

# The Quality Management FORUM

Fall 2006  
Volume 32, Number 4



www.asq-qmd.org

A Peer-Reviewed Publication of the Quality Management Division of the American Society for Quality

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## The Essentials for Excellence

Bill Denney

As guest editor of the fall *Quality Management Forum*, I want to explain the purpose of this special edition.

The Quality Management Division has undertaken a major initiative to help organizations understand the economics of quality – that is to say, using quality methods to improve revenue, reduce cost and drive organizational excellence. But how does an organization accomplish those simple, but important goals?

The answer lies in how we define quality itself. Looking at it in the most simplistic terms, what we deliver to the customer is “attribute quality” – the characteristics of our products or service. What we produce either has quality or it doesn’t. If customers believe it does, they will buy more.

But there is another more important description of quality – “method quality.” Method quality is clearly the way we get to attribute quality. As Aristotle said, “*We are what we repeatedly do. Excellence, then, is not an act, but a habit.*” What we do day after day to improve all areas of our organization is what really counts. Method quality then requires, not surprisingly, methods. It’s the methods we use that define how we get to excellence. Methods are the roadmap.

The purpose of this issue of the *Quality Management Forum* is to demonstrate that there is general agreement on the essentials for organizational excellence. There are a few overarching concepts or guidelines that any organization can use.

But having said that, this issue also shows

how traditional quality tools, techniques, and practices can address and solve the issues and problems that organizations must overcome to reach and sustain excellence. As the saying goes, “The devil is in the details.” Supplemental methods are needed to drive the higher level concepts.

Beginning on page 4, Dennis Beecroft (*Defining Excellence*) compares three international quality award programs – The Malcolm Baldrige National Quality Award, The Canada Awards for Excellence, and The European Quality Award. He finds that the criteria for all these awards are basically the same and, in fact, the criteria for these awards can be taken as internationally accepted essentials for excellence. The criteria he identifies can be used as the overarching performance improvement foundation upon which organizations can build their own unique approach to success.

Jonathan Andell (*Data-Driven Decision Making and Organizational Excellence*), page 8, explains how statistical thinking provides a conceptual framework for customer-centered process management – that is, how well we make the right decisions and meet customer requirements.

James P. Schlichting (*Excellence Through Lean Six Sigma*) beginning on page 12 discusses how Lean and Six Sigma impact more than just customer satisfaction and business performance. As he explains, these two methodologies focus on improving a wide variety of processes – new product development, administration, customer service, finance, manufacturing, supply chain, health care, and so on. In fact, as Mr.

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Schlichting points out, Lean and Six Sigma can impact all criteria for excellence.

On page 14, Peggy Milz (*Essentials for Excellence in ISO 9001:2000*), shows how ISO is in itself both a system and a set of tools to facilitate the journey to excellence. ISO 9001:2000, ISO 9004:2000 Quality Management System – Guidelines for Performance Improvements identifies key activities for leadership. ISO further sets clear expectations for customer focus, process approach, and results.

One of the fundamental criteria for excellence is leadership. On page 18, Pat Townsend and Joan Gebhardt, (*The Leadership-Teamship-Followership Continuum*), explain the roles and relationships among leaders, followers and teams. Leadership, as Mr. Townsend sees it, is not a stand alone position held by someone at the top of the organization. He defines leadership as, “The creation of an environment in which others can self-actualize in the process of completing the job.” From this definition, he says, many employees can play a role in leadership.

## LEARN MORE ABOUT THE ESSENTIALS FOR EXCELLENCE

This professional publication is too small to document what is being done by many excellent organizations across the world. This is merely a small sampling of how quality is driving organizational success.

You can learn more, much more, by attending the 19th Quality Management Conference in Dallas, Texas on March 1st and 2nd, 2007. The entire focus of the conference, with its pre and post-conference courses, is dedicated to a broader and deeper analysis of what makes excellent organizations.

For more information – <http://www.asq.org/qml/conferences/index.html>

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## Message from the Chair

By G. Dennis Beecroft



I hope that you have had the opportunity over the past summer months to take time from your normal busy work life to recharge and rejuvenate yourselves, spending leisure time with family and friends, perhaps traveling, or vacationing at a favorite destination.

Fall is typically a planning time for many organizations and businesses. Many of you may be planning personal schedules to include courses, conferences and volunteer activities.

Your Quality Management Division (QMD) has been making plans for the coming year. A major activity for the division is our Spring Conference to be held at the Adam's Mark Hotel in Dallas, Texas on March 1 and 2, 2007. Both pre- and post-conference training courses are being planned. I urge you to check the additional conference details included in this issue of the Forum. As well, the QMD web site ([www.asq.org/qm](http://www.asq.org/qm)) is continuously being updated as plans for the conference develop. This conference is an excellent opportunity to learn and network with other quality professionals.

I would also like to draw your attention to opportunities available for participating in the QMD council. Currently, there are several open positions. Details of these positions are outlined in this issue. Volunteering as a QMD council member not only offers you the opportunity to assist in the leadership and direction of your division, but also the opportunity for personal development and growth. Working with the other QMD council members is a rewarding experience, confirming the truism about volunteering – “One always receives more than one gives!”

This special issue of the *Forum* is unique in that it is published only once a year and includes five papers all addressing a common theme. This issue's common theme, “*Essentials for Excellence*”, will be carried forward to the QMD 2007 Spring Conference in Dallas. I hope you will find this issue valuable and will circulate it among your colleagues.

In conclusion, I look forward to hearing your comments or suggestions. My email is: [dennis@g-dennis-beecroft.ca](mailto:dennis@g-dennis-beecroft.ca).

FALL 2006

ASQ / QUALITY MANAGEMENT DIVISION  
19TH QUALITY MANAGEMENT CONFERENCE

# “ESSENTIALS FOR EXCELLENCE”

March 1 – 2, 2007  
Adam’s Mark Hotel – Dallas, TX

**COURSES:** February 26 – 28 & March 3 – 4, 2007  
**CERTIFICATION EXAMS:** March 3, 2007

Tough competition and a tightening economy compel today’s organizations to pursue superior products and services. The 19th Quality Management Conference enables your pursuit by providing the essentials for excellence.

## KEYNOTE SPEAKERS



**MAJ. GEN. ARTHUR J. ROONEY, JR.**  
*Vice Commander,  
Electronic Systems Center,  
Hanscom AFB, MA*



**DOUGLAS B. DOTAN**  
*President, CRG Medical Patient Protection  
& Risk Reduction Solutions*



**DENNIS ARTER**  
*“Quality Audits for Improved Performance”  
author, lecturer, and trainer*



**MAXINE SHAPIRO**  
*Inside the Box™  
keynote speaker and trainer*

FOR INFORMATION & REGISTRATION visit “[www.asq.org/qm/conferences](http://www.asq.org/qm/conferences)” or call ASQ at 1.800.248.1946.

## SPECTACULAR EVENING EVENT

CONFERENCE BANQUET AT THE DALLAS WORLD AQUARIUM  
Thursday, March 1, 2007



Visit the Aquarium, Rainforest,  
and Tribal Gallery Venues.

Enjoy the Conference Banquet  
& World-Renowned Speaker

**HARRY HERTZ, DIRECTOR**

Baldrige National Quality Program.



**SPECIAL PURCHASE TICKET REQUIRED** See “[www.asq.org/qm/conferences](http://www.asq.org/qm/conferences)” for details

# Defining Excellence

G. Dennis Beecroft

**“We have not to risk the adventure alone, for the heroes of all time have gone before us. The labyrinth is thoroughly known. We have only to follow the thread of the hero path.”**

– Joseph Campbell

The fundamentals required to run a successful organization are not as elusive as one may think. In fact, they are well known and are found in quality award criteria across the world. What is most interesting about different award criteria is that they are all basically the same. That is to say, the different awards may use somewhat different wording and they may be more closely tied to the culture in which they reside, but fundamentally they all identify the same basic essentials for organizational excellence.

National quality award criteria are used by thousands of organizations to improve their quality and business performance. The criteria are often used as corporate business planning models. Annual assessments using these models are conducted as part of the organization's business planning process. These assessments track their current performance and identify opportunities for improvement. These opportunities are then incorporated into action plans.

Although there are many national quality awards, in this article I will review three different awards and their criteria to illustrate my point that the essentials for excellence are clearly defined and internationally known. Many other national awards are based on these three.

## Malcolm Baldrige National Quality Award:

The Malcolm Baldrige National Quality Award was established in 1988. The award was created under the Malcolm Baldrige National Quality Improvement Act of 1987 – Public Law 100–107. The Baldrige Award was named after Malcolm Baldrige who was the U.S. Secretary of Commerce from 1981 until his tragic death in a rodeo accident in 1987. The naming of the award in his honor was recognition of his significant contribution to long-term improvement in efficiency and effectiveness of the government. The purpose of the award was the recognition and promotion of quality improvement.

The U.S. Department of Commerce is responsible for the Baldrige National Quality Program and the Award is administered by the National Institute of Standards and Technology (NIST). The American Society for Quality (ASQ) assists in administrating the Award Program under contract to NIST.

