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This document describes the DLA Office of Comptroller TQM implementing plan. It includes TQM concepts, structure and methodology, goals, and milestones for implementation. The five goals contained in this document pertain to process improvement, participatory management/employee involvement, training and development, employee recognition and permeation of TQM.

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# TOTAL QUALITY MANAGEMENT

OFFICE OF COMPTROLLER

The Total Quality Management Implementation Plan

of

The DLA Office of Comptroller

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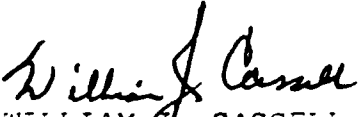
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A MESSAGE ON TOTAL QUALITY MANAGEMENT  
FROM THE DLA COMPTROLLER  
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It's been said that even the longest of journeys begins with a single step. The DLA-C Total Quality Management Implementation Plan represents one of our first steps toward formalizing the principles and values of Total Quality Management in the DLA Office of Comptroller.

Productivity and quality of work have long been the hallmark of this Office. However, as we usher in a new decade, we find ourselves faced with increasingly stringent fiscal demands that underscore the need to refashion the way we do business and the way we draw upon the skills and insights of our diverse and talented Comptroller workforce.

In essence, this document is a blueprint for achieving a work culture that features continuous improvement, employee involvement, responsive customer service, and teamwork. It should be noted that this plan is not unalterable scripture, but rather a document that will require revision and updates along the way. It is up to us, through our commitment and involvement, to breathe life into it.

Within the realm of Total Quality Management, each of us in the DLA Comptroller community, irrespective of position or grade, has the authority and responsibility to set the wheels of positive reform in motion. Let us not take that obligation lightly.

  
WILLIAM J. CASSELL  
Comptroller  
Defense Logistics Agency

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## TQM CONCEPTS

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### I. CONCEPTS:

Based on the premise that continuous improvement is the hallmark of the successful organization, Total Quality Management (TQM) is emerging as the operational philosophy of choice throughout the private and public sectors. Since embracing the concept in March 1988, the Office of the Secretary of Defense has directed all Defense activities to adopt TQM as a means for achieving improved quality and productivity.

In the wake of that guidance, the Defense Logistics Agency published its Total Quality Master Plan (January 1989), which sets forth the Agency's TQM strategies and objectives. As a principal organizational element of DLA, and as its focal point for productivity management, the DLA Office of Comptroller is necessarily a vital and visible cog in the Agency's effort to introduce and instill the principles, values, and methods that collectively equate to Total Quality Management. Through its Excellence and Efficiency in an Enriched Environment (E4) Program, DLA-C currently plays a lead role in the Agency-wide adoption of many of the tenets embodied in TQM. This Office will continue to actively assist DLA Field Activities with the design and implementation of productivity-related initiatives under E4, ensuring that all such efforts are compatible with and supportive of Total Quality Management.

Within the DLA Office of Comptroller, TQM will promote the continuous improvement of processes and procedures associated with Agency Comptrollership. This continuum of improvement is achievable through adoption of a management style that enables employees to improve their work processes and their work lives. In many cases, employees will work on discrete work teams featuring cooperation, flexibility, and a sense of ownership in work outcomes. This management style is intended to mold a work environment that encourages creativity, spurs employee initiative, and fosters trust and cooperation in achieving mission objectives.

This approach will give impetus to the overall cultural transformation that is essential to the successful implementation of TQM. Such a shift in culture calls for the commitment of management and staff, alike. Recognizing that TQM

is a systematic approach to improved quality and productivity, we in the DLA Comptroller community must strive to bring the TQM culture and goals to fruition.

Successful implementation is also predicated on the effective training and development of employees, irrespective of grade or position. This training must embrace not only technical skills and knowledges, but also the interpersonal, communication, and problem-solving skills needed to work effectively in a TQM environment.

Within the TQM culture, there is an acute focus on work processes and on their constant improvement in order to better serve the customer. Everyone in the Office of Comptroller not only has a customer, but everyone is a customer. The customer is the person whom one's work moves to next, be it an internal customer--one inside the Office of Comptroller, or an external customer--one outside it. There is at least one customer for the efforts expended in the performance of every task.

In striving to provide on-time, courteous, and thorough service, every DLA-C employee should be able to answer these six questions:

- o What is my job?
- o How does my job contribute to the mission accomplishment of DLA-C and DLA?
- o Who gives me my work?
- o Who gets my work?
- o What do they do with it?
- o Can I give them a more useful or higher-quality product?

