals of the National Performance Review
- ◆ The U.S. needs to continue to improve its competitiveness in the world marketplace

Benefits of Focusing on Quality

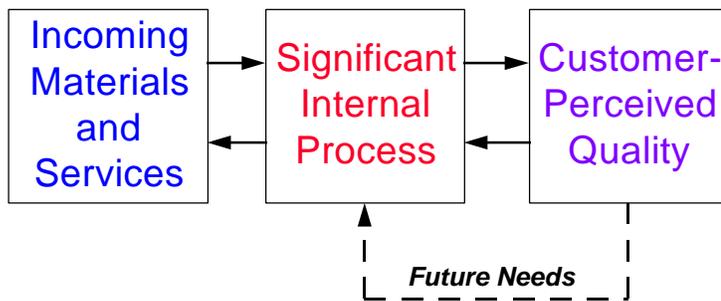
- ◆ Improves operational readiness of our armed forces
- ◆ Improves organizational efficiency and effectiveness
- ◆ Eliminates waste, reduces costs, and increases productivity
- ◆ Enables everyone to make meaningful contributions to their work

DON Definition of Total Quality Leadership (TQL)

The application of quantitative methods and the knowledge of people to assess and improve:

- ◆ Materials and services supplied to the organization
- ◆ All significant processes within the organization and
- ◆ Meeting the needs of the end-user, now and in the future

Total Quality Leadership Model



Video...

“TQL Welcome Aboard”

or

“TQL: A Marine Experience”

Introduction to Total Quality Leadership

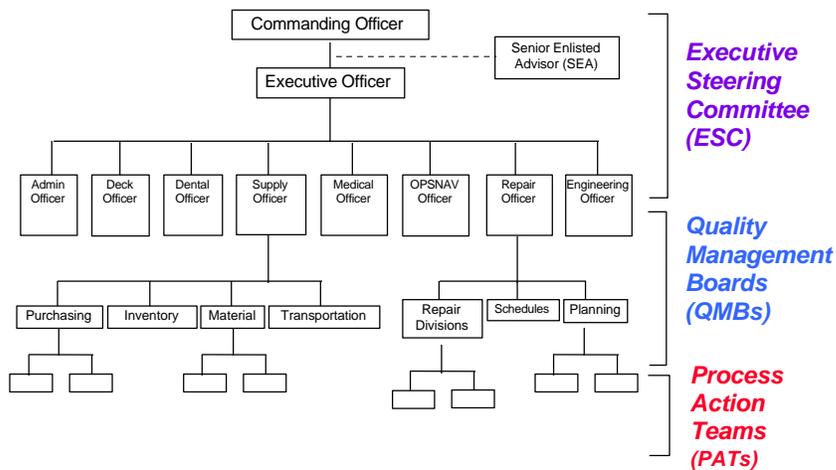
Module 2: Quality Improvement Teams

Introduction to

Total Quality Leadership

Module 2 Quality Improvement Teams

Quality Improvement Team Structure



Team Approach to Managing Quality

- ◆ Complements the chain of command
- ◆ Focuses on significant processes
- ◆ Builds upon joint ownership of the process
- ◆ Facilitates vertical alignment and horizontal integration
- ◆ Is customer driven

Executive Steering Committee (ESC)

A team made up of top leaders in the command

- ◆ Establishes the practice of process management
- ◆ Participates in process improvements activities
- ◆ Establishes teams for process improvement
- ◆ Provides TQL support and resources
- ◆ Manages the transformation in the command
- ◆ Establishes conditions for beginning strategic management

Quality Management Board (QMB)

A cross-functional team of process owners

- ◆ Describes the significant process
- ◆ Simplifies and standardizes the process
- ◆ Stabilizes the process and checks for capability
- ◆ Begins continual process improvement
- ◆ Coordinates cross-functional efforts
- ◆ Charters Process Action Teams as required

Process Action Team (PAT)

*Composed of individuals working
within a stage of the process*

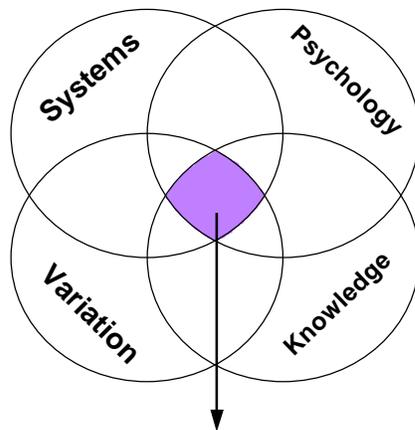
- ◆ Helps the QMB establish process stability
- ◆ Measures processes and collects data
- ◆ Makes recommendations for improving the process
- ◆ Documents process analysis and action