A Board of Examiners completes feedback reports and submits them to a panel of judges which evaluates award applicants. The judges make award recommendations to the Director of NIST.

The Baldrige National Quality Program includes the three categories of:

- Business
- Education
- Health Care

The Baldrige Award Model is shown in Figure 5.1.

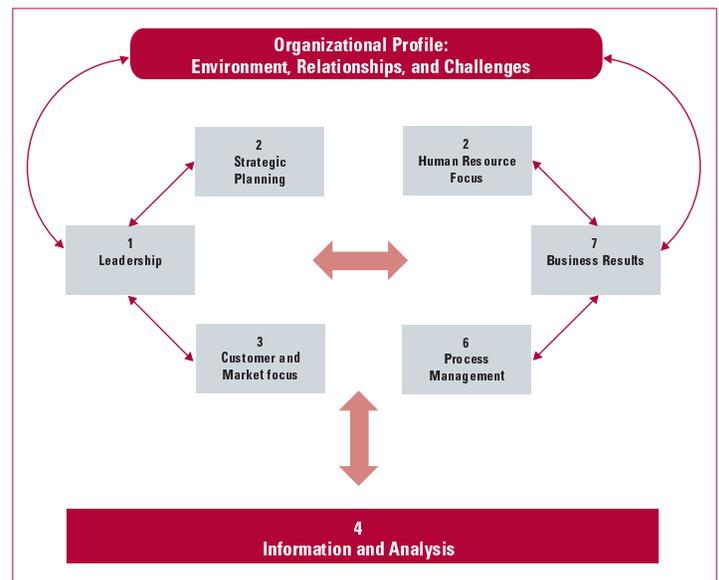


Figure 5.1: Baldrige Award Model

Additional information and materials on the Baldrige Award and criteria are available on the NIST web site: [www.quality.nist.gov](http://www.quality.nist.gov)

## Canada Awards for Excellence - Quality:

With the introduction of the Malcolm Baldrige National Quality Award in 1988 in the U.S., Canada decided it was necessary to also create a national quality award. The Quality category was first offered as an award in 1989. Until 1992, the Canada Awards for Excellence (CAE) were funded and administrated by Industry Canada; since then it has been the responsibility of the National Quality Institute.

In 1992, the National Quality Institute (NQI) was created as a not-for-profit organization:

“...to provide strategic focus and direction for Canadian organizations to achieve excellence, enabling Canada to set the standard for quality and healthy workplace practices throughout the world.” The NQI is funded through corporate sponsorship and fees for service activities.

The CAE awards selection process is conducted in three steps. A Pre-Selection Committee reviews all applications and determines if a site visit is warranted to further assess the organization. If a site visit is determined to be warranted, a verification site visit team meets with the employees at various levels throughout the organization. The initial application is reviewed and updated based on the findings of the visit. The Pre-Selection Committee again reviews all the site visit evaluations. A report with award recommendations is prepared and submitted to a Selection Jury Panel. The Selection Jury Panel makes the final determination for trophies and certificates of merit winners. All applicants receive detailed feedback on their submission and may also meet with a member of the Pre-Selection Committee to discuss their results.

The CAE – Quality Model called “Canadian Framework for Business Excellence” is shown in figure 5.2.



Figure 5.2: Canadian Framework for Business Excellence

Additional information and materials are available on the National Quality Institute web site: [www.nqi.ca](http://www.nqi.ca)

**The European Quality Award:**

The European Quality Award was first awarded in 1992. It was established by EFQM (European Foundation for Quality Management), founded in 1988, as a not-for-profit membership foundation of some 14 major European companies with the endorsement of the European Commission. Today EFQM has more than 800 organization members in 38 countries of Europe.

A team of approximately 6 independent Award Assessors evaluates all award submissions. Assessors are usually selected from experienced practicing managers in European countries, but may also include some academics and quality professionals. The submissions are evaluated and scored to determine if sufficient points have been

awarded for a site visit. If a site visit is made, the evaluation is refined as necessary and a report is prepared for the Award jurors where the final decision is made for the winners.

The EFQM Excellence Model is shown in Figure 5.3.

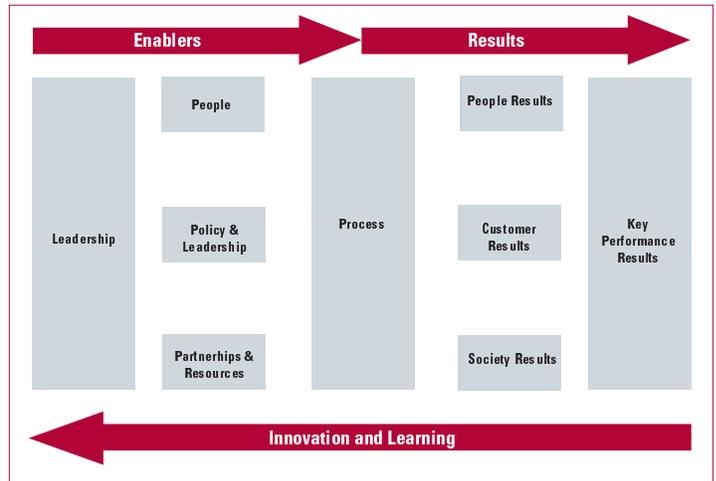


Figure 5.3: The EFQM Excellence Model

Information is readily available from the EFQM web site at: [www.efqm.org](http://www.efqm.org).

**Principles, Values and Concepts:**

Each of the national award models is driven by a set of principles, values or concepts. There is very much in common; little is unique. The main criteria titles may be somewhat different however when the details are analyzed the criteria include the same things. Common values and principles include; involvement of leadership team, customer focus, results orientation, valuing of employees, management by fact, employee involvement and innovation and improvement. Table 5.1 (on page 14) shows the comparison of the three (3) Award models.

**Award Criteria:**

The award criteria for each of the national models evolved over time, some much more than others. However, as with the principle, concepts and values, the criteria are very similar. Common to all three award models are leadership, planning, results, customer focus, people focus and process focus. When the criteria details are further studied the overlap of the criteria becomes even more obvious. Table 5.2 (on page 15) shows the criteria comparison for the three award models. The criteria numbering and ordering that is used in the table are the same as what is used in the award model.

**Essentials for Excellence:**

The various national award criteria have been used by thousands of organizations to improve their quality and business performance. In the United States most of the separate state awards and many

Continued from previous page

**TABLE 5.1: VALUE, PRINCIPLES AND CONCEPTS COMPARED**

<b>BALDRIGE AWARD Values and Concepts</b>	<b>CAE – QUALITY Principles</b>	<b>EUROPEAN QUALITY AWARD Concepts</b>
Visionary leadership	Leadership through involvement	Results oriented
Customer-driven excellence	Primary focus on stakeholders/customers and the market place	Customer focus
Organizational and personal learning	Cooperation and teamwork	Leadership & constancy of purpose
Valuing employees and partners	Prevention based process management	Management by process & facts
Agility	Factual approach to decision making	People development & involvement
Focus on the future	Continuous learning and people involvement	Continuous learning, innovation & improvement
Managing for innovation	Focus on continuous improvement and breakthrough thinking	Partnership development
Management by fact	Fulfill obligations to all stakeholders and society	Public responsibility
Public responsibility and citizenship		
Focus on results and creating value		
Systems perspective		

lesser governmental bodies who recognize organizations at a local level, use the Baldrige criteria simply because they represent fundamental essentials for excellence.

Many organizations conduct annual assessments against the criteria as part of their business planning process. To assist organizations in this assessment process the Baldrige National Quality Program has a free booklet available, *Getting Started with the Baldrige National Quality Program Criteria for Performance Excellence: A guide to Self-Assessment and Action*.

The Canadian National Quality Institute provides training and assistance on its use for self-assessment on the CAE-Quality award, and in Europe, the EFQM has also produced materials to assist with the implementation and evaluation of the EFQM Excellence model. Many books on the EFQM model are also available.

**Conclusion:**

One might ask – “which of the three is the best quality model?” The correct answer is – “all of them.” Each has some unique differences that more than anything support the culture within which they apply. But the similarities of these models far out weigh their differences, and the fundamental criteria are essentially the same. These criteria similarities are, in fact, the basic essentials for excellence that all organizations can follow to be successful.

**End Note**

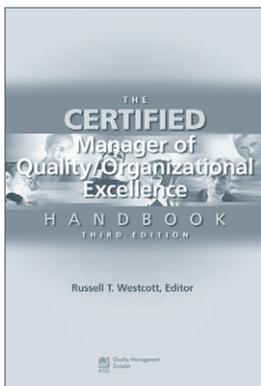
This article is adapted from *The Executive Guide to Improvement and Change*, (Beecroft, Duffy & Moran) published in 2003. There may have been some minor changes in the various award criteria in subsequent years, but the fundamental concepts are the same. For current criteria please see references included in the article.

