Enterprise Assurance ™
Creating a Proactive and Dynamic Quality Culture

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HISTORY: DR. JOSEPH M. JURAN?

J. M. Juran's has been called the “grandfather of quality”.

1937, Dr. Juran named the Pareto Principle.

1954, “All improvement happens project by project”

1964, Universal Sequence for Breakthrough

1979, founded Juran Institute, to provide research and pragmatic solutions to manage for quality.

2006 Alive and well, Dr. Juran is 101 years old.
Our mission is to enable organizations to ATTAIN QUALITY LEADERSHIP.
AN OPPORTUNITY: V.O.C.

Meeting the needs of the NANO-SECOND CUSTOMER

What are they like?
AN OPPORTUNITY: V.O.C.

- The **Voice of the Nano-Second Customer** (Society, Regulators) will continue to drive your activities.

- **Speed** (Lean), and **Quality** (Six Sigma) driving their thinking

- **Obtaining data** is necessary to meet stakeholder needs.

- **Mining the data** must happen efficiently, quickly, and seamlessly (between systems, regions, etc.).

- Using the data and turning it into **information** will enable you to meet your requirements.

- Unfortunately, lean and six sigma **may not be enough**.
WHAT I WOULD LIKE YOU TO THINK ABOUT?

1. Are the Quality Professionals skilled enough to meet demanding nano-second customer requirements?

2. With all of training in data collection and analysis is your organization (regionally) improving quality fast enough?

3. Are the Quality Systems in place enough to meet your future stakeholder (societal) needs?
Quality Professionals Tested by Juran over the last 5 years...

75% did not pass the technical exam!

85% failed the behavioral exam!
Are Quality Professionals keeping up with the necessary SKILLS AND COMPETENCIES?
A problem:
We take on average 31.5 days to complete our report. When the goal of 30 days is not met there could be a fine imposed costing us in excess of $600,000 per year.

The Goal:
100% of all reports delivered on time, every month.

Exercise:
1. Review the data collected on timeliness of reporting.
2. Discuss the current situation and describe what’s wrong.
3. What should we do to the reporting process to get all reports to meet 30 day target?
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Average of X and R: 31.456, 19.48

WHERE'S THE INFORMATION?
WHAT IS WRONG?

**INFORMATION** (which comes from data) to improve QUALITY, respond to MANDATES, and meet stakeholder REQUIREMENTS is not readily available.

“There is a lot of data, just not a lot of information”
Normal Distribution
Mean = 31.456
Std Dev = 8.2242
KS Test p-value = .0102

Histogram of Days to Pay

The Goal
Histogram of Days to Pay

Normal Distribution
Mean = 31.456
Std Dev = 8.2242
KS Test p-value = .0102

All Are Defects

The Average

PLOT THE DATA TO GET INFORMATION
THREE RULES FOR ANALYZING DATA

Ellis Ott once said “that there are three rules all quality professionals must master to truly understand data.”

Rule #1: “Plot the data because the picture can tell you something”

Rule #2: “Plot the data because the picture can tell you something”

Rule #3: “Plot the data because the picture can tell you something”
PLOT THE DATA TO SEE THE INFORMATION

BUT MANY QUALITY PROFESSIONALS DO NOT DO IT – nor fast enough!
RULE # 1: PLOT THE DATA

• They debate what 6 Sigma is - not what does the variation tells you
RULE # 2: PLOT THE DATA

- They are not viewing the data the way the stakeholder does…

...SHIFT HAPPENS OVER TIME...
RULE #3: PLOT THE DATA

- They are not torturing the data until it confesses!!!
“Enterprise Assurance: The Future of Quality Systems?”
Quality System, organizational beliefs and habits, set forth in policies and processes to design and deliver products and services that meet customer and stakeholder needs.
SIMPLE PROCESSES
PRE-1980 FOCUS WAS ON COMFORMING TO SPECIFICATION
DURING THE 1980’S
SIMPLE PROCESSES BECAME
MORE COMPLEX AS WE LEARNED
ABOUT CUSTOMER NEEDS
1980’s THE FOCUS BECAME PROCESS QUALITY
SUPPLIERS
External Suppliers
Internal Departments

PROCESSORS
Process Improvement
Quality Improvement
Standardized Systems

CUSTOMERS
Demanded Quality of
Product & Service
1990’s THE FOCUS WAS ON PRODUCT, PROCESS AND DESIGN QUALITY
AND WE STILL HAVE PROBLEMS...

- Still a lot of silos
- Management abdicating quality
- Executives seem to have forgotten customers
- Conflicting strategies – low cost and customer satisfaction
- Growth strategies with little means to achieve them
- Poor alignment of goals to strategies
- Focusing on cost reduction vs. quality improvement
- Poorly controlled processes
- Not monitoring fast paced macro-social or economic events
SO WHAT?

WHY DOES IT MATTER?
SO WHAT?

- Quality failures are on the increase
- Baby boomers, that grew up with the quality revolution, will retire and create a vacuum of jobs and lesser skilled employees – 15 million of them
- Not training new employees in the tools and techniques for managing quality – only tools to reduce costs
- Management not willing to refocus energy and capabilities to create a quality culture until a crisis hits
- Your job as a Q professional may become extinct
- Today’s QC/QA functions are diminishing!
WHAT WILL THE NEXT GENERATION SYSTEM LOOK LIKE?
Raytheon

Integrated Defense Systems

MISSION ASSURANCE
WHAT IS NEXT?

ENTERPRISE ASSURANCE™
ENTERPRISE ASSURANCE: A MODEL FOR CHANGE

IT AND DATA QUALITY SYSTEM

Identify Strategic Drivers
Assess the Current State (VSM)
Deploy Policies and Standardize Work
Identify & Establish Projects
Design and Implement Solutions
Achieve and Hold Gains
Replicate Results, Drive Culture Change

Rapid Improvement Projects
Six Sigma Projects
Daily Control
WHAT WILL IT LOOK LIKE?

1. Greater Understanding of Customer Needs to meet the Mission
2. Continual process optimization through multi-functional improvements
3. Enterprise-wide Quality System to maintain daily control of Mission critical processes
4. Expanding the “Q.A. function” to monitor non-product metrics
5. Multi-lingual staff – they know Voice of Nano-second Customers and techniques to meet their needs
6. Multi-tasking employees trained in quality planning, control, and improvement - not just cost cutting
7. Annual renewal of performance improvement programs to avoid qualify failures.
WHO WILL LEAD IT?

The Quality Professionals that truly understand that the purpose of Quality Systems is to help assure the enterprise meet its Mission (and hopefully You!)
IN CLOSING...

Trying is just a noisy way of not doing something.

“No. Try not. Do...or do not! There is no try.”

Yoda

“Quit complaining about how much work you have to do and start to satisfy your nano-second customers and stakeholders or someone else will and then you really have something to complain about.”

- J. De Feo