Introduction to Total Quality Leadership

Module 3: System of Profound Knowledge

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Leadership

Module 3
System of
Profound Knowledge

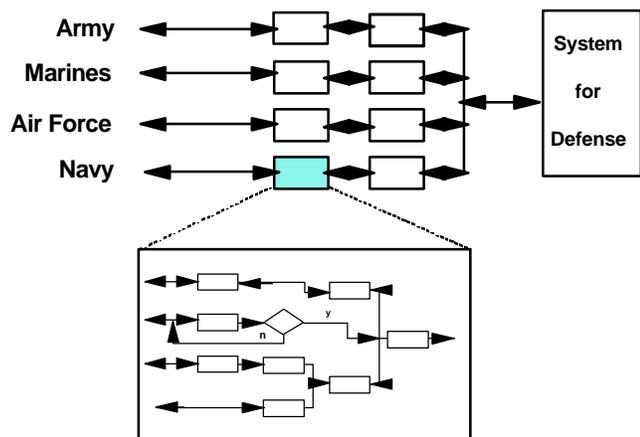


System of Profound Knowledge

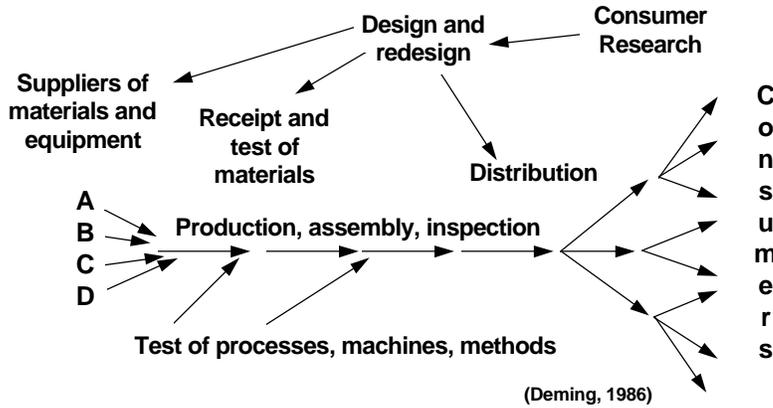
What is a System?

- ◆ Collection of interacting parts functioning as a whole
- ◆ Collection of subsystems that support the larger system
- ◆ Collection of processes oriented toward a common goal
- ◆ The organization as a system

Systems and Subsystems

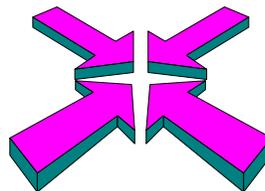


Organization as an Extended System



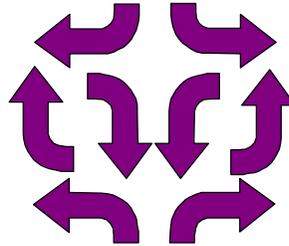
Optimization of the Organization

- ◆ Occurs when the aims of the subsystems or parts support the aims of the organization
- ◆ May result in a delayed effect
- ◆ Must be managed

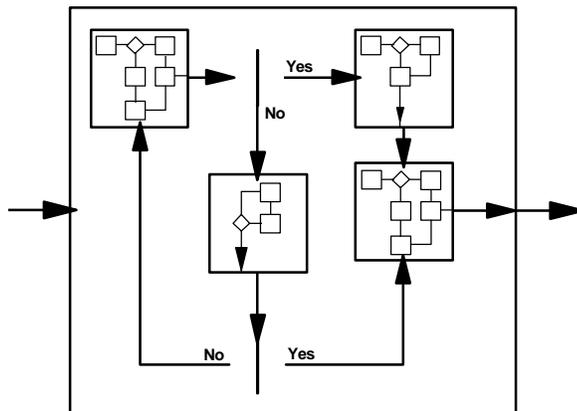


Suboptimization of the Organization

- ◆ Occurs when the aims of the subsystems or parts do not support the aims of the organization
- ◆ Occurs when management fails to lead the organization as a system



The Organization as a System, Subsystems, and Processes

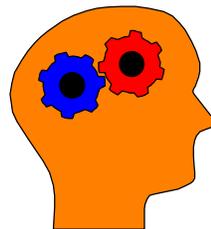


Understanding Similarities of People

- ◆ Need to be part of a group
- ◆ Need to be respected by others
- ◆ Need to avoid punishment
- ◆ Natural inclination to learn
- ◆ Desire to do well

Understanding Differences of People

- ◆ Learning styles
 - Concrete Experience
 - Reflective Observation
 - Abstract Conceptualization
 - Active Experimentation
- ◆ Levels of ability
- ◆ Ability to work in teams
- ◆ Readiness for change



Changing Organizational Culture

◆ **Definition of culture:**

“The pattern of assumptions in the organization that has been useful in coping with the internal and external environment, which is taught to new members as the ‘correct’ way to perceive, think, and feel about their work.”