**Author**

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**TABLE 5.2: AWARD MODEL CRITERIA COMPARISON**

BALDRIGE AWARD	CAE - QUALITY	EUROPEAN QUALITY AWARD
<b>1. Leadership</b> <ul style="list-style-type: none"> <li>Organizational leadership</li> <li>Public responsibility and citizenship</li> </ul>	<b>1. Leadership</b> <ul style="list-style-type: none"> <li>Strategic direction</li> <li>Leadership involvement</li> <li>Continuous improvement</li> </ul>	<b>1. Leadership</b> <ul style="list-style-type: none"> <li>Strategic planning</li> <li>Strategy development</li> <li>Strategy deployment</li> </ul>
<b>Strategic Planning</b> <ul style="list-style-type: none"> <li>Strategy development</li> <li>Strategy deployment</li> </ul>	<b>2. Planning</b> <ul style="list-style-type: none"> <li>Plan development</li> <li>Plan implementation and review</li> <li>Continuous improvement</li> </ul>	<b>2. Policy and Strategy</b>
<b>3. Customer and Market Focus</b> <ul style="list-style-type: none"> <li>Customer and market knowledge</li> <li>Customer relationship and satisfaction</li> </ul>	<b>3. Customer Focus</b> <ul style="list-style-type: none"> <li>Customer, market and product knowledge</li> <li>Management of customer relationships</li> <li>Continuous improvement</li> </ul>	<b>3. People</b>
<b>4. Information and Analysis</b> <ul style="list-style-type: none"> <li>Measurement and analysis of organizational performance</li> <li>Information management</li> </ul>	<b>4. People Focus</b> <ul style="list-style-type: none"> <li>Human resource planning</li> <li>Participatory environment</li> <li>Continuous learning</li> <li>Employee satisfaction and well-being</li> <li>Continuous improvement</li> </ul>	<b>4. Partnership and Resources</b>
<b>5. Human Resource Focus</b> <ul style="list-style-type: none"> <li>Work systems</li> <li>Employee education, training, and development</li> <li>Employee well-being and satisfaction</li> </ul>	<b>5. Process Management</b> <ul style="list-style-type: none"> <li>Process development</li> <li>Process control</li> <li>Process improvement</li> <li>Continuous improvement</li> </ul>	<b>5. Processes</b>
<b>6. Process Management</b> <ul style="list-style-type: none"> <li>Product and service processes</li> <li>Business processes</li> <li>Support processes</li> </ul>	<b>6. Supplier/Partner Focus</b> <ul style="list-style-type: none"> <li>Partnering</li> <li>Supplier/partner management</li> <li>Continuous improvement</li> </ul>	<b>6. Customer Results</b>
<b>7. Business Results</b> <ul style="list-style-type: none"> <li>Customer-focused results</li> <li>Financial and market results</li> <li>Human resource results</li> <li>Organizational effectiveness results</li> </ul>	<b>7. Overall Business Performance</b> <ul style="list-style-type: none"> <li>Customer focus</li> <li>People focus</li> <li>Process management</li> <li>Partnerships</li> <li>Responsibility to society</li> <li>Owner/shareholder focus</li> </ul>	<b>7. People Results</b>
		<b>8. Society Results</b>
		<b>9. Key Performance Results</b>



**THE CERTIFIED MANAGER OF QUALITY/ORGANIZATIONAL EXCELLENCE HANDBOOK: THIRD EDITION**

*Russell T. Westcott, editor*

672 pages. 7 x 10 Hardcover. 2006.

**Item:** H1264 **Member Price:** \$63.00

In addition to being a reference on quality management, this book is the most comprehensive preparatory guide for the Certified Manager of Quality/Organizational Excellence Exam. The handbook is completely updated to reflect the changes in the 2006 Body of Knowledge (BoK), and the pertinent BoK requirements associated with good quality management practices are shown throughout each section. Included in appendices are the newly updated BoK, an extensive glossary of terms, a list of additional references for further study, and (on an accompanying CD-ROM) 150 sample multiple-choice questions and 7 sample essay questions, all similar to those on the actual exam.

# Data-Driven Decision Making and Organizational Excellence

By Jonathon L. Andell

**“... when you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind...” – Lord Kelvin**

Earlier in this publication Dennis Beecroft<sup>1</sup> provides an overview of the factors that lead to organizational excellence, focusing on the Malcolm Baldrige National Quality Award (MBNQA) of the United States, the Canada Awards for Excellence (CAE), and European Quality Award. All three awards recognize the critical roles which customer focus and process management play in attaining organizational excellence.

This paper discusses how statistical thinking provides a conceptual framework for customer-centered process management. In particular, we consider how a key aspect of statistical thinking, namely data-driven decision making, provides a practical analytical basis for acquiring data, analyzing it, and using the results to make sound, process-related decisions.

Many key points are presented in terms of failure to take advantage of the opportunities presented, for two reasons: 1) because discussion of missed opportunities actually is more straightforward, and 2) because missed opportunities are so abundant in actual practice. To those readers already aware of these opportunities, apologies are offered in advance.

## Statistical Thinking and Data-Driven Decision Making

In a *Special Publication of the American Society for Quality's Statistics Division (ASQStatDiv)*<sup>2</sup>, Britz et. al. provide the following principles of statistical thinking:

1. All work is done in a series of interconnected processes
2. All processes vary
3. Understanding and reducing variation are keys to success

The first principle reflects what Deming used to call “systems thinking.” Not only must we recognize that processes are interconnected, but they are in fact interdependent, often in ways not obvious on the surface.

Consider for example the hotel in which room service breakfasts were arriving late and therefore were free – that is, the hotel was losing revenue. Process data quickly confirmed that meal preparation time was acceptable. Analysis eventually revealed that the house-keeping staff was clogging elevator traffic, transferring towels and

linens among floors. It turns out that a well-intended individual had reduced inventories of cloth goods to lower costs. Without systems thinking, there was no way to anticipate that the small savings in inventory would be more than offset by a substantial loss in revenue.

The second principle admonishes us to see beyond mere averages. The unhappy customer experiences not the mean, but rather the serious departure from average. This leads us to the third principle: before we can understand why the departures from average happen, we need to know how often those departures occur, and how far those departures actually stray from average. Of course, such knowledge is what some people call “necessary, but not sufficient.” The missing link is a collection of tools for analyzing data in such a way as to extract process knowledge from the numbers.

We call that missing link “data-driven decision making.” Figure 1 is a model of how statistical thinking, statistical methods, and data-driven decision making go hand in hand. Statistical thinking ensures that we seek data that describes how process variation affects customers. Statistical methods give us the power to extract knowledge from the data. Data-driven decision making enables us to turn that knowledge into appropriate decisions for the good of our customers, and ultimately for the organization's benefit.

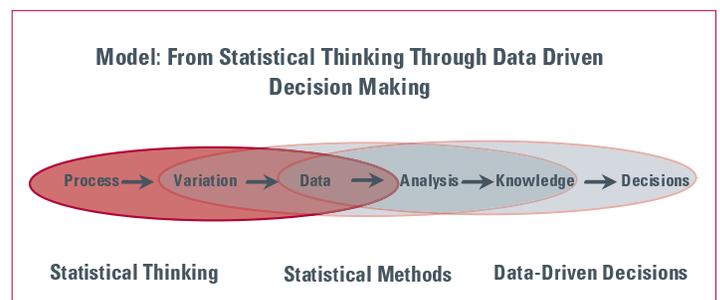


Figure 1

Observe that the existence of data is common to all three major elements: statistical thinking, statistical methods, and data-driven decisions. However, as the next part of this discussion will point out, not just any data will achieve the intended outcomes.

## Obtaining Dependable Process Data

Let us define “good data” as providing accurate and objective measures of how well the process serves its customers. Almost all seem

to agree that good process management depends on good data.

However, it is surprising how few appreciate the investment necessary to make sure we are, in fact, obtaining good data. The procedure for obtaining dependable process data is as follows:

1. Determine what needs to be measured, based on the following:
  - What the process delivers
  - Who receives the deliverables
  - What the deliverables must do for the recipient
  - What kind of measurement will track objectively whether those needs are being met
2. Determine whether relevant data can be obtained from existing information systems
3. If new data must be obtained, then develop and implement operational definitions to ensure consistent and dependable data collection
4. Conduct statistically valid measurement systems analyses to verify that measurement variation is acceptably small, compared with process requirements

Before organizations begin their journey toward MBNQA or its counterparts, they often gather a lot of data that is virtually irrelevant to their processes. Consider crime statistics, particularly the kind that depend on victim reporting. Law enforcement professionals verify that some crimes go under-reported, sometimes virtually unreported, depending on the stigma attached to victims in their respective societies.

Could anything like this be happening in business processes? Here is just a partial list of ways in which process data can be reported inaccurately:

- Errors corrected before they are formally detected (example: so-called “punch sheets” on construction sites, essentially a list of rework that is performed, but seldom tracked)
- Outcomes concealed due to fear of personal consequences (example: test failures that are hidden lest they jeopardize arbitrary shipment goals)
- Outcomes that can be reported a number of different ways, so they are (example: Byzantine diagnosis and treatment codes in healthcare)

Clearly, step 1 of the above procedure may demand the most integrity and fortitude of all: A willingness to scrutinize one’s data streams in an entirely new and potentially unflattering light. A thorough discussion of how to do so, and how to rectify such a situation, is beyond the scope of this paper. However, we hope it goes without saying that customer-focused process management depends upon customer-focused process data. Lawton<sup>3</sup> provides a good starting point for further study.

