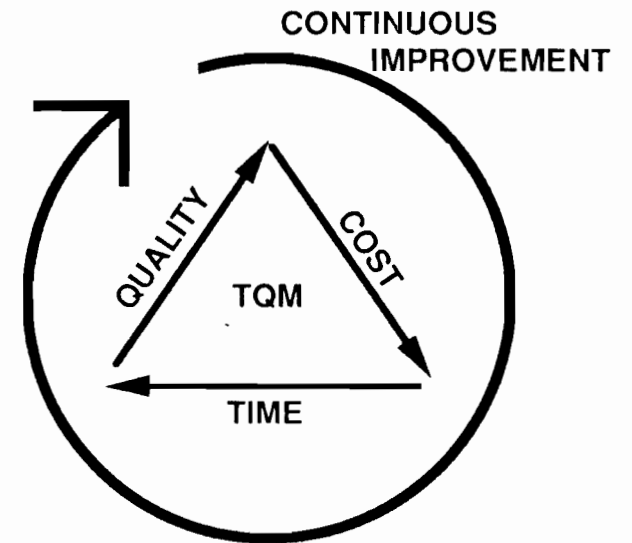


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TOTAL QUALITY MANAGEMENT IN SDIO

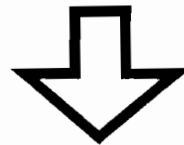


TQM IS NOT

- A "PROGRAM"
- A NEW NAME FOR QUALITY ASSURANCE
- A NEW VERSION OF "ZERO DEFECTS"
- LIMITED TO PRODUCTION/MANUFACTURING
- MORE INSPECTION