In essence, Total Quality Management is a systematic, long-term approach for improving work processes and customer service. It features a participatory work style that harnesses the creativity and ideas of the workforce. Its success rests on the commitment, involvement, development, and recognition of employees at all levels.

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## METHODOLOGY

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### II. STRUCTURE and METHODOLOGY:

Adoption of Total Quality Management as the mode of operation in the DLA Office of Comptroller requires formal mechanisms for delineating and assigning responsibilities, setting goals and direction, and monitoring progress. To this end, a DLA-C TQM Working Group, whose members and chairperson are selected by the DLA Comptroller, will convene no less than quarterly at the call of the Comptroller or chairperson. The Working Group will report to the DLA Comptroller and, as necessary, to the DLA TQM Executive Working Group. The responsibilities of the DLA-C TQM Working Group will include, but are not limited to, the following:

- o Assist the DLA Comptroller in implementing the provisions and concepts set forth in this plan and the DLA TQM Master Plan.

- o Support the DLA Comptroller in establishing and sustaining productivity-improvement and TQM initiatives throughout the DLA Comptroller community.

- o Propose and promote the adoption of specific initiatives supportive of the spirit and intent of TQM.

- o Propose and submit to the DLA Comptroller revisions to the DLA-C TQM Implementation Plan and the DLA Productivity Program.

- o Identify TQM training requirements and sources.

- o Monitor TQM implementation in the DLA Office of Comptroller.

The duties of the members of the DLA-C TQM Working Group will include, but are not limited to, the following:

- o Serve as the focal point for TQM in their respective organizations.

- o Exercise responsibility for implementing, promoting, and monitoring the progress of TQM initiatives in their respective organizations.

- o Serve as training coordinator for TQM-related instruction. Duties are to include maintaining records reflecting courses needed or completed by employees.

- o Identify work processes within their respective organizations that are suitable for the application of statistical control techniques.

The size of the Working Group may be expanded at the discretion of the DLA Comptroller. However, as a minimum, the Working Group will comprise a union representative and at least one individual from each major organizational element of DLA-C.

Complementing the efforts of the Working Group will be a cadre of TQM facilitators. Each DLA-C Division Chief will designate at least one individual to serve as the Division's TQM facilitator (The number of TQM facilitators in a Division should vary according to the number of discrete work units in the Division.) These individuals will attend specialized training that will prepare them to facilitate employee-involvement groups, serve as TQM consultants within the Division and DLA-C, and catalyze the adoption of TQM throughout the DLA Comptroller community. Their workload responsibilities will be apportioned as necessary between functional duties and TQM obligations. Although they may, facilitators are not required to also serve as Division representatives to the DLA-C Working Group.

The DLA Comptroller may expand, modify, or supplement this plan as necessary to achieve and sustain Total Quality Management.



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CORE TQM GOALS

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III. GOALS:

The goals outlined in this section are considered necessary for the successful integration of Total Quality Management throughout the DLA Comptroller community. However, they do not exhaust all the actions required nor do they preclude the inclusion of additional goals as the transition to a TQM culture progresses.

A. PROCESS IMPROVEMENT

1. Work Processes.

The lifeblood of Total Quality Management is continuous process improvement. A "process" is a sequence of logically related tasks that provide a product or service to a customer. Our vision is the systematic refinement of the work processes used in every Comptroller functional area in order to fully satisfy the requirements of internal and external customers. Where applicable, current work measurement standards can serve as a baseline for gauging improvement.

Members of the DLA-C TQM Working Group will play a key role in identifying repetitive work processes in DLA-C and in their respective Divisions. Within the Comptroller function at the Field-Activity level, such efforts are to be conducted by individuals so designated under authority of the local Commander. These individuals will assist process owners--the work unit or work team that performs the process--in flow charting identified processes, determining logical measurement points in the process, and formulating and implementing corrective actions. The process-improvement cycle should include:

- o Identification of repetitive work processes.

- o Identification of relevant measurement junctures in the process.
- o Identification and prioritization of processes and process steps offering greatest opportunity for improvement.
- o Adoption of appropriate solutions and modifications.
- o Monitoring of process effectiveness.