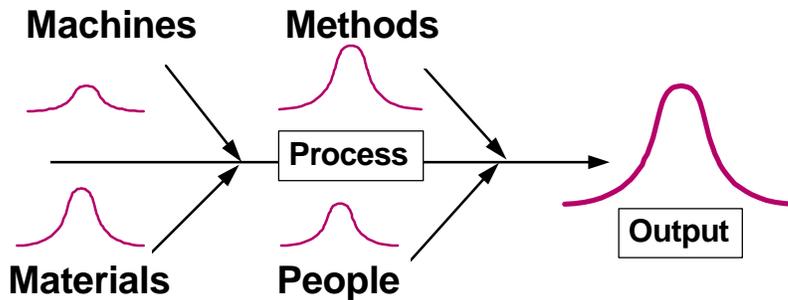
(Schein 1990)

◆ **Cultural changes that will be required**

Working in Teams

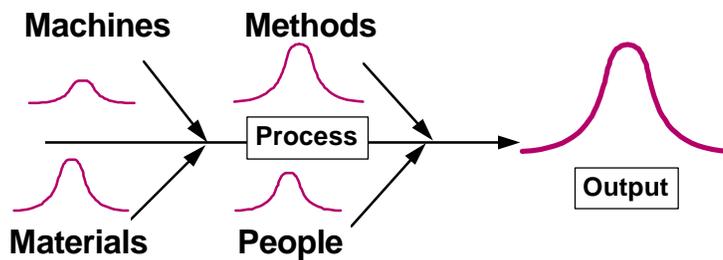
- ◆ **Fulfills the need to be part of a group**
- ◆ **Facilitates problem-solving and process improvement**
 - **Synergy, expertise, accessibility to information**
- ◆ **Fosters a sense of ownership**
- ◆ **Improves work motivation and performance**
- ◆ **Helps avoid suboptimization**

Why Variation Occurs



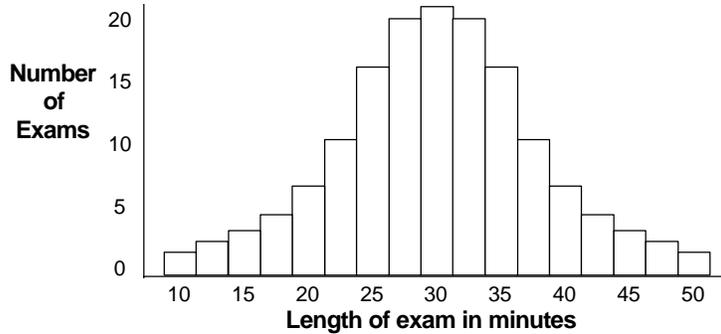
- ◆ Variation in the process leads to variation in the output

Shewhart's Discovery



- ◆ Variation is inherent in all processes
- ◆ Process causes can be identified, measured, and analyzed
- ◆ Deliberate action is required to reduce variation

Understanding Variation



◆ Distribution of measures from the health exam process

Theory of Knowledge

- ◆ Systematic approach to learning
- ◆ Knowledge is the only source of improvement and innovation



Typical Approaches to Planning and Decision-Making

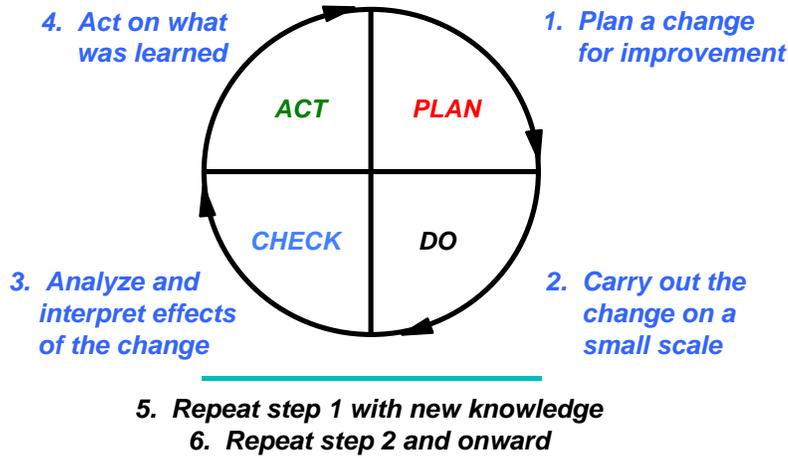
- ◆ React to problems
- ◆ “Shoot from the hip”
- ◆ Form “tiger teams”
- ◆ Blame the workers
- ◆ Work around the system
- ◆ Take a short-term perspective



