



# Creating An Auditable Standard of Quality in Government

Presented by:

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Government  
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The Global Voice of Quality™

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Rich Mallory has spent over 25 years as a senior government executive, consultant, trainer, and performance coach, specializing in public sector consulting. He is a Principal Consultant and Senior Project Manager for CPS HR Consulting of Sacramento. Current clients include the California Department of Water Resources and the California Franchise Tax Board.

He specializes in performance measurement, program analysis, business process review, staffing and workload analysis, and organizational transformation.

Significant past career experience includes service as Director, California Department of Housing and Community Development, 1997 & 1998, and as CA-NV State Director, USDA Farmers Home Administration (now Rural Development Service) 1986-1992.

Mallory has served as an Examiner for the U.S. National Quality Award in 2007, and as an Examiner and Senior Examiner for the California Quality Awards from 1995 to the 2005.



# Why an Auditable Standard?

- ‘Rules’ of Quality Do Not Apply to Government
  - It does not get direct feedback regarding its products and services due to good or bad customer service
  - It will never go bankrupt because of a lack of delivered quality.
  - It does not, in fact, “listen” to its customers !

# Other reasons for an auditable standard

- Government does not accept sustainability
  - No one “owns” the resource and manages for best long-term value
  - Managers respond to political leadership that prefers (or only has the ability for) short-term focus
  - Leadership is reactive, and does not work in a systematic way to root out problems
- Auditable standard will make performance and sustainability more clear

# What is the impact of a lack of customers on government?

- Quality managers are not naturally rewarded
- Non-quality managers are not naturally weeded out
- Elected leaders do not get valuable and actionable information they need to make good decisions
- Current issues and financial inputs drive macro decisions
- Political agendas and fear drive the rest

# Constraints of Public Management - 1

- No bottom line – inefficient government “businesses” do not “go broke”
- No bottom line – leadership is free to pile on new duties (‘drills’)
- No meaningful customer feedback
- Parkinson’s Law: Every supervisory and management position is justified by the number of positions managed
- Job preservation is supported by mission expansion.



# Transforming Government

- An Auditable Standard of Quality is the only way to change the equation, IF it can show the presence or absence of quality in every program and function – not just at the macro (“agency”) level
- Once understood it will provide the means for establishing whether quality is present, and it will give senior executives and elected leaders the ability to make appropriate management decisions.

# Solution: The Auditable Standard

1. Certified process management
2. Structured systems management (“A quality framework”)
3. Aligned systems objectives (“Goals and Objectives”)



# Why Process?

- Process is the biggest part of all work, and specifically, work done by government!
- It is at the “atomic” level of quality
- There is extensive quality knowledge and tools to support
- It can shift responsibility to every program manager and supervisor
- It is often not in control at the present!

# How is that different from traditional quality models?

- Does not require the mythical “White Knight” Agency Head to sponsor and continue the effort, with everyone else on the sidelines
- Will not lose focus or momentum when leadership changes
- This is the only one that shifts responsibility to the lowest level of government, and keeps it there. Builds a professional standard from which we can continually improve

# What is Certified Process Management?

- The application of simple rules for stabilizing a work process, and verifying its level of “maturity”. It evaluates:
  - Standard process
  - Measurements and SPC
  - Empowered and knowledgeable workers using continuous process improvement
- Result is a simple, easy to understand, and auditable standard of process maturity!

# Process certification standard

Standard Process and SOP	Measurements	Process improvement / employee empowerment
<p>0 – Process is not standardized.            1 – A process flowchart or SOP exists. May not be current or complete.            2 - Process flowchart or SOP exists and is current/ complete.            3 - Process flow is regularly updated. Aim is clear and periodic feedback is obtained.            4 – Flowchart or SOP is regularly referenced and is used for training. Regular feedback is provided.            5 – Flowchart is uniformly used at an auditable standard. It is linked to metrics and continuous improvement efforts.</p>	<p>0 – Customer requirements are unknown.            1- Some customer requirements have been established, but are often based on dissatisfaction, waste, or error.            2 – Customer requirements have been established and validated.            3 - Key process measures exist, and at least one is regularly updated.            4 – Several key process measures - validated with customer requirements, and regularly updated.            5 –The process is stable, and performing within control limits. Measures are linked to benchmarks.</p>	<p>0 – No systematic improvement efforts. No employee involvement.            1 – A few process improvements -all based on management initiatives.            2 – A few process improvements based on employee suggestions.            3 – A fact-based structure for analysis and problem solving is in place.            4 – The work force participates in continuous improvement and it follows an established problem solving structure – <i>tools are used</i>.            5 – There is evidence of continuous systematic improvement and measurable, positive results.</p>

# Why this standard?

- Other process standards are proprietary, complex, and/or expensive
- A standard capable of transforming government will have to be open access, simple, and inexpensive

# What is the impact?

- Can be simply and easily used by every manager and supervisor in government, starting today
- Will document whether work is “in control”, and if not, will offer a natural avenue to correct it
- By rolling up process maturity scores, it will provide a report card on divisions, departments and agencies!