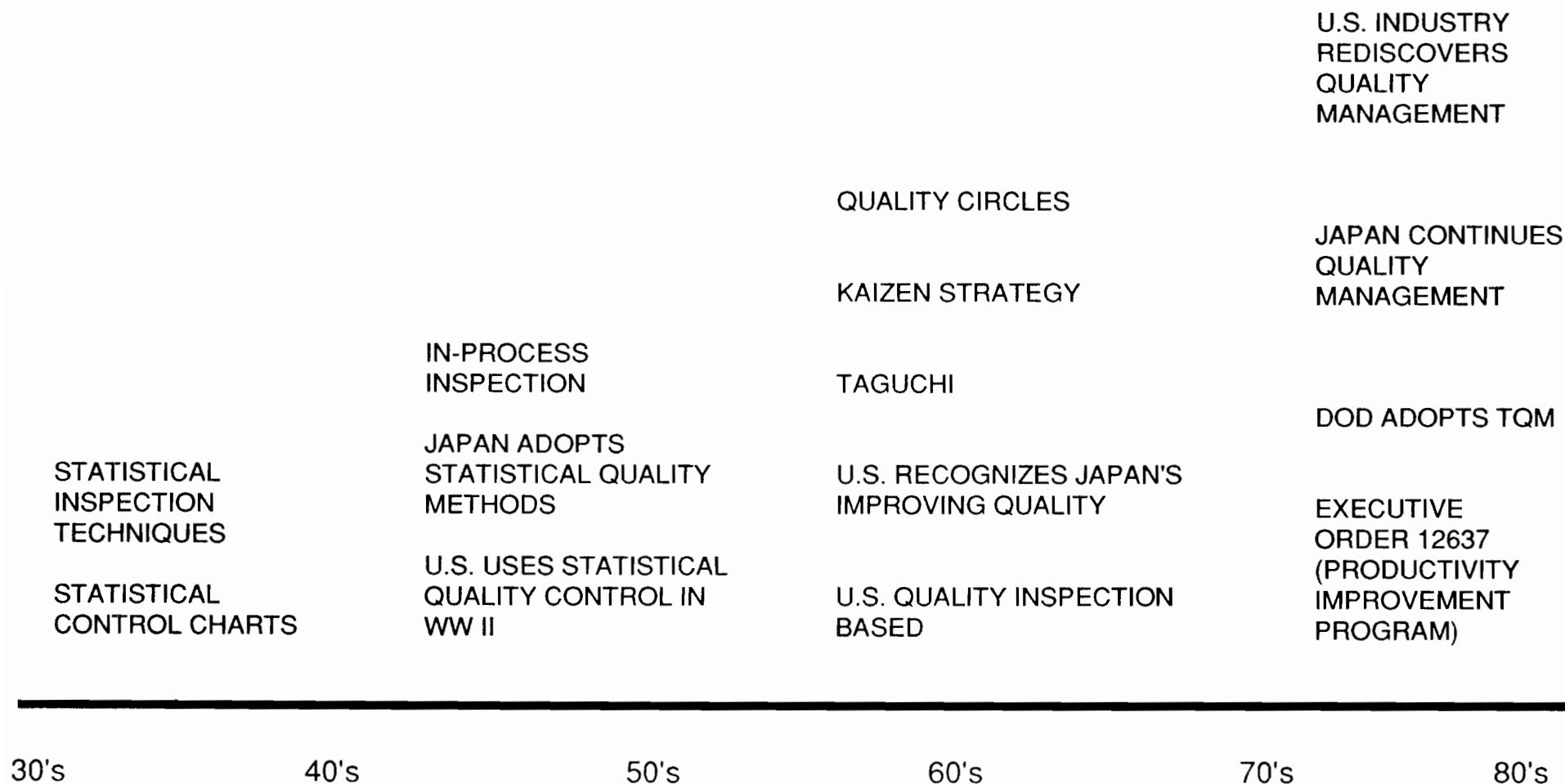
TQM

- A STRUCTURED APPROACH TO CONTINUOUS PROCESS AND PRODUCT IMPROVEMENT
- ALLOWS COMMUNICATION, GOOD MANAGEMENT PRACTICES, USE OF MODERN ANALYTIC TOOLS, AND COMMON SENSE TO FLOURISH
- PROMOTES BOTTOM-UP CONTRIBUTIONS TO COMPLEMENT TOP-DOWN GUIDANCE
- ESTABLISHES CUSTOMER/USER SATISFACTION AS KEY FACTOR IN SUCCESS
- REQUIRES TOP LEVEL COMMITMENT, TIME, AND RESOURCES



**A LEADERSHIP PHILOSOPHY THAT CREATES AN ENVIRONMENT PROMOTING
TEAMWORK, TRUST, AND THE QUEST FOR CONTINUOUS IMPROVEMENT**

QUALITY EVOLUTION



SUCCESS STORIES IN INDUSTRY

ENVIRONMENT (LATE 70's/EARLY 80's)

- LOSS OF CUSTOMER BASE
- LOSS OF PROFITABILITY
- POOR QUALITY IMAGE
- JAPANESE COMPETITION

ACTION



- RENEWED EMPHASIS ON QUALITY AND CUSTOMER FOCUS
- WORKER PARTICIPATION
- CHANGE FROM INSPECTION MENTALITY TO PREVENTION

RESULTS



- RESURGENCE IN MARKET SHARE AND PROFITABILITY FOR:
 - IBM
 - MOTOROLA
 - XEROX
 - HEWLETT-PACKARD
 - WESTINGHOUSE
 - LITTON
 - JOHNSONVILLE FOODS

TQM IN GOVERNMENT

ACTIVITY	IMPLEMENTING DIRECTIVE	OVERSIGHT BODY
FEDERAL GOVERNMENT	E.O. 12637 27 April 1988	Federal Quality Institute (FQI) of Office Management and Budget (OMB)
DEPARTMENT OF DEFENSE	DoD Posture On Quality 30 March 1988	Defense Council on Integrity and Management Improvement (DCIMI)
DoD ACQUISITION	USD(A) Implementation of Total Quality Management in DoD Acquisition 19 August 1988	Defense Acquisition Board (DAB)
<p>Applies to all Phases of Acquisition Process</p> <ul style="list-style-type: none"> • Management Practices and Procedures • Systems Development and Production by Contractors • Acquisition Logistics and Depots and Arsenal <p>Implemented by Innovative Acquisition Strategies</p> <p>Involves All Levels of Acquisition Organizations</p> <ul style="list-style-type: none"> • OSD, SDIO, Services, Contractors, Subcontractors, Suppliers 		

