9. QUALITY IN PROJECTS

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9.1 What is quality?

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Quality is one apex of the baseline

Specification
Performance
Scope
Procedures

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What is quality?

QUALITY IS WHAT THE CUSTOMER THINKS IT IS!

Quantitative view

Qualitative view

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What quality has to prove

Satisfaction = Perception - Expectation

- Meeting customer requirements
- **Meeting the specification**
- Solving the problem
- **Being fit for purpose**
- Delivering the promised benefits
- **Satisfying or even delighting the customer**

QUALITY IS WHAT THE CUSTOMER THINKS IT IS!

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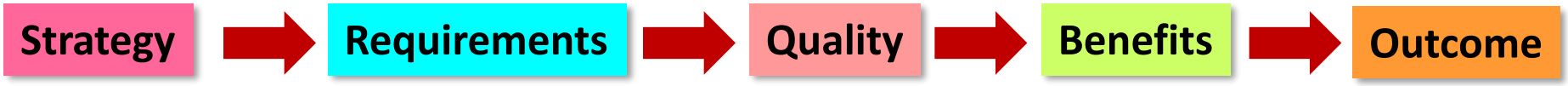
Where quality fits in



Strategy	Requirements	Quality	Benefits	Outcome
How we want the output to change the organisation for the better	What the customer says they want: conformance and performance factors for the management process and the output	How we show that the project and the output are conforming and performing as promised	How we know that the output is enabling the outcome the customer seeks	Achievement of the desired future state the output is supposed to enable

Signal to put things right ✗ ? ✓ **Promise fulfilled**

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The costs of poor quality

Low customer satisfaction – Customer-centric firms have been said to be 60% more profitable that those which are not.

Risks are more likely to materialise – Faulty work products may lead to inadequate performance, failures, and accidents.

Loss of business to other suppliers – European and American carmakers lost substantial market share to Japanese producers from the 1970s because their products were unreliable.

Reputation collapse – A project failure, or a serious output failure, can tarnish a company's brand – sometimes to the point of destroying the firm.

Excess costs - Employing inspectors to spot errors, and the rework to cure them, can amount to from 25% to 50% of production costs.

Loss of power – A failing political initiative leads to defeat in elections by other parties.

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Other reasons to have a quality system

It can be a defence against claims for professional negligence. It shows that the supplier took 'every reasonable precaution'.

An effective quality system will probably pay for itself. The consequences of poor quality can be very expensive, in rework and possibly legal fees, compensation and reputation.

It may actually be a pre-requisite for getting the business. Many customers will not engage a project supplier who does not operate a proper quality system or even a specific one (e.g. PRINCE2).

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