# How would it be implemented?

- Manager completes SIPOC for office
- Lists primary processes: Those that create 80% of outputs by number, value, or importance
- Documents the Process Certification Standard for each
- Has it validated by an independent “auditor” or reviewer
- Agency compiles and publishes the result
- Government Division acknowledges achievement

# Certified Process Management

- Government Division has taken a first step by publication of its “Guidelines for Public Sector Process Certification”
- It is available on the Government Division website, at:  
<http://asq.org/gov/2012/07/leadership/guidelines-for-public-sectorprocess-certification.html?shl=109739>

# How will it transform government?

- Government Division will need to get its wide use and public recognition
- Public and elected leaders will need to understand its power

# Government Division asks

- Agencies to join ASQ (and Government Division) as Enterprise members
- Join our Quality Practitioner Network
- Complete and submit a Certified Process Recognition Application

# Real question

- Why not everyone?
- Why not everywhere?
- Why not right away?

# Other parts of the auditable standard

## – still in development

- Structured systems management
  - “A quality framework”
- Aligned systems objectives
  - “Goals and Objectives”

# Structured Systems Management

- Provides the means to take the first step and succeeding steps:
  - Take fear out of improvement and change
  - Authorize simplification and prioritization
  - Ensure independent review
  - Allocate resources to improvement and innovation
  - Provide training
  - Recognize results
  - Deal with changing resource needs
- Make sure support processes are aligned

# Structured systems management

- May depend on the use of frameworks such as Baldrige, ISO 9000, or similar systems management structures.
- Encourage Governance: System of management and controls exercised in the stewardship of your organization.
- Ensure Alignment: Consistency of plans, processes, information, resource decisions, actions, results, and analysis to support key goals.
- Guide Change: Provide a working document and/or guide to organizational systems, to ensure their optimal performance and continuous improvement.



# Systems Management Auditable?

- Either Baldrige, “Baldrige-light”, or ISO is auditable now
- Government Division will work on a more generic and simplified audit structure in the coming year.

# Why Aligned Systems Objectives?

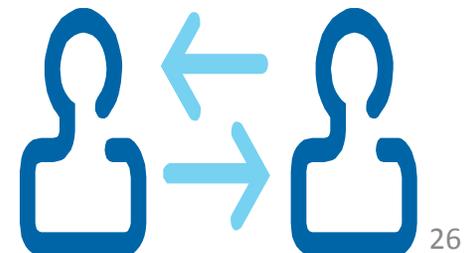
- Quality Science is begin with identification of customer, and customer requirements (objectives)
- Without Objectives, there is no ability to Plan, Do, Check, Act

# Why does government have difficulty with aligned objectives?

- While many agencies have a strategic plan, it is internal to them and does not reflect the political and public agenda imposed from above
- Political leaders have difficulty agreeing and praising, but have no difficulty with posturing and finding fault
- Over time, priorities, programs, and requirements expand, while requests to simplify languish

# Aligned systems objectives

- There is a need for legislative and executive branches to agree, and develop consensus positions regarding what each agency should accomplish
- Elected leaders need to find time to support agency simplification and improvement
- Elected bodies need to develop mission and vision for their “community” with performance indicators as their own key goals.



# How can this standard be audited?

## (Good Question)

- Would (probably) have to be conferred by an academic or independent non-profit organization
- Would need to verify whether consensus objectives and priorities exist
- Could also be based on existence of Community Performance Index for each jurisdiction, with outcome measures and a report card aligned with Department Strategic Plans
- Such performance measures would need to be published as the “government wide” report card, with legislator and civil servant performance evaluation based only on achievement of those goals.
- Should also be used as the basis of public discussion and “good news” reporting about government.
- And where “blame” is justified, elected representatives need to work in concert for a solution.

# Constraints of Partisan Management – 2

- Adversarial relationship between leadership and workers
- Win/ Lose mentality within partisan leaders
- Group think in parties
- Arena game attitude of the press and public
  - Reds versus blues!
- No accountability of leadership



# Summary

- Governments in the United States (and throughout the World) can be dramatically improved through the use of Quality Principles – maybe even reducing costs 30% or more!
- However the process will only start when all programs and offices can see, understand, and care about:
  - Customer and outcome focus
  - Fact-based decision making
  - Process management
  - Performance measurement
  - Process improvement
  - Quality audits



# Conclusion

- Government is an essential component of our society; it is foundational
- It absorbs a significant share of resources, and should contribute maximum value
- Quality professionals have a rare chance to make a big difference in our future
- Government Division is looking forward to leading the way

