

## TQM Initiatives

The impacts of these initiatives improve product quality while reducing the time and resources required to design, manufacture, warehouse and ship products.

- **Benchmarking** - Reduces administrative overhead.
- **Quality Function Deployment Effort** - Reduces R&D cycle time and enhances the effectiveness of the Promotion and Sales Budgets.
- **CCE (Concurrent Engineering)/6 Sigma Training** - Reduces material costs and labor costs.
- **GEMITQEM Sustainability** - The Global Environmental Management Initiative Total Quality Environmental Management initiative reduces labor costs as it minimizes environmental risks. These include production methods which protect employee health and redesign of products to have fewer toxic by-products. The initiative also reduces material costs, as it promotes recycling and other material use efficiencies.

For each impact, complementary initiatives combine to increase the total effect. You should bundle your investments in multiple initiatives that have an impact important to your company's strategy. By spreading your investment among complementary initiatives, you can invest more in each impact than the limit of \$2,000,000 for an individual initiative.

You can target multiple impacts, such as both material and labor cost reduction; this can be a substantial investment in any given year. As you fine tune your decisions, keep an eye on the projected cumulative impacts to ensure that your investments are creating cost-effective returns.

Companies that invest in the same initiatives over two or three rounds (depending on the amount of money) will experience decreasing and eventually no additional returns for their investments.