SDIO REQUIREMENTS

- **19 AUGUST 1988 COSTELLO MEMO ON TQM**

- REQUIRED EACH SERVICE AND AGENCY TO SUBMIT A TQM PLAN
- REQUESTED SES/FLAG OFFICER TQM FOCAL POINT
- RESULTED IN GEN ABRAHAMSON LETTER 30 JANUARY 1989
 - - DESIGNATING GEN SCHNELZER AS SDIO TQM FOCAL POINT
 - - DESIGNATING SBI AS PILOT PROGRAM FOR SDIO TQM IMPLEMENTATION

- **STRATEGIC DEFENSE INITIATIVE (SDI) IMPLEMENTOR 18 NOV 1988**

- REPORT ON THE IMPLEMENTATION OF THE TOTAL QUALITY MANAGEMENT STRATEGY BY SDIO AND THE VARIOUS SERVICE ELEMENTS AT EACH ANNUAL PROGRAM REVIEW
- ADDRESS IMPLEMENTATION OF THE RELATED ACQUISITION STRATEGIES, INCLUDING CONCURRENT ENGINEERING, AND COST
- DEVELOP COST BASELINES TO SUBSTANTIATE THE COST REDUCTION ESTIMATES RESULTING FROM IMPROVED DEVELOPMENT AND MANUFACTURING PROCESSES

PROVEN TQM APPROACH

DEVELOP STRATEGY

- ASSESSMENT
- ORIENTATION
- GOALS
- IMPLEMENTATION



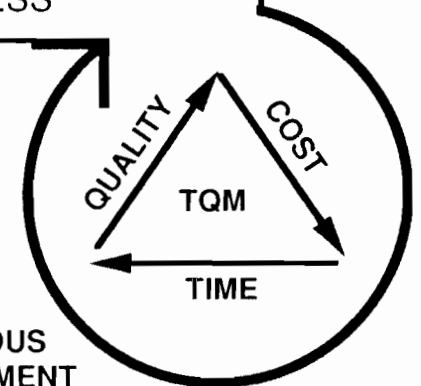
TRAIN WORKFORCE

- CONCEPTS
- OBJECTIVES
- TOOLS & TECHNIQUES



FORM PROCESS ACTION TEAMS

- ANALYZE PROCESSES
- DEVELOP MEASUREMENTS
- RECOMMEND IMPROVEMENTS
- IMPLEMENT IMPROVEMENTS
- MEASURE SUCCESS



CONTINUOUS
IMPROVEMENT

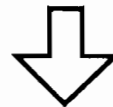
SDIO TQM IMPLEMENTATION

- **TQM STRATEGY DEVELOPMENT**
 - ORIENTATION WORKSHOP - (2 AUG)
 - SURVEY/INTERVIEWS
 - TQM GOAL SETTING OFFSITE (SEP/OCT)

- **ASSESSMENT OF QUALITY ENVIRONMENT**
 - INDUSTRY/GOVERNMENT EXAMPLES
 - IMPEDIMENTS/ACQUISITION STRATEGIES

- **PILOT IMPLEMENTATION - SDIO/ENE**
 - TRAINING TOOLS/TECHNIQUES
 - INITIAL PROCESS ACTION TEAMS
 - PROCESS EVALUATIONS

- **INITIAL PROCESS ACTION TEAM**
 - CONTRACTING PROCESS
 - CONCURRENT ENGINEERING



SDIO TAILORED TQM IMPLEMENTATION PLAN

INTERNAL/EXTERNAL ENVIRONMENT