Let us proceed to the second step. Far too often, information

systems are poor sources of process data, because they were designed instead to handle accounting and purchasing. Some individual systems may provide data and file transfer functions, but only in blocks of events, not on the individual-event basis that gives the best information. Finally, some systems readily accept data, but appear reluctant to release it for process analysis.

Ideally, statistical thinkers should be included in specifying, comparing, designing, and qualifying any new systems, possibly even taking a leadership role in the task. Failure to do so actually has been known to result in systems that are more impediments than aids in obtaining valid process data.

The third step is activated in the event that automated or historical streams of data fail to meet the requirements of step 1. An “operational definition” is a set of specific instructions about when, where, and how to obtain data. If you think operational definitions are unnecessary, try answering the question in Figure 2. The best course of action is to anticipate and define as much as possible in advance.



**Figure 2 Why We Need Operational Definitions**

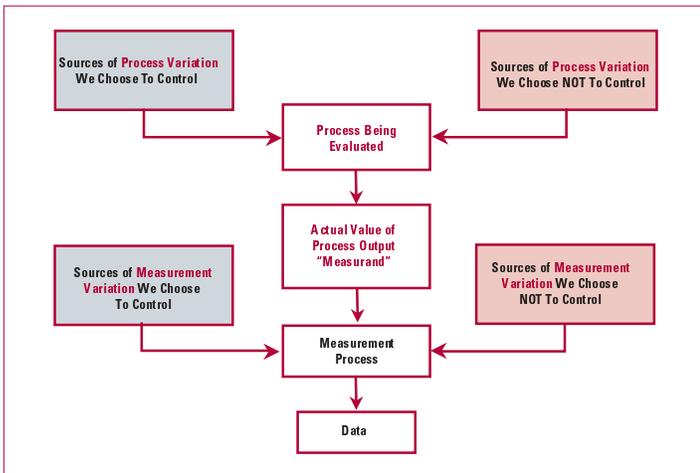
An effective example of operational definitions is the rules of most major sports – even a casual baseball fan knows which events contribute to a player’s tally of times at bat: a hit, a walk, an error, etc.

A classic example of fallout from waiting until after the fact would be the “hanging chads” episode of the 2000 presidential election in the United States. Because the definition had not been established in advance, the Supreme Court had to replace statistical thinking with judicial methods. At that point either electoral outcome would have left roughly half the voters feeling cheated.

Once we have sound operational definitions, we need to quantify measurement variation. Most people seem receptive to the notion that processes experience variation. After all, evidence of process variation is abundant and obvious. Less intuitive is to recognize that gathering process data is in itself a process, as Figure 3 shows. Not only can measurement variation exceed process variation, but at some extremes the data gathered is virtually irrelevant to what is going on in the process.

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**Figure 3 Measurement as a Variable Process**

Clearly, the four-step process described here constitutes a non-trivial effort. However, in the context of customer-focused process management, we hope the reader will appreciate these as a wise investment. Without confidence that we have relevant and dependable process data, all subsequent analyses and decisions are at risk.

### Common Cause vs. Special Cause Variation

*"To know and not to do is not to know." – Chinese proverb*

In the aftermath of the ground-breaking 1979 NBC television documentary entitled *"If Japan Can, Why Can't We?"* the expression "statistical process control," or SPC, became a popular 1980's buzz word. Although SPC has a relatively narrow formal definition, for a time the term informally came to encompass virtually all of statistical thinking and data driven decision-making.

However, let us focus on the narrow definition of SPC: making process decisions based on whether the process exhibits common cause or special cause variation. Thousands upon thousands of people observed Dr. Deming conducting "The Red Beads," and subsequent practitioners have propagated the lessons to many thousands more. The key lessons of The Red Beads are:

- Common cause variation is an inherent characteristic of the process as currently operated. Only a fundamental change in the design and operation of that process will change its behavior.
- A process exhibiting common cause variation will not respond to slogans, exhortations, threats, consequences, counseling, training, or any other individual-event response when people are following instructions. All such responses constitute a waste of resources.

It is frustrating to hear decision makers insist that they understand common cause vs. special cause variation, even as they relentlessly invoke special cause responses to common cause situations. This explains the adage at the start of this section. Putting it as bluntly as possible:

*Invoking special cause responses to common cause situations constitutes bad process management, bad human management, and just plain bad management.*

If this comes across as overly harsh, consider the opportunity awaiting those who make the transformation. Instead of consuming people's time with attending extra meetings, counseling individuals, or preparing reports, explanations, action plans, etc., those resources can do the real work of the organization. Now perhaps you know where to find the resources to validate your measurement systems!

Please indulge one final admonition: avoid the trap of insufficient data points. One example is the popular practice of comparing pairs of numbers, such as the current quarter against either the prior quarter, or against the same quarter of a year ago. Another is the thirteen-month cycle, in which anything prior to the same month last year simply "rolls off" the chart. Neither approach is statistically valid, making bad decisions a significant risk.

The best practice is to seek a reasonable number of observations, no fewer than roughly 20, and perhaps no more than about 100. In such a scenario, there is a good likelihood that the kind of variation will become self-evident, and that ensuing decisions will reflect good process management.

### Conclusions

Customer-focused process management depends on: 1) data that dependably reveals how well our processes meet customer requirements, and 2) a means of interpreting the data that leads to the right decisions.

The techniques of statistical thinking and data-driven decision making provide the basis for making this happen. Once we have good data and good decisions, we are poised to reflect the words of General Electric's former CEO Jack Welch:

*"One thing we have discovered with certainty is that anything we do that makes the customer more successful inevitably results in a financial return for us."*

<sup>1</sup> G. Dennis Beecroft: "Defining Excellence"

<sup>2</sup> G. Britz, D. Emerling, L. Hare, R. Hoerl, & J. Shade: *Statistical Thinking: Special Publication of the ASQC Statistics Division*, American Society for Quality Control, Milwaukee, WI, Spring 1996

<sup>3</sup> Robin Lawton: *Creating a Customer-Centered Culture*, ASQ Press

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# ASQ and Its Certifications

By Jd Marhevko, CQE, CQMgr, MBB, Vice Chair Operations

ASQ has an impressive array of professional certifications which enables practitioners to apply their skills and demonstrate their knowledge. Currently, there are fourteen (14) unique certifications. Each certification is sponsored by a group within ASQ. Typically, the sponsor is one of ASQ's 20+ divisions.

Looking at the table below, you can see which division sponsors and/or provides support to each certification:

Excellence or the CQM/OE. This certification was previously known as the Certified Quality Manager (CQMgr). As described in previous articles in the Forum, the CQMgr has evolved into the CQM/OE to incorporate the broader scope of duties that today's quality professional now requires.

In supporting the CMQ/OE, the QMD actively reaches across its membership and the pool of certified managers for professionals to help with:

- Providing interview and survey feedback regarding the duties and responsibilities of today's quality professionals

In order to participate in these above events, these professionals must already have earned their CQMgr and/or CMQ/OE certification.

In November, there will be another application of the CMQ/OE exam. A group of twelve (12) certified managers will volunteer to take the exam to see how they do. They will then make suggested improvements based upon their results. After that, the exam will be administered. Once the exam is administered, a different group of professionals will help to grade the candidate essays.

If you are currently a Certified Quality Manager, (or a new CMQ/OE) and you are able to help as a Subject Matter Expert (SME), please e-mail your contact information to [MMartin@ASQ.org](mailto:MMartin@ASQ.org). Two (2) RU Credits are given for participation in our workshop sessions and can be used towards your certification renewal as a CMQ/OE. Travel & Expense costs are reimbursed.

The CMQ/OE role isn't just about quality anymore. It's about improving all aspects of any type of organization. If you are not currently a Certified Manager, consider the personal growth and recognition that professional accreditation could provide you by attaining your CMQ/OE.

*If you are interested in finding out more, data can be obtained on the <http://www.asq.org/certification> website.*

CERTIFICATIONS AND ASQ DIVISION SPONSORS 2006		
Acronym	Title	Div Owner
CBA	Certified Biomedical Auditor	Quality Biomedical Division
CCT	Certified Calibration Technician	Measurement Quality Division
CHA	Certified HACCP Auditor	Drug and Cosmetic Division
CMI	Certified Mechanical Inspector (soon to be: Certified Quality Inspector)	Quality Inspection Division
CMQ/OE	Certified Manager of Quality/ Organizational Excellence	Quality Mgmt Div (QMD)
CQA	Certified Quality Auditor	Quality Audit Division
CQE	Certified Quality Engineer	ASQ's Division Affairs Council (DAC)
CQIA	Certified Quality Improvement Associate	ASQ's Division Affairs Council (DAC)
CQPA	Certified Quality Process Analyst	ASQ Board of Directors
CQT	Certified Quality Technician	Quality Inspection Division
CRE	Certified Reliability Engineer	Reliability Division
CSQE	Certified Software Quality Engineer	Software Division
SSBB	Certified Six Sigma Black Belt	ASQ's Division Affairs Council (DAC)

More than half of our 21,000+ QMD membership hold one (1) or more of these certifications. That reflects an impressive array of skills and expertise.