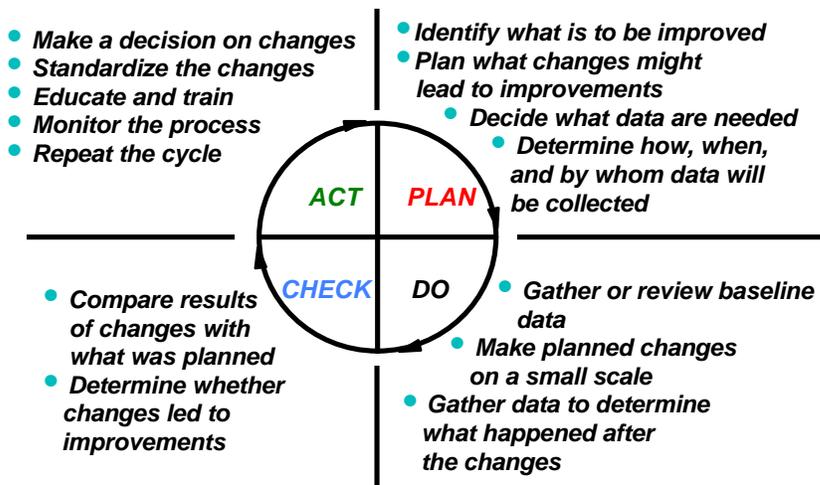
Quality Approaches to Planning and Decision-Making

- ◆ Plan for improvements
- ◆ Make data-based decisions
- ◆ Pursue continuous process improvement
- ◆ Improve processes
- ◆ Improve the organizational system
- ◆ Take a long-term perspective

The Plan-Do-Check-Act (PDCA) Cycle



PDCA Cycle and Process Improvement



Introduction to Total Quality Leadership

Module 4: Fourteen Obligations of Management

Introduction to

Total

Quality

Leadership

Module 4
The Fourteen Points

***Fourteen Obligations
of Management***

- ◆ Represent a total system
- ◆ Provide a roadmap for change

The Fourteen Points

- ◆ **Point 1 - Create and publish to all employees a statement of the aims and purposes of the company or other organization.**
- ◆ **Point 2 - Learn the new philosophy, top management and everybody.**
- ◆ **Point 3 - Understand the purpose of inspection, for improvement of processes and reduction of cost.**

The Fourteen Points

- ◆ **Point 4 - End the practice of awarding business on the basis of price tag alone.**
- ◆ **Point 5 - Improve constantly and forever the system of production and service.**
- ◆ **Point 6 - Institute training for skills.**
- ◆ **Point 7 - Teach and institute leadership.**
- ◆ **Point 8 - Drive out fear. Create trust. Create a climate for innovation.**

The Fourteen Points

- ◆ **Point 9 - Optimize toward the aims and purposes of the company, the efforts of teams, groups, and staff areas.**
- ◆ **Point 10 - Eliminate exhortations for the work force.**
- ◆ **Point 11a - Eliminate numerical quotas for production. Instead, learn and institute methods for improvement.**
- ◆ **Point 11b - Eliminated M.B.O. (management by objective) Instead, learn the capabilities of processes, and how to improve them.**

The Fourteen Points

- ◆ **Point 12 - Remove barriers that rob people of pride of workmanship.**
- ◆ **Point 13 - Encourage education and self-improvement for everyone.**
- ◆ **Point 14 - Take action to accomplish the transformation.**

Introduction to Total Quality Leadership

Module 5: Basic Process Improvement Tools

Introduction to
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Leadership

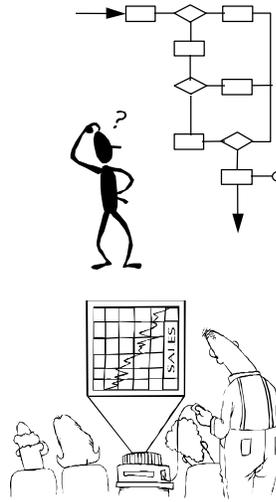
Module 5
Basic Process
Improvement Tools

Basic Tools for
Process Improvement

- ◆ Flowcharting
- ◆ Brainstorming
- ◆ Affinity Diagram
- ◆ Cause and Effect Diagram
- ◆ Nominal Group Technique (NGT)
- ◆ Multivoting
- ◆ Check Sheet
- ◆ Pareto Chart
- ◆ Histogram
- ◆ Run Chart
- ◆ Control Chart
- ◆ Data Collection Plan

Purpose of Tools

- ◆ Describe and improve processes
- ◆ Evaluate process or output variation
- ◆ Assist with decision-making
- ◆ Analyze data in a variety of ways
- ◆ Display information



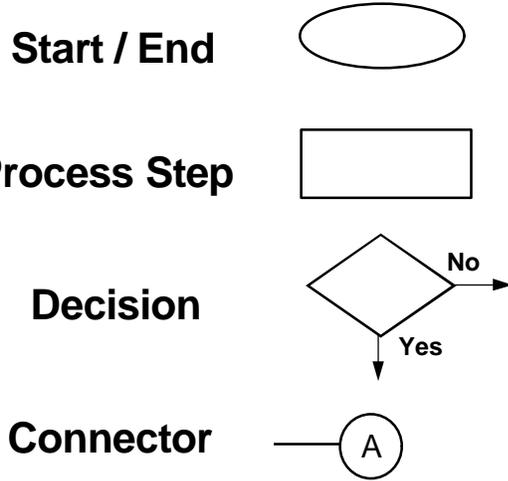
Flowchart

A diagram that uses graphic symbols to depict the nature and flow of the steps in a process

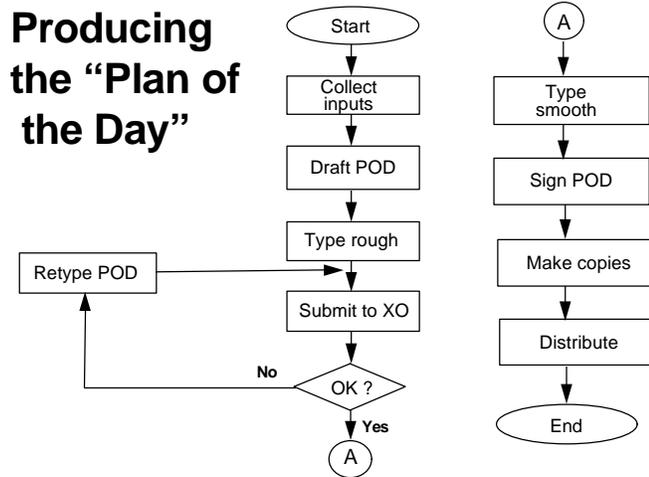
Benefits of Using Flowcharts

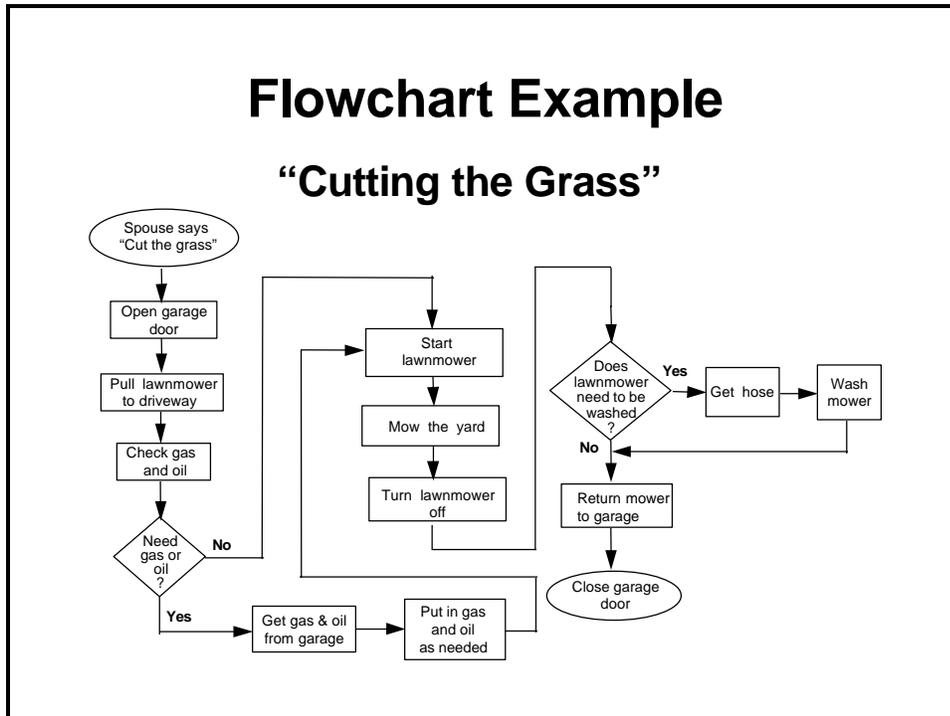
- ◆ Promotes understanding of a process
- ◆ Identifies problem areas and opportunities for process improvement
- ◆ Provides a way of training employees
- ◆ Depicts customer-supplier relationships

Symbols Used in Flowcharts



Linear Flowchart Example





Brainstorming

An idea-generating technique used by teams to generate many ideas in a short period of time

Benefits of Brainstorming

- ◆ Rapidly produces a large number of ideas
- ◆ Encourages creativity and innovation
- ◆ Encourages involvement by all members
- ◆ Fosters a sense of ownership
- ◆ Provides input to other tools

Affinity Diagram

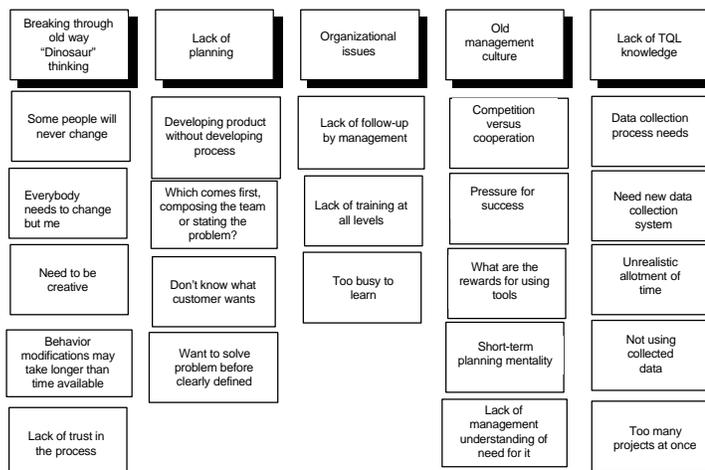
A tool that organizes large amounts of language data (ideas, opinions, issues) into groupings based on their natural relationships

Use the Affinity Process to:

- ◆ Sift through large volumes of data
- ◆ Encourage new patterns of thinking

The Finished Affinity Diagram

Issues in Implementing Continuous Process Improvement



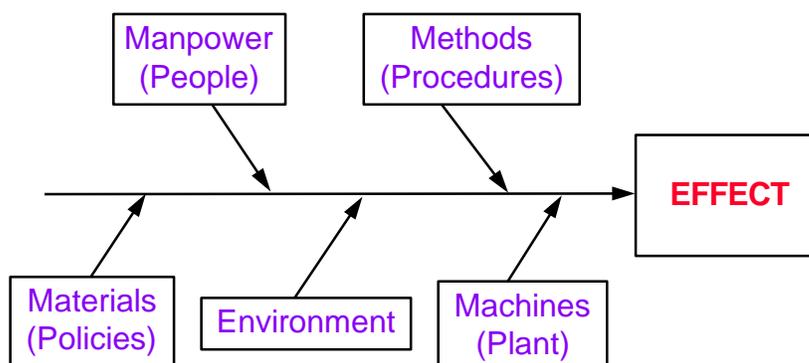
Cause and Effect Diagram

A graphic tool that helps identify, sort, and display possible causes of a problem or quality characteristic

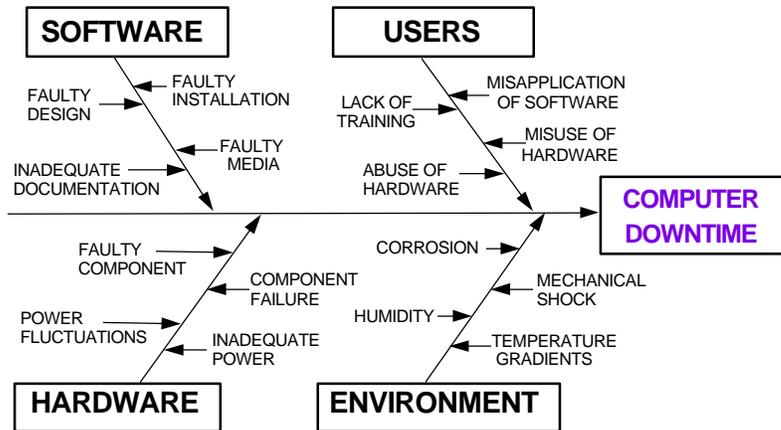
Benefits of Cause and Effect Diagrams

- ◆ Uses an orderly, easy-to-read format
- ◆ Increases knowledge of the process
- ◆ Indicates possible causes of variation
- ◆ Identifies areas for collecting data

Basic Layout of Cause and Effect Diagrams



Cause and Effect Diagram Example



Multivoting

A repetitive process used by a team to select the most important or popular items from a large list of items generated by the team

Benefits of Multivoting

- ◆ Reduces a larger list of items
- ◆ Prioritizes team issues
- ◆ Identifies important items

Nominal Group Technique (NGT)

A weighted ranking method that allows a group to generate and prioritize a large number of issues within a structure that gives everyone an equal voice

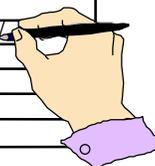
Benefits of using NGT

- ◆ Reduces the number of issues
- ◆ Ensures all team members participate
- ◆ Rank-order issues or items by priority
- ◆ Allows for private input

Checksheets

- ◆ Record data for further analysis
- ◆ Provide historical record
- ◆ Introduce data collection methods

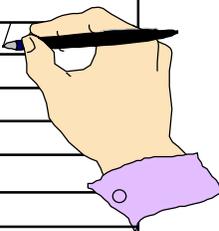
Time	New Check-ins
0500-0559	/
0600-0659	///
0700-0759	///
0800-0859	///
0900-0959	###/4
1000-1059	///
1100-1159	///
1200-1259	/
1300-1359	///
1400-1459	///
1500-1559	/



Checksheet Example #1

Uncrating Equipment

UNCRATING (IN MINS)		TOTAL TIME (IN MINS)	
160-179		0550-0599	
180-199	///	0600-0649	
200-219	//	0650-0699	///
220-239		0700-0749	///
240-259	////	0750-0799	////
260-279	////	0800-0849	
280-299		0850-0899	
300-319		0900-0949	
320-339		0950-0999	
340-359		1000-1049	
360-379		1050-1099	/



LEGEND: Elapsed time (in mins) to uncrate equipment - 19 August 94 - MCBH Kaneohe Bay, Hawaii

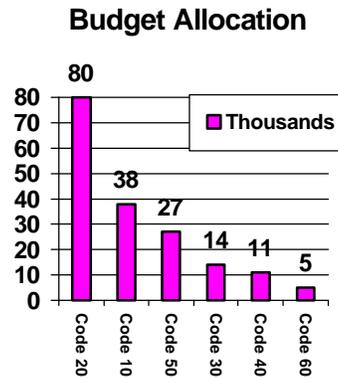
Checksheet Example #2

GEAR DEFECT DATA

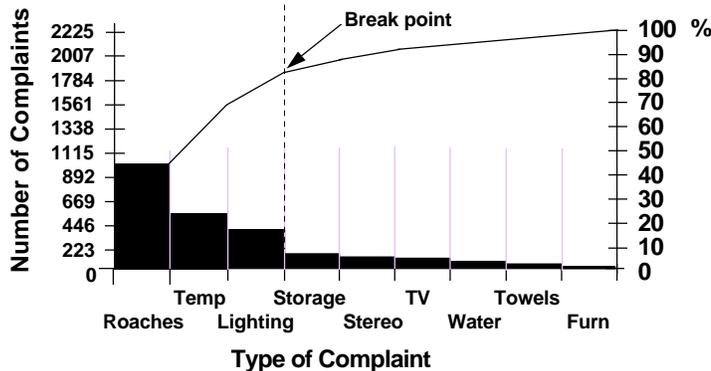
Defect Category	0700	0800	0900	1000	1100	1200	1300	1400	1500	1600	1700	Total
I.D. Size Wrong	I			I	II					I		5
O.D. Size Wrong		I										1
Nicks		II			II	II	II		I	I	II	12
Burrs			I	I	I		I	I	I	I	II	9
Tooth Geometry	I							I				2
Blemishes	I	II		I		I		I			II	8
Other			I									1
Total	3	5	2	3	5	3	3	3	2	3	6	38

Pareto Chart

- ◆ Bar chart arranged in descending order of height from left to right
- ◆ Bars on left relatively more important than those on right
- ◆ Separates the "vital few" from the "useful many" (Pareto Principle)

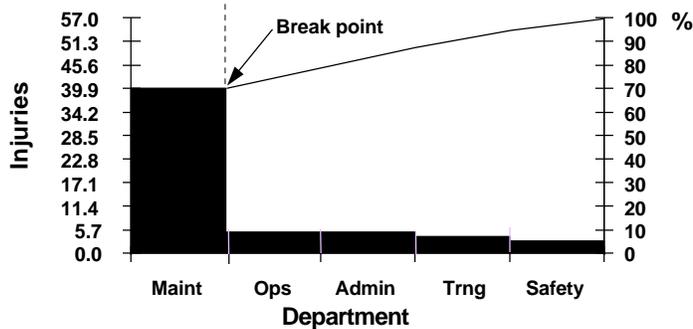


Example #1 - Pareto Chart BEQ/BOQ Complaints



LEGEND: COMPLAINTS RECORDED IN BEQ / BOQ, 1 FEB - 30 APR 95.

Example #2 - Pareto Chart Injuries by Department



LEGEND: INJURIES TO SQUADRON PERSONNEL 1 FEB - 30 APR 95.

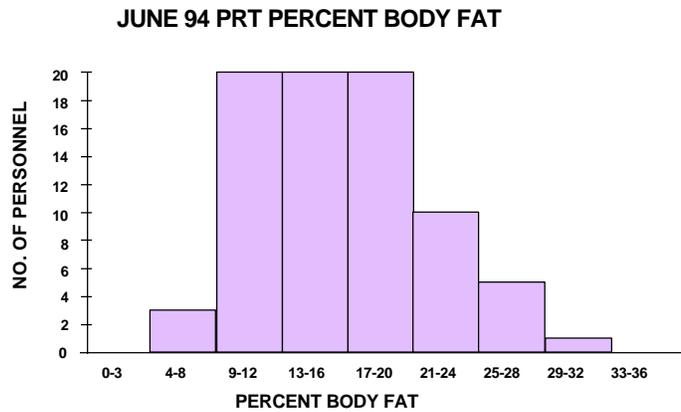
Histogram

- ◆ A bar graph that shows the distribution of data
- ◆ A snapshot of data taken from a process

When to use Histograms

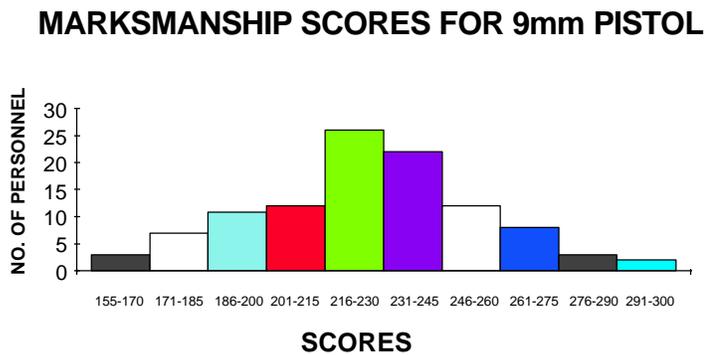
- ◆ Summarize large data sets graphically
- ◆ Compare process results to specifications
- ◆ Communicate information to the team
- ◆ Assist in decision-making

Histogram Example #1



LEGEND: USS LEADER (MSO-490), 25 JUNE 94, ALL 80 PERSONNEL SAMPLED

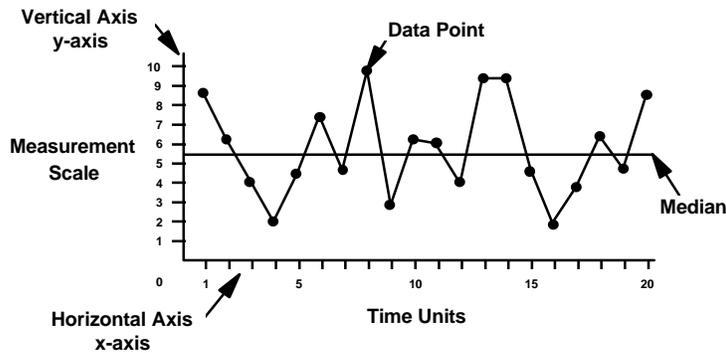
Histogram Example #2



LEGEND: MCBH KANEHOE BAY, HI; AVERAGE OF 4 SCORES PER CLASS, 105 CLASSES, 1 JUNE 94 - 15 JULY 94

Run Chart

A line graph of data points plotted over time



Elements of a Run Chart

Course Summary

- ◆ Module 1 - DON Quality Approach
- ◆ Module 2 - Quality Improvement Teams
- ◆ Module 3 - System of Profound Knowledge
- ◆ Module 4 - Fourteen Obligations of Management
- ◆ Module 5 - Basic Process Improvement Tools