OCTAVE

WHITE PAPER

4 steps to understanding the quality journey

Because quality is the business, and it matters for you and your customers

The negative consequences of poor quality and weak customer experience can go viral in seconds, potentially causing significant damage to your brand's reputation. In today's interconnected world, it is critical that you prioritize and build quality into everything you do. Neglecting quality can lead to disastrous outcomes, impacting your business performance, brand perception, customer loyalty, and ultimately, profitability. In essence, quality is the backbone of your business.

While digital transformation remains a top priority for many companies, with 56% considering it a significant investment, its true potential cannot be realized without a steadfast focus on quality. Unfortunately, the pressure to reduce costs, increase margins, and allocate budgets towards transformative technologies often leaves little room for investment in quality. As a result, many companies adopt a status quo approach to quality, which can lead to compliance issues, damage to brand reputation, and financial losses.

To overcome these challenges, a smarter and more modern approach to quality is necessary. It is crucial to ensure that quality standards are met at every stage of the product lifecycle, from design and manufacturing to shipping, distribution, and post-sale support. Achieving this requires embracing automation and leveraging technology to streamline quality processes, maximizing cost efficiency, and simplifying your operations.

By recognizing the importance of quality and investing in automated quality processes, you can minimize the risks associated with poor quality, reduce compliance issues, and safeguard your brand reputation. Moreover, a strong emphasis on quality will enhance customer satisfaction, increase loyalty, and drive sustained competitive advantage and market value for your business.

Don't let the pursuit of cost-cutting and digital transformation undermine the quality that forms the foundation of your success. Prioritize quality at every step, and you will not only mitigate the risks but also create a superior customer experience that sets you apart from the competition.

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Why quality matters

The clearest reason why quality matters is because it's important to your customers. Even if customers aren't actively thinking about quality on a daily basis, their purchases and brand loyalty are directly tied to the quality of your products and their experiences.

A single poor-quality experience can influence brand perception and impact a consumer's likelihood of recommending or buying from that brand again. One study found that 40% of consumers say quality products are **essential to loving a brand**. And other research found that 73% of consumers say that customer experience helps drive their buying decision, with 86% willing to pay more for **a better customer experience**.

If it's so clear that quality matters, why are so many businesses content to maintain a status quo with outdated paper-based tracking and Excel spreadsheets? There are two primary reasons.

First, the drive for quality stands in direct opposition to efforts to "do more with less." Developing products faster and cheaper doesn't leave room for strict quality controls. When "faster, cheaper" forces are prevalent, quality and compliance are often treated as equals. Especially in highly regulated industries, it's easy to look at strict compliance requirements as quality benchmarks. But the reality is that regulatory compliance is actually the lowest bar for quality measurement. Just because you've met compliance standards doesn't mean your products will satisfy or delight customers from a quality perspective. However, not focusing on quality can have just the opposite result. Rework, scrap, recalls, and warranty claims resulting from poor quality, for example, can lead to a reality of "doing less with less."

The fact that quality can have multiple definitions and can be ascribed to multiple KPIs is precisely why we must monitor it closely. Even simple changes can have a significant impact on your business, whether it's from a financial perspective or in terms of customer/ employee experience. For example, General Motors had always tracked vital "tear out" and retooling processes in its manufacturing plants with paper-based processes, physical signatures, and outside consultants working 24/7 for between 20 and 40 days. By automating the processes around environment protection requirements, GM saved $165,000 (85% of the initial budget) in a single decommissioning process. In addition to the cost savings, quality automation helped GM gain $1 million back in scrap revenue for that one instance.

And the financial cost of poor quality are real, measurable and can create nearly existential problems for a company. The "worst case" cost for Takata Corporation's recall of defective automobile airbags has been estimated as more than $20 billion.

Ultimately, quality matters to your business because it helps you answer the main question that every leader asks — how can we do things smarter, faster, and easier? Persisting with archaic paper-based quality management processes won't lead to the right answers. Worse, the costs associated with such outdated quality management are only rising.

To avoid losing customers and tarnishing their reputation, companies must prioritize quality, embracing a quality management foundation that supports a culture of continuous quality improvement. Businesses must strategically create both proactive and reactive approaches to quality to more effectively maintain brand image, enhance consumer trust, and boost business performance.

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Doing nothing is not an option

For companies that have gotten this far without automated quality management, continuing to use spreadsheets and other existing tools may seem acceptable. Why change if you don't have to? The problem is that these outdated processes work until they don't. You could be living on the edge of disaster without even realizing it.

Companies that don't invest in quality management take a huge risk that could have any number of outcomes, including:

- Reduced competitive position
- Risk of repeated failures
- Inability to anticipate, predict, and prevent quality issues
- Higher-than-expected costs for scrap, rework, inventory, recalls, etc.
- Loss of productivity due to time-consuming manual quality processes
- Inconsistent documentation and training
- Human error in manual data entry across disconnected systems
- Lack of visibility into supplier performance and supply chain quality

No business leader wants to be in the position of calculating the actual costs of poor quality or, worse, end up in jail because of poor quality that leads to repeated regulatory failures and harm to customers. However, the known risks of outdated quality management don't stop product recalls and quality issues from appearing in the news every single day. In fact, 52% of organizations say that nearly half of all recalls can be attributed to supplier issues[1]. Even with quality management systems in place, there have been significant quality failures due to a number of factors, like those noted below. These would only be worse if companies decided not to have quality management processes.