Our QMD formally sponsors the Certified Manager of Quality/Organizational

- Reviewing drafts of the certification exam
- Writing and submitting questions for the certification exam
- Helping to score and grade the essay portions of the candidates that have taken the exam and

# Excellence Through Lean Six Sigma

*James P. Schlichting*

## BACKGROUND

For decades, criteria from quality awards such as the Deming Prize (Japan, 1951), the Malcolm Baldrige National Quality Award (US, 1988), and the European Quality Award (Europe, 1992) have been used by organizations to improve quality and business performance, build market competitiveness and increase shareholder value.

These quality awards are models for corporate planning. The categories of the 2006 Baldrige criteria are Leadership; Strategic Planning; Customer and Market Focus; Measurement, Analysis, and Knowledge Management; Human Resource Focus; Process Management; and Results. These criteria are very similar to those used for many state awards within the US and to those used by many countries. For this article, consider these categories not as specific to Baldrige, but rather as generic criteria of an excellence system.

The criteria focus on core values and organizational operation, but not on one path to excellence. Organizations are judged on how the leaders establish and implement the core organizational values, and how strategic direction is set, implemented, and communicated to employees, customers, and suppliers.

Lean and Six Sigma are two methodologies that have received much attention and publicity in the last decade. They each incorporate a philosophy, a methodology, and a toolkit to help organizations improve their business results. Both methods recognize a need to have a long-term focus and to be customer focused. Both approaches seek to understand the customer requirements, understand the market and business environment, develop strategies to meet the needs, determine gaps, define priorities, and align

resources to meet the goals. Each has had documented quantifiable financial impact on their organizations. Used together, there is a synergistic effect that accelerates that impact.

Both Lean and Six Sigma focus on customer satisfaction and improved business performance. These two methodologies both focus on improving a wide variety of processes – new product development, administration, customer service, finance, manufacturing, supply chain, health care, and so on. Both methodologies use project management to drive results.

Both Lean and Six Sigma support a system of excellence. This article will combine the methods to be Lean Six Sigma. Let's see how on a category-by-category basis.

## ALIGNMENT OF LEAN SIX SIGMA METHODS TO QUALITY AWARD CRITERIA

### Leadership

In this area, Lean Six Sigma most closely supports the area addressing communication and organizational performance. Specifically, they help create a focus on action. For senior leaders to demonstrate their commitment to Lean Six Sigma, they must constantly communicate their position; this helps serve both as a leveraging device as well as a focusing mechanism. They further demonstrate their commitment through the endorsement and encouragement of the application of the tools these methodologies embrace. Strategic policy deployment, often associated with Lean Thinking, is a management tool that aligns all employees on what needs to be done for organization success. Leadership has the opportunity to show commitment and dialog with employees by attending opening and closing meetings of a Kaizen event, and by participating in Lean Six Sigma tollgate reviews. Lean Six Sigma certification celebrations present an

opportunity for senior leaders to actively participate in employee rewards and celebration. Lean Six Sigma leadership methods provide a mechanism to monitor activities and for planning. Lean Six Sigma has steps to identify the voice of the customer and check that the projects align to these requirements.

### Strategic Planning

The planning process needs to focus on what the company deems as its core values and core competencies. Through Lean Six Sigma, projects are planned and implemented that support the company's long-term business goals and customer requirements. Lean Six Sigma is a change method to determine gaps in the organization and close those gaps. These processes and the analysis fulfill the need for the quality award's focus on how strategic objectives are developed and fulfilled. These processes are not just for the quality award, but also to focus the company on its mission. Projects are evaluated in terms of short and longer term needs met, for the concept of critical-to-quality or critical-to-customer quality, and how the projects are aligned to customer needs.

### Customer and Market Focus

The Lean Six Sigma method focuses on the voice of the customer and alignment of business objectives with customer requirements. Activities are evaluated on the value that would be received by the customer for the activity – will the customer pay for this? The Lean Six Sigma process collects and analyzes customer and market data, industry nature, and competitive position.

### Measurement, Analysis, and Knowledge Management

Lean Six Sigma is based on data and facts – not speculation and intuition. Data is used to select projects – and decide on the

continuation of projects. Projects are selected based on a defined potential financial benefit. Metrics that the projects may be measured against are cost savings, sales increase, cycle time reduction, fulfillment of long-term objectives, or productivity increases. Benefits may directly contribute to the profit, may be organizational so that resources are redeployed, or reduce outlays such as for inventory or work in process.

### Human Resources Focus

Lean Six Sigma is not just a mandate from management for employees to work faster – but an agreement and support by management for organizational change. Management needs to be in control of the changes. Project sponsors and champions are the project owner. Black belts are trained in the tools and direct the project teams. Employees are rewarded and recognized for their contributions. Lean Six Sigma can improve the work environment. Employees are valued for their knowledge on when to change a process before an out of tolerance condition occurs. Employees are trained to accomplish multiple functions – some of the maintenance can be by the operators at setup or at down times.

### Process Management

Lean Six Sigma is a project management process and a business process. The

business is viewed as a whole and not as isolated functions. Interactions between functions are viewed as to how the activities fulfill a need of the customer. Will the customer pay for these activities as a separate action? Could a supplier do this process more efficiently? Is this process a core competency of the company? The business process evaluates the organization for gaps in performance and how the existing company direction meets a continuing customer requirement. The process is continually evaluated for change and improvement.

### Business Results

Lean Six Sigma has at its core the drive to measurable results – defining, measuring, reporting, and evaluating performance results. The activities are tied back to the voice of the customer and whether or not activities are critical to the quality or the business. Projects are evaluated to determine if the original goals are being met along the way and if the final goal has been fulfilled. Again, performance is tied to business requirements.

### CONCLUSIONS

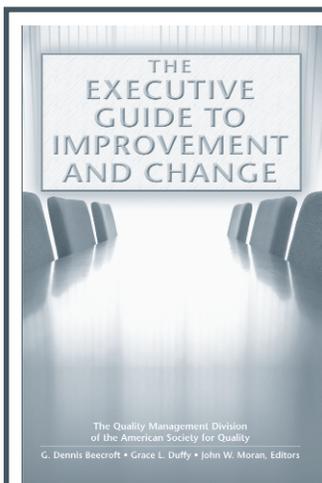
Lean Six Sigma is an ideal method to deploy improvement initiatives and document the results. In a business assessment such as Baldrige, substantive value can be linked to the Lean Six Sigma method. The

assessment focuses on not just the quality system, but on how well the company is positioned in its market, compared to its competitors, compared to the industry average, and response to its customer needs.

Six Sigma focuses on improvement based on statistical analysis. Lean focuses improvement based on waste reduction. Both focus on value to the customer, shareholders, suppliers, employees, and regulators. Lean Six Sigma provides performance criteria for business improvement.

The process starts and ends with senior management. Does management have a vision for the company? Is there a system in place for implementation? Is management successful in carrying out the goals? Have the vision and values been communicated and incorporated throughout the organization? Management is evaluated on the results by the examiners – and the stakeholders.

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### THE EXECUTIVE GUIDE TO IMPROVEMENT AND CHANGE

*G. Dennis Beecroft, Grace L. Duffy, John W. Moran*

272 pages. 7 x 10 Hardcover. 2003.

**Item:** H1179 **Member Price:** \$30.00

The Executive Guide to Improvement and Change is designed to help managers and executives understand the many different approaches to organizational change and improvement. The authors explain that there is not one technique that works best for every organization, but rather that the managers and executives need to develop their own strategies with a blending of different methods. The authors share the tools and techniques that they have used to successfully make changes and improvements in their own organizations, which include examples from manufacturing, healthcare, service, government, telecommunications, education, and more. It will assist executives and managers lead improvement and change initiatives within the organization and the larger business community, as well as educate those who aspire to senior positions of leadership.

# Essentials for Excellence in ISO 9001:2000

Peggy Milz

As one examines the essentials for business excellence, it is difficult to take issue with their merit. It doesn't really matter which business excellence model is selected, they all utilize very similar fundamentals. Although the merit is evident, most individuals struggle with how to embrace those essentials for excellence and achieve the desired results. The reason many individuals find this difficult is that the task can seem insurmountable; and that business excellence is a journey, not a destination. It is often said, "If it were easy, everyone would be doing it." While that statement may be true, it is not an excuse for not "doing it." There are many tools available to help organizations achieve business excellence. An organization simply needs to select the appropriate tools and fully utilize them to reap all of the benefits.

ISO 9001:2000 *Quality Management Systems – Requirements* is one of the tools available to help organizations attain business excellence. The ISO 9000:2000 standards are based on eight quality management principles which can be used to improve organizational performance and to achieve success. The eight quality management principles are:

1. Customer Focus
2. Leadership
3. Involvement of People
4. Process Approach
5. System Approach to Management
6. Continual Improvement
7. Factual Approach to Decision Making
8. Mutually Beneficial Supplier Relationships

Utilizing these eight principles, ISO 9001 can help organizations achieve excellence in many areas. This article focuses on leadership, planning, customer focus, process approach and business performance/results.

## Leadership

One of the most important phrases in ISO 9001 is "Top management shall..." The standard establishes management's responsibilities and the importance of having top management's commitment. Leadership needs to begin at the top. ISO 9001 not only recognizes this, but requires it. Leadership, commitment, and the active involvement of top management are essential to achieving excellence. ISO requires that top management assume responsibility for performing several tasks and ensuring that numerous others

are completed. Some of top management's responsibilities in ISO 9001 include:

- Demonstrating its commitment to developing and implementing a quality management system (QMS) and continually improving its effectiveness
- Communicating the importance of meeting customer, statutory, and regulatory requirements to the organization
- Establishing the quality policy and ensuring that it is communicated and understood throughout the organization
- Ensuring that quality objectives are established
- Conducting management reviews of the QMS
- Ensuring that responsibilities and authorities are defined and communicated within the organization
- Appointing a management representative
- Ensuring that appropriate processes are established and implemented to communicate the effectiveness of the QMS to the organization

In addition to the requirements for top management in ISO 9001:2000, ISO 9004:2000 *Quality Management System – Guidelines for Performance Improvements* identifies other activities management should consider:

- Establishing a vision, policies, and strategic objectives
- Leading the organization by example
- Communicating organizational direction and values
- Participating in improvement projects
- Obtaining direct feedback of the organization's effectiveness and efficiency
- Identifying the product realization processes that add value to the organization and the support processes that influence the effectiveness and efficiency of the realization processes
- Creating an environment that encourages the involvement and development of people
- Providing the structure and resources necessary to support the organization's strategic plans
- Defining methods for measuring the organization's performance

Leadership's role in achieving excellence can not be over-emphasized. Excellence must start at, and be driven from, the top. Good leaders will engage and motivate others throughout the organization in obtaining the support needed to achieve excellence.

**Planning**

When ISO 9001:2000 replaced ISO 9001:1994, planning was one of the areas that was enhanced. ISO 9001:2000 raised the bar for organizations, by challenging (actually requiring) them to take a proactive approach to business planning. Previously, there was a focus on quality planning for specific contracts, orders, etc., but not on business planning. The scope of planning required for organizations in ISO 9001:2000 is much broader. The standard requires that organizations examine their needs to sustain and improve operations. It requires organizations to assess their needs by examining the business from a process perspective. Organizations are required to:

- Identify the processes needed to operate their QMS
- Determine how these processes need to be applied throughout the organization
- Manage these processes to ensure that they are implemented, controlled, and effective
- Ensure that the resources and information necessary to support these processes are available
- Monitor, measure, and analyze the results of these processes
- Ensure that these processes support the organization’s quality objectives
- Take actions necessary to correct and/or improve these processes, as appropriate

There are many commonly-used clichés which refer to planning including “Poor planning on your part does not constitute an emergency on mine” and “Fail to plan and you plan to fail.” While these are just a few examples, they illustrate the importance of planning to achieve business excellence.

The idea of planning can sometimes be overwhelming, but the process can really be done simply. Whether you reserve a room off-site or use a conference room in your facility, the key is to identify the appropriate participants and to get their uninterrupted, undivided attention. It is important to utilize a cross-functional team to ensure that all aspects of the business are addressed. This would include individuals from Operations, Procurement, Sales, Marketing, Finance, Quality, Materials Management, and Human Resources – to name a few. You can appoint one of the team members to facilitate the planning process; but the preferred approach, if the resources are available, is to use an independent facilitator. Once you have assembled your team, selected a facilitator, and arranged for a venue that will facilitate the exchange of ideas, the process is easy to follow. Identify the inputs to your planning process and the expected outputs. The diagram below illustrates some sample inputs into and outputs of the quality planning process.

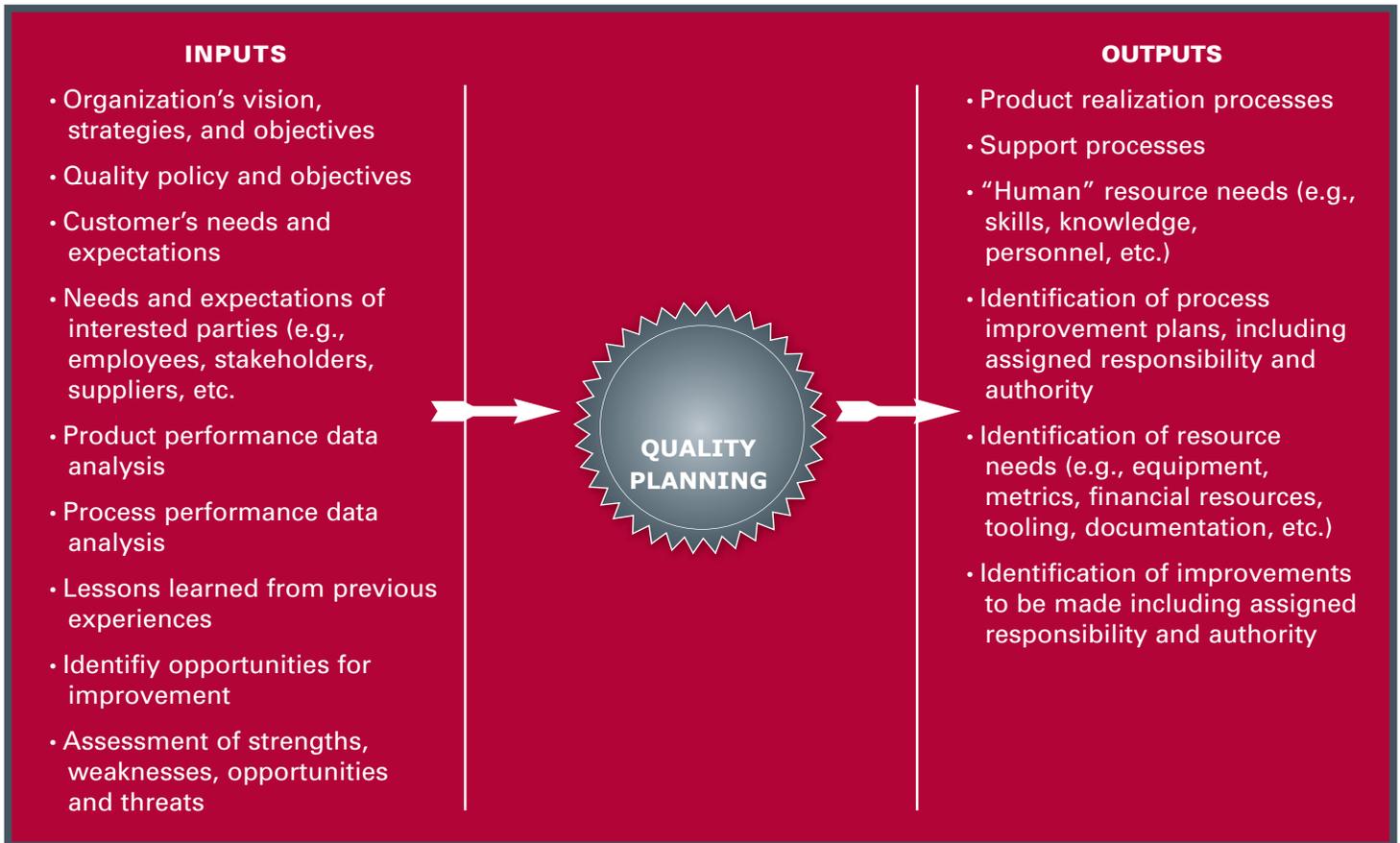


Figure 1 Quality Planning Process

Continued from previous page

You should provide the participants with the inputs prior to the planning meeting to allow them time to review them and to prepare for the meeting. Additionally, you should provide them the anticipated outputs in order to clarify expectations for the results of the process.

### Customer Focus

While section 5.2 *Customer Focus* is a “new requirement” in ISO 9001:2000, the concept of customer focus has always existed in the ISO 9001 standards. The ISO 9001:2000 requirement for customer focus is succinctly stated in one sentence: “Top management shall ensure that customer requirements are determined and are met with the aim of enhancing customer satisfaction.” The impact of this brief statement is huge. An organization that is customer-focused engages in activities which enhance customer satisfaction. Some of these activities include:

- Establishing customer-oriented processes
- Identifying and understanding not only its customers’ current and future requirements, but also their needs and expectations (e.g., dependability, availability, post-delivery support, reliability, safety, etc.)
- Translating those identified needs and expectations into requirements
- Identifying, understanding, and complying with the statutory and regulatory requirements that apply to the organization’s products, processes, and activities

An organization can’t have customer focus without considering (i.e., monitoring and measuring) customer satisfaction. ISO 9004:2000 states that an organization “... should establish and use sources of customer satisfaction information and should cooperate with its customer in order to anticipate future needs.” It also states that organizations “... should plan and establish processes to listen effectively and efficiently to the ‘voice of the customer.’” The key here is to monitor/measure customer *satisfaction*. Measuring customer dissatisfaction (e.g., complaints, returns, etc.) is usually easy. Monitoring and measuring the customers’ perception as to whether the organization has met the customers’ requirements is often more difficult. This includes identifying, measuring, and analyzing additional sources of information. Examples of this information include, but are not limited to, direct communications with customers (face-to-face, e-mail, phone, mail), surveys/questionnaires, focus groups, and customer report cards.

### Process Approach

ISO 9001:2000 requires that organizations utilize a process approach. It defines a process approach as “... the application of a system of processes within an organization, together with the identification and interactions and managing of these processes.”

When an organization utilizes a process approach to develop and implement its quality management system, it will recognize the importance of understanding and fulfilling customer requirements, focusing on processes that add value to the organization and its customers, evaluating the results and effectiveness of its processes, and continually improving its processes.

Management is responsible for ensuring that both realization and support processes are operated effectively and efficiently. Continual improvement of an organization’s processes will improve the effectiveness and efficiency of the organization’s performance. In order to achieve continual improvement of performance and organizational excellence, an organization should utilize the results of process verification and validation activities as inputs to the process.

There are several factors management needs to consider when managing the organization’s processes: process inputs (including the results of any verification/validation activities), desired process outputs, process steps and activities, flows, control measures, training needs, equipment, methods, information, materials, and other resources. In Section 7.1.3.1, ISO 9004:2000 suggests that an organization should develop an operating plan to manage its processes, which includes:

- Input and output requirements (for example, specifications and resources)
- Activities within the processes
- Verification and validation of processes and products
- Analysis of the process including dependability
- Identification, assessment and mitigation of risk
- Corrective and preventive actions
- Opportunities and actions for process improvement
- Control of changes to processes and products

Adopting a process approach when developing, implementing and improving the organization’s effectiveness and efficiency is an essential element of organizational excellence.

### Business Performance/Results

Section 8 *Measurement, Analysis and Improvement* of ISO 9001:2000 focuses on measuring an organization’s performance, on analyzing its performance, and on utilizing that information to improve performance. The list of items which an organization can measure is almost endless. Each organization needs to determine what it will measure, analyze, and improve. ISO 9001:2000 identifies several areas which organizations are required to measure, analyze and improve. Some of these areas include: customer satisfaction, quality management system conformance, its effective implementation, and its effective maintenance (through internal audits), processes, products (including product nonconformances), and

improvement. These are a good a start, and ISO 9004:2000 offers many more suggestions.

It is difficult to find an organization that would argue the merits of measuring and improving customer satisfaction. Organizations that are registered to a quality management system standard are required to perform internal audits of their QMS and are also subject to external audits. These audits should provide the organization information (data) regarding if/to what degree their QMS conforms to requirements and the effectiveness of its implementation and maintenance.

Measurements and information collected regarding process performance and product conformance should be analyzed to identify problems, potential problems, and opportunities for improvement. When analyzing product conformance and process performance data, it is important that you also consider trends. When analyzing data, organizations should consider converting data from processes to financial information. This can be as simple as looking at the cost of rework and the cost of scrap instead of the number of parts/jobs that are reworked or scrapped. This will provide comparable measures across processes and help facilitate the improvement of the organization while maintaining a focus on the bottom line.

Self-assessments are another tool that can be used to achieve excellence. Organizations can utilize self-assessments to examine the

organization's effectiveness and efficiency and benchmark its performance against world-class performance standards. Of course the real benefits of self-assessments are realized when the organization uses the self-assessment results to make decisions, take action, and improve performance.

The key for any organization to achieve the desired business results is to identify what it should measure, to analyze the results of the measurements, and to take actions to improve performance.

### Conclusions

There is no such thing as perfection – all organizations have room for improvement. Regardless of how far along its journey to business excellence an organization is, there are many approaches and tools that can be utilized to achieve the desired end-result. ISO 9001:2000 and ISO 9004:2000 are tools which you can use to expedite your journey to excellence.

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# The Leadership-Teamship-Followership Continuum

Patrick L. Townsend and Joan E. Gebhardt

Leadership – in the sense of someone always being “The Leader,” of perpetually being the one up front in a continuous series of challenging situations – is an exhilarating image, but it isn’t how life actually works.

No matter how many “seize control” books are published, or how often motivational speakers stir up corporate audiences, leadership from the top is not the only working relationship skill with high value. No matter what is proclaimed from corporate or academic pulpits, everyone cannot be in charge all the time. Nor can any one person always be the leader 24/7. The world just doesn’t work like that.

In the real world, leadership is a far more diverse – and more shared – concept. Interestingly, every methodology proposed for assessing the effectiveness of an organization includes in its factors to look at leadership and employee involvement. At first glance, it often looks as if there is one category or set of measurements for the leaders and another set for the followers, with the implication being that the organization can be fruitfully broken down into those two distinct groups – or classes.

But executives of organizations of virtually any sort who win official awards or certificates or public acclaim invariably talk about their “team” and the great “teamwork” that everyone has demonstrated – as if there were no class distinctions in their exemplary units. And they talk about the benefits of “leadership at every level.”

When individuals near or at the top of organizations call for “leadership at every level,” they do not, of course, really want every individual on their payroll to be making independent, innovative, resource-gobbling decisions that appear to be perfectly appropriate. Down that path lies chaos,

well-intended and empowered, but chaos nonetheless.

The question then is: What is the connection between the leaders and the followers? Are the skills needed by the leaders so very different from those needed by those without official positions of power? The beginning point for understanding the relationship between leaders and followers is the fact that leadership is a behavior rather than a position. With that idea as a starting point, the oft-stated need for, and benefit of, “leadership at every level” becomes a far more reasonable thought.

Leadership is best defined as “The creation of an environment in which others can self-actualize in the process of completing the job.” With that definition, the role of those exhibiting leadership ability at every level, no matter their official position, becomes more clear: It is to cooperate in the creation of that environment that makes it more likely that everyone involved in the enterprise, no matter what their official position, will both complete the job and, because self-actualization was part and parcel of doing so, be prepared to go on to the next task.

## Leadership and Followership Principles

To begin to explore the relationship between leaders, teammates, and followers – and to understand under what conditions “leadership at every level” is a valid and valuable concept – take a look at Tables 1 and 2. Table 1 lists the leadership principles delineated by the United States Marine Corps. This list was assembled by a group that drew heavily from both the lessons of history and from personal experience. It was a group that doubtless had a great deal of experience being effective leaders while holding the titular power that came with being in official positions of authority.

**TABLE 1: LEADERSHIP PRINCIPLES:**

1. Be technically and tactically proficient.
2. Know yourself and seek self-improvement.
3. Know your people and look out for their welfare.
4. Keep your people informed.
5. Set the example.
6. Ensure that the task is understood, supervised, and accomplished.
7. Train your people as a team.
8. Make sound and timely decisions.
9. Develop a sense of responsibility among your subordinates.
10. Employ your command in accordance with its capabilities.
11. Seek responsibility and take responsibility for your actions and the actions of your unit.

Table 2, the “followership” principles, was put together in 1975 by a group of senior enlisted men in the United States Army. This, then, is a list that reflects not only history, but also the personal experiences of soldiers whose roles had always had limited titular power. They, indeed, made decisions. And the “followership” principles do call on followers to make decisions as appropriate, but they also had a great deal of experience being on the receiving end of orders.

The similarities between the two lists are striking and give credence to the idea that leadership and “followership” are not distinct concepts, but are, rather, variations of one set of core concepts describing, if not defining, the conduct of effective working relationships. Some principles that show up on both lists are identical, word-for-word (“Know yourself and seek self-

improvement”) – or virtually so (Leadership principle: “Set the example;” Followership principle: “Set the example for others”). Others are logical permutations of each other (Leadership principle: “Keep your people informed;” “Followership” principle: “Keep your leaders informed”). Figure 1 shows this idea of a leadership continuum graphically. Note that there is no clear demarcation between where leadership ends and “followership” begins. As in the written principles, there is some overlap, some common ground, in the graph.

**TABLE 2: FOLLOWERSHIP PRINCIPLES**

1. Know yourself and seek self-improvement.
2. Be technically and tactically proficient.
3. Comply with orders and initiate appropriate actions in the absence of orders.
4. Develop a sense of responsibility and take responsibility for your actions.
5. Make sound and timely decisions or recommendations.
6. Set the example for others.
7. Be familiar with your leader and his/her job, and anticipate her/his requirements.
8. Keep your leaders informed.
9. Understand the task and ethically accomplish it.
10. Be a team member – but not a yes man/woman.

**The Continuum**

In Figure 1, beginning at the left, the “L” stands for “Capital L Leadership” – the level of decision-making that normally sets the overall direction for a specific organization and that results in the assignment of resources and the moving of people and money. Often called “command,” this is the form of leadership that is sometimes lamented as being lonely.

Moving along the continuum to the right, the lower case “l” stands for “small l leadership.” This is the sort of leadership that most folks practice when in a leadership role. It’s the personal leadership in which a person tries to convince a finite number of other individuals to actually follow him or her – right now. While it might not require the same range of intelligence, knowledge, nerve, and experience needed for successful Capital L Leadership, it does involve looking people directly in the eye and having to respond personally to hesitations and objections. Small l leadership is usually anything but lonely.



**Figure 1**

The right half of the continuum is labeled “Followership” and the two markers are “A” – for “Active Followership” in which the person is engaged with the leader(s) and, to some degree, helps to form final decisions through his or her questions and suggestions – and “P” for “Passive Followership.” Passive “followership” occurs when the person being led turns off his or her mind and emotions, refuses to become involved in any way in the decision-making process, and does only the absolute minimum that is required. Interestingly, and for very different reasons, this is the only other spot on the continuum besides the Capital L, which is consistently found to be lonely.

Between those two markers – the Capital L and the P for Passive – are an infinite number of possible locations for a person to be at any one moment.

**Teamship Principles**

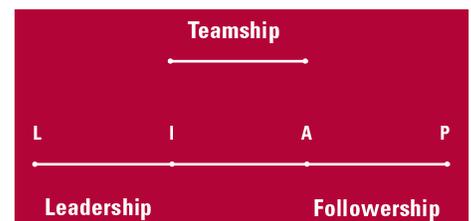
What does happen in the middle? What happens where leadership and followership meet and, to a degree, overlap? The sort of working relationships at play in that region

can best be explained by introducing a new set of principles: “Teamship Principles” (Table 3) and a new graphic representation (Figure 2).

**TABLE 3: TEAMSHIP PRINCIPLES**

1. Know yourself and seek self-improvement.
2. Be technically and operationally proficient.
3. Make sound and timely decisions or recommendations.
4. Set the example for each other.
5. Develop a sense of responsibility in yourself and your teammates.
6. Keep each other informed.
7. Ensure that all teammates understand the task in the same way and work together to ethically accomplish it.
8. Be an active contributor to the thought process and actions of the team.
9. Comply with orders as a team and initiate appropriate actions in the absence of orders.
10. Be familiar with the mission of the organization and anticipate required actions.

Looking at Table 3, you can see that what was common between the first two tables remains common ground, but what were previously extensions or permutations now have a more natural bridge. As noted above, the leadership principle is “Keep your people informed” and the “followership” principle is “Keep your leaders informed.” The “teamship” principle is “Keep each other informed.”



**Figure 2**

Continued on next page

Continued from previous page

Likewise, the leadership principle is, “Ensure that the task is understood, supervised, and accomplished;” the “followership” principle is “Understand the task and ethically accomplish it;” and the “teamship” principle is “Ensure that all teammates understand the task in the same way and work together to ethically accomplish it.”

What is “teamship”? It is what happens when a group of individuals are interacting – either prior to beginning a project or at various times throughout the project – about how to accomplish a shared goal. The interplay is such that an outside observer might find it difficult to tell exactly who is the official leader and who are the official followers at any specific time. As each person’s special expertise comes into play, she or he might sound very much like the leader at that moment while the appointed leader (who will be held accountable for the results of the effort and who most likely will be the one to summarize the agreed-to points) might look suspiciously like a follower.

### The Importance of Training

The idea that “teamship” and “followership” are forms of leadership and thus share a great deal with what is normally thought of as leadership is why, in the business world, it is counter-productive to reserve leadership training for people who have already attained a position of power. Leadership is too often the only skill position in a corporation to which people are promoted prior to receiving training or having been required to demonstrate their proficiency.

People may make their first appearance on an LTF Continuum and begin their relationship with others at any point on a particular continuum depending on their innate skills and the situation they have sought or into which they have been thrust. It is not the beginning point that matters, after all. It is the sum total of his/her skills at all points on the continuum which will define an individual’s long-term worth to their society. And those skills are the combination of natural skills and skills acquired from training and personal effort.

The sum of applicable skills will vary at different points on the continuum. Individuals will most likely be better at one role than another, but that doesn’t mean that they shouldn’t strive to be at least competent at all three. The ease with which they move along the continuum, and the degree to which those shifts are done consciously, help to define the individual’s overall worth to their immediate environment.

### A Behavior, Not a Position

With an understanding of this set of relationships, it becomes possible both to better assess training needs for the organization’s long-range benefit and to capitalize on short-term opportunities. When leadership in all of its forms becomes a common, conscious behavior, progress is inevitable.

Unless the leaders at every level participate in the creation of the needed organizational environment, sustained progress towards either accomplishment or recognition for achievement will always be out of reach.

### Author

*Pat Townsend is a speaker and author on Quality and Leadership. He and his wife, Joan Gebhardt, have written several books, most recently, Quality Makes Money and Five Star Leadership; The Art and Strategy of Creating Leaders At Every Level. Pat can be reached at [cqpquality@yahoo.com](mailto:cqpquality@yahoo.com).*

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The deadline for the Spring 2007 issue of *Forum* is December 15, 2006. E-mail your submissions to H. Fred Walker, Vice Chair, Print Initiatives, at [hfwalker@usm.maine.edu](mailto:hfwalker@usm.maine.edu).

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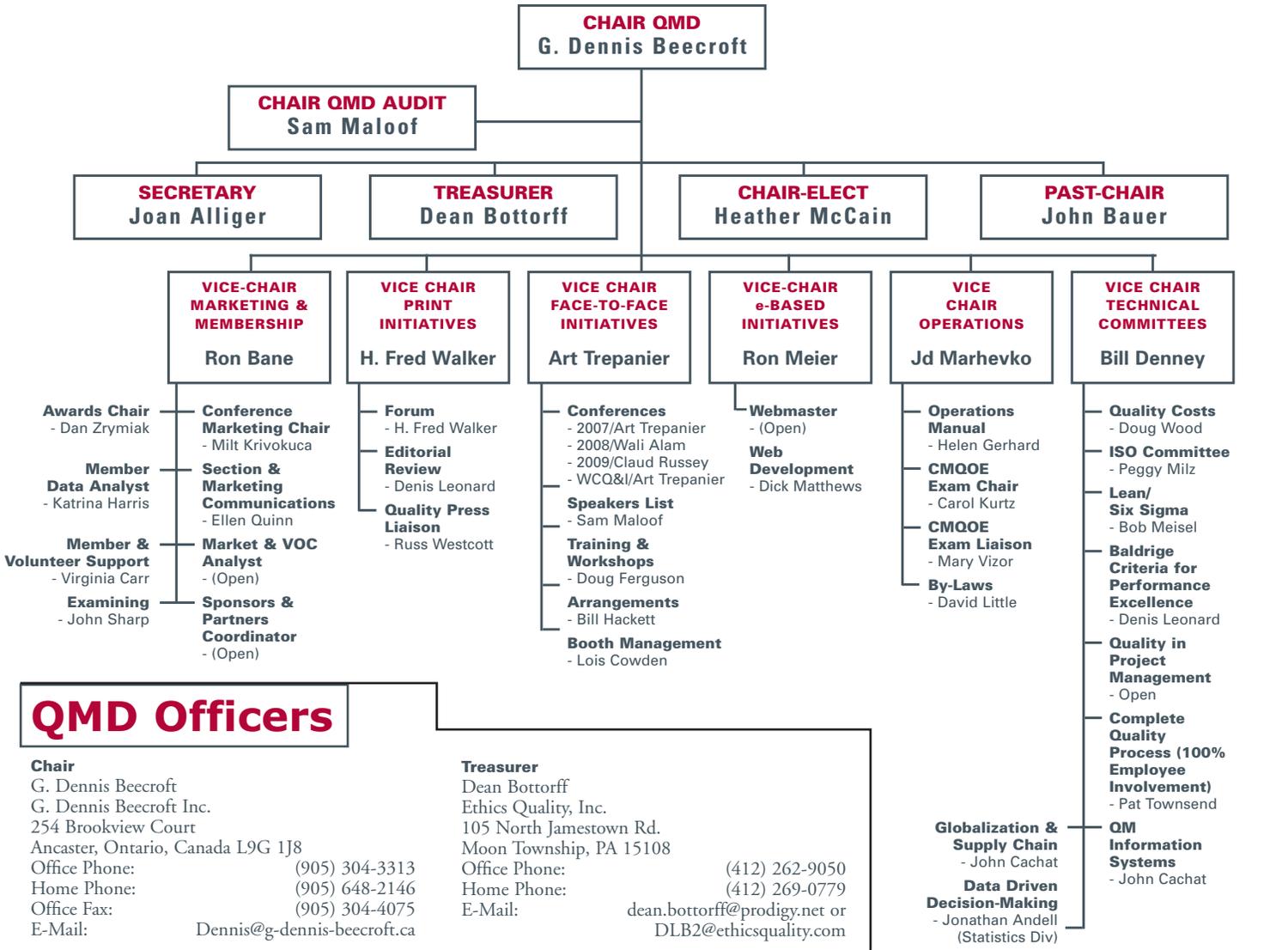
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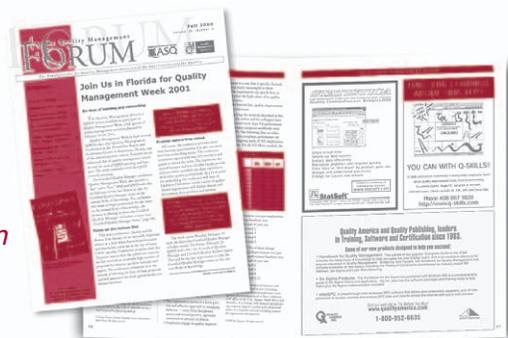
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