## 2. Work Teams.

The establishment of functional work teams, organized along customer or process lines, will be promoted throughout those elements of the DLA Comptroller community where such an alignment is practicable and likely to enhance productivity and quality. Work teams are often appropriate where the process has a distinct beginning and end, where the performance of the task/process requires close worker interaction, and where the output of one member of the work unit may significantly impact the work of another member. In addition to being a catalyst for process improvement, work teams nurture support among team members, build esprit and pride, and instill a sense of ownership in work outcomes.

## 3. Customer Satisfaction.

TQM recognizes that there is at least one customer for the efforts expended in the performance of every task. Within the DLA Comptroller function, one's customer may be a worker in the same or different office, a supervisor, a contractor, a Military Service, a PLFA or Principal Staff Element, another Federal agency, and so forth. Whether providing policy guidance, management information, a contract payment, a fact sheet, etc., employees in the DLA Comptroller community must continue to meet the customer's needs promptly, thoroughly, and efficiently. Both parties in the customer/supplier relationship must work together to ensure that customer needs and supplier capabilities correlate. Cooperation and candid communication between customers and suppliers are encouraged in order to provide customers of the DLA Comptroller function high-quality products and services.

(a) Centralized Finance Operations. The ongoing centralization and modernization of the Agency's accounting and finance operations are intended to increase the efficiency with which we serve our customers, especially Agency employees and those in the Military Departments and private sector. The establishment of the DLA Finance Center in Columbus, Ohio, will promote standardization of financial operations, enhance funds control and disbursing procedures, and reduce operating costs. The Finance Center will feature highly integrated automated systems that promise to streamline contract-payment operations and effectively link the elements of the Agency's accounting and finance community.

(b) Management Information. The DLA Office of Comptroller will continue to improve its methods and means for providing management information to field activities and Headquarters elements. The electronic Bulletin Board System, featuring toll-free access to users, will facilitate the timely exchange of data between organizational elements and the timely dissemination of changes to cost codes and unit-cost data. The DLA-C Management Information Systems Division will work with other telecommunications and management-information functional elements to ensure optimal access and distribution of timely, accurate, and comprehensive data needed to achieve high productivity, efficiency, and quality of mission performance.

(c) Resourcing. The DLA Office of Comptroller will remain steadfast in its commitment to a funding approach that promotes the optimal utilization of resources and reflects this Office's firm resolve in providing responsible and efficient fiscal management. To these ends, this Office will expand and refine the Unit Cost System, under which resourcing is based on a cost-per-output. Each output measure is to bear and accurately reflect actual incurred costs to the highest achievable degree. By making it possible to compare cost-per-output for like work at different activities, Unit Cost can aid management in identifying areas promising high return on process-improvement efforts.

(d) Work Measurement. The DLA Performance Standards Support Office (DPSSO) will continue to support and complement resourcing programs as it maintains and makes available to all DLA Field Activities a broad range of information on work standards and procedures. DPSSO

remains committed to helping activities achieve optimal staffing levels and efficiency in a TQM environment, offering advice and assistance on the technology of work-flow analysis and on those functional work processes it already has documented in detail. The office also will assist Field Activities with special work-measurement projects and will identify and assess concepts and techniques relevant to the DLA Performance Standards Program.

## B. PARTICIPATORY MANAGEMENT/EMPLOYEE INVOLVEMENT

The DLA-C work culture has always valued and encouraged creativity and employee involvement in the decision-making process. By involving employees at all levels, a participatory-management environment helps channel individual insights and innovation into positive change. It also validates the worth of each worker and affirms the individual's responsibility for process improvement.

As the transition to permanent work teams occurs, the use of structured employee involvement problem-solving mechanisms to improve processes and customer service will become embedded in the natural work cycle. However, ad hoc employee-involvement mechanisms such as Task Teams and Special Process Action Review Committees (SPARCs) will continue to be excellent vehicles for achieving those ends.

### 1. Task Teams.

A group of employees assembled by management to address a management-specified problem or issue, a Task Team benefits from the diverse perspectives and talents of its members. Task Teams may consist of individuals from one or more Divisions within DLA-C. Using various problem-analysis tools and techniques, a Task Team is able to devise innovative solutions and action plans. Task Teams will be afforded the time reasonably needed to discuss and analyze the assigned problem and to formulate and present to management the proposed solution to it.

### 2. SPARCs.

To the extent required, DLA-C employees will serve on Special Process Action Review Committees assembled by management to address problems and issues that cross Directorate or functional-area lines. Employees of the DLA

Comptroller community will be afforded the time necessary to perform the assignments and obligations associated with their SPARC membership.

### C. TRAINING AND DEVELOPMENT

Fundamental to the successful adoption of Total Quality Management is a workforce capable of implementing and sustaining the various facets of the TQM work culture. The development of a workforce conversant with and skilled in the components of TQM requires a structured, continuous education program. This education must initially be received by senior-level managers, followed by mid-level managers and supervisors, and then by remaining members of the DLA Comptroller community.

Pursuant to objectives outlined in Excellence and Efficiency in an Enriched Environment, DLA-C will continue to emphasize the importance of proper technical and TQM-related training for all Agency employees. The DLA-C Productivity Management Division continues to make available a trained corps of in-house consultants and instructional materials to assist Field Activities with implementation of TQM initiatives. The DLA Office of Comptroller will coordinate with DLA-K, DLA-Q, and other Principal Staff Elements in identifying, developing, and obtaining TQM-related training.

New-Employee Orientation. In an effort to provide individuals a heightened understanding of their role in the organization, employees newly assigned to DLA-C will attend orientation sessions individually prepared and presented no less than twice a year by each Division-level element of DLA-C. These presentations will spotlight the functional relationships and responsibilities within DLA-C, provide a sharpened customer awareness, and enhance the attendee's understanding of how his/her work contributes to Agency and DLA mission accomplishment.

### D. EMPLOYEE RECOGNITION

Prominent in the TQM concept is a recognition and award system that meaningfully rewards good performance. The DLA Office of Comptroller has long endorsed the practice of appropriately recognizing individuals who contribute to quality and productivity.

Managers throughout the DLA Comptroller community will continue to use established channels for recognizing and rewarding good performance and contributions to TQM. As necessary to promote and sustain TQM, the DLA-C TQM Working Group will design and propose adoption of employee-recognition programs, initiatives, and processes. Proposals will be submitted to the DLA Comptroller for review and approval. The Working Group will oversee implementation of approved proposals and devise mechanisms for monitoring them.

Productivity Achievement Awards (PAA). The DLA Office of Comptroller will continue to sponsor the DLA Productivity Achievement Awards Program, which annually recognizes individuals, work teams, and employee-involvement groups for contributions to productivity, quality, and cost savings at DLA Headquarters and in the field. Managed by the DLA-C Productivity Management Division, the PAA Program promotes and reinforces TQM efforts throughout the Agency and reflects this Office's firm commitment to improving quality and productivity.

#### E. PERMEATION OF TQM

The ultimate goal is to thoroughly inculcate the principles and practices of TQM into the everyday operations and culture of DLA Comptrollership. This transformation requires the participation and commitment of employees at all levels of the DLA Comptroller community. As the components of TQM--including continuous process improvement, participatory management, and customer orientation--become fully embedded in our standard way of doing business, the "TQM" label will gradually fade from use. The DLA Office of Comptroller and the DLA-C TQM Working Group will promote the incorporation of TQM principles and values in all facets of DLA Comptrollership.

Productivity Management. The DLA Office of Comptroller will continue to administer implementation of the DLA Productivity Program. Through continuous dialogue with officials in the field, the DLA-C Productivity Management Division will assist all DLA Field Activities with the design and adoption of productivity-enhancing initiatives that support and advance the principles and values of Total Quality Management and Excellence and Efficiency in an Enriched Environment. These initiatives will emphasize:

- o Structured employee-involvement efforts that feature

cooperation between employees and management in achieving process improvement.

- o Adoption of self-managed work teams that are acutely focused on process and customer.

- o Worksite amenities and Quality of Worklife elements.

- o Adoption of incentive programs under which employees share the benefits of productivity gains and hold a greater stake in the organization's mission performance.

- o Locally established employee-recognition mechanisms.

- o Employee training and development requisite to achieving and sustaining an organizational culture dedicated to quality and productivity.

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**MILESTONES**  
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IV. **MILESTONES:**

	<u>CY 1989</u>	<u>CY 1990</u>	<u>CY 1991</u>
	1 2 3 4	1 2 3 4	1 2 3 4
TQM Orientation for Senior-Level Managers	X		
Identification of Division-Level TQM Facilitators	X		
Training of Division-Level TQM Facilitators		X	
TQM Awareness Training for Mid-Level Managers and Supervisors		X	
TQM Training for non-supervisory staff		X=====J	
Establishment of DLA-C TQM Working Group		X	
Expansion of DLA-C Recognition and Awards Program		X	
Refinement of DLA-C New-Employee Orientation Program		X	