[1] The Pulse of Quality in Manufacturing Survey Report. 2025.

Tyson Fresh Meats, Inc

The company recalled approximately 93,697 pounds of raw ground beef believed to be contaminated with "mirror-like" foreign material. The items were produced on November 2, 2022, and include five and 10-pound chubs bearing the establishment number "EST. 245E." Specifically, 10-lb. chubs containing "HILL COUNTRY FARE GROUND BEEF 73% LEAN/ 27% FAT with BEST BEFORE OR FREEZE BY: NOV 25, 2022," 5-lb. chubs containing "HILL COUNTRY FARE GROUND BEEF 73% LEAN/ 27% FAT with BEST BEFORE OR FREEZE BY: NOV 25, 2022" and 5-lb. chubs containing "H-E-B GROUND CHUCK GROUND BEEF 80% LEAN/ 20% FAT."

Takata

The company recalled airbags for 19 automakers (34 brands) for model years between 1999 and 2015. Being referred to by the NHTSA as the "largest and most safety recall in U.S. history," which includes 67 million airbags. As of the end of 2022, 11 million still needed to be replaced. The highest-risk models include specific 2001-2003 Honda and Acura models, 2006 Ford Ranger, and 1999 BMW 323i and 328i. The recall caused the company to file for bankruptcy in 2017 following a guilty plea and agreement to pay $1 billion in penalties.

Toyota

Low-pressure fuel pumps were at the center of Toyota's recent recall of 5.8 million Toyota and Lexus vehicles worldwide. In the US, the company recently reached a potential class action settlement of $150 million, with numbers expected to grow. Each of these troubling incidents (and the countless other product recalls that occur every day) serves as a reminder that quality matters. Mistakes happen and should be expected, but they should never be left unaddressed. In fact, companies that recover most rapidly from these types of events have quality management processes in place for just such occurrences.

Instead of letting it get to this point dealing with these kinds of financial and reputational costs, it's time to embrace modern, automated quality management. The only question is how?

Understanding the quality journey

The first step to modernizing and automating your quality management approach is to determine where your organization is on its Quality Journey. Whether you're still working with paper-based systems, starting to streamline your workflows with automation, or have implemented quality processes that include your suppliers, your business is somewhere in its Quality Journey.

Where you stand from a quality maturity perspective depends on three key elements:

Operational systems

These are the operational processes that are unique to your business/industry, whether that means manufacturing workflows or service operations.

Quality systems

The actual system of quality management, including how you measure quality output and incorporate quality standards into the product lifecycle.

Quality culture

The maturity of your organization from a quality perspective depends on how employees embrace and contribute to overall product and service quality across the organization.

These are the core areas where you can invest in modernizing quality management, regardless of where you are on the journey. To gauge your company's appetite for improving and automating quality management, consider the negative consequences and desired future states for each of the four phases of the Quality Journey — Ignite, Accelerate, Expand, and Transform.

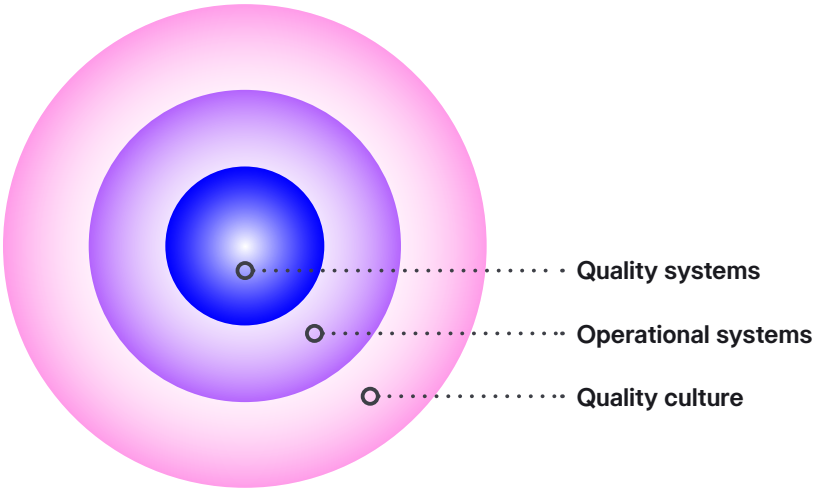


Figure 1. These are the core areas where you can invest in modernizing quality management.

Phase 1: Ignite

The goal of this stage is to build a strong quality foundation, streamline processes, and manage documents and training. At this stage, you've likely recognized that there's an opportunity to reduce your quality costs while also improving your ability to maintain compliance.

This is where most companies start on the Quality Journey as they prepare to move away from paper- and spreadsheet-based processes. Common customer pain points in the Ignite phase include:

- Disconnected processes
- Challenges with audit compliance
- Lack of visibility into processes
- Lack of reporting
- Lack of standardized processes and practice sharing
- Manual data entry across many systems
- Disconnected shop floor from quality systems
- Inconsistent and time-consuming decision making
- Inability to capture customer feedback

Phase 2: Accelerate

As you move into the second phase of the Quality Journey, you may still experience some