



## White Paper 2012-22

### **Total Quality Programs in Project Organizations: Release the Power of your People to Build the Organization you Need to Tackle Complex Projects**

*Total Quality Programs are applied with huge benefits since the 1980's in the manufacturing environment. Numerous versions exist that have led to the development of standardized approaches like Six Sigma. Yet Total Quality is not yet widespread in project environments. In this paper we draw on Project Value Delivery's extensive experience in the implementation of Total Quality Programs in project-oriented organizations to explain what it takes and what are the significant benefits that can be expected.*

#### **What is Total Quality?**

Total Quality is an approach that developed as the gains from more traditional quality systems ('do-what-I-say' conformance models based on procedures, etc.) reached their limits. There are numerous versions of Total Quality; however, it is best described as a mindset. The main change is from a top-bottom approach to quality to a bottom-up approach, recognizing that everybody can do worthwhile suggestions, and should be able to participate, and change the way of working.

Total Quality is based on the three following pillars:

- Total participation (bottom-up improvements)
- Value for the Client orientation (quality is what is perceived by the Client)
- Continuous improvement rather than dramatic changes

Companies that have implemented Total Quality programs have seen dramatic improvements in the consistency of the quality of their products, with an immediate impact on their bottom-line, as well as a much higher rate of innovation and a better suitability of their products to their customers; this has often resulted in these companies reaching the top tier of their markets.

#### **How is Total Quality implemented?**

All Total Quality approaches are based on a similar principle. The program is based on the two following elements:

- A toolbox of process improvement tools;
- An improvement process involving participants from all levels of the organization, across departmental boundaries; this process generally implies facilitation by a specialist resource that has been trained in the usage of the toolbox.

The extent of the sophistication of the toolbox and of the improvement process varies; from the very crude "quality circles" approach of the 1980's to the highly sophisticated and specialized Six Sigma black belt toolbox and practices.

#### **What benefits can Total Quality achieve for my project-oriented organization?**

Project Value Delivery's experience is that one of the main values of Total Quality in a project-oriented organization is that it allows to build the necessary processes that will deal with complex projects.

The other main values of Total Quality is that:

- Total Quality embeds a new way of working where local problems are resolved locally, where employees embrace the possibility to change the way their work is organized;
- Implementation of a Total Quality program is a great way to change the mindset of the organization, by creating very effectively an informal organization that will serve well the organization in the future.

#### **Transferring manufacturing-based Total Quality to project-based organizations**

The Total Quality movement started in the manufacturing industry. Thus, most of the toolboxes that have been developed and sometimes standardized (like Six Sigma) are adapted to this context. For example, Six

Sigma is mainly based on statistical analysis run on a large number of samples. While adapted to a manufacturing environment where many copies of the same widget are being produced, it is not so adapted to a project environment where most activities are unique.

Hence, adapting Total Quality to project-based organizations

requires to re-think the contents of the toolbox, as well as the way staff will contribute.

The toolbox contents and sophistication needs to be adapted to the needs of the organization, its maturity and the expected type of issues that will need to be resolved.

Typically, it will include the following types of tools:

- General facilitating tools and processes,
- Root-cause analysis tools,
- Process mapping and improvement tools.

***Complex projects require processes that deal with this complexity, cutting effectively across departments and functions. Total Quality is one of the most effective and quickest ways to embed these processes in the organization.***

In addition, the organization needs to decide how improvement groups will be run. Project Value Delivery's recommendation in this respect is to invest in a small number of full-time Total Quality facilitators. They are best picked from people with experience in the business, possibly young high potentials.

While Total Quality Programs can deal with specific project or operational problems, their most profound impact will be on the overall processes used by the project-oriented company to run its business. Thus the Total Quality Program is best nested within the PMO supporting the individual projects.

The way improvement projects are chosen and run should not be too bureaucratic so as not to squeeze out bottom-up initiatives; yet facilitators should be accountable on estimating the Returns on Investments of the projects. Projects will not all be successful; still it can be expected that a majority will bring some measurable improvement, and a few will bring significant improvement in the way the company runs its business.

### **Company management mindset needs to change**

The main impediment of effective implementation of Total Quality programs in any organization is that it requires a deep change of mindset from top and middle management. In traditional organizations, knowledge is supposed to be held by management. Total Quality taps into the knowledge of the workers, promotes initiative, and this can be considered as a threat by middle management.

In effect, Total Quality implementation ultimately has the effect to change deeply the way the organization operates, and the actual role of all layers of management.

### **Total Quality implementation roadmap**

Total Quality should be viewed as a long term investment that will define a new culture in the organization, significantly improving its performance. It will significantly enhance its capability to tackle complex projects.

First and foremost, top management needs to be onboard. It must own the Total Quality program and contribute decisively through its vision of how it expects

the organization's culture to change. It must embrace the new participative mindset. It must be ready to dedicate resources over a sufficient amount of time to allow the program to fructify.

Once this first step is achieved, an organization-specific toolbox and improvement process ritual can be defined; facilitators can be identified and trained to be the messengers and actors of the new way of working.

Here are some of the ways an organization can kill a Total Quality initiative:

- Top management does not really support the approach, pays only lip-service and is not ready to listen to the shop-floor about dysfunctions that need to be fixed in the organization;
- Middle management creates a bureaucratic system to pre-approve improvement projects, effectively requiring people to request permission before taking initiatives, which slowly will suffocate initiative;
- Facilitators are not assigned full-time, and their commitment dwindles in the face of day-to-day pressing operational issues.

### **Are you ready for Total Quality?**

Total Quality, or unleashing the potential of your people, is not an option. Whether you call it with that name or otherwise, there is no alternative for the organization of the 21<sup>st</sup> century. You need to unleash the incredible initiative of your people to be successful, and to tackle the increasing complexity of the world.

Don't wait. Take the initiative, and implement Total Quality in your project-oriented organization. It is an investment that will take a few months to realize. Its pay-off can be decisive.

This all boils to one single question: are you ready to change your mindset? Are you really ready to unleash the initiative of your people and be astonished by it?

Contact Project Value Delivery to discuss how to implement the right Total Quality program in your project-oriented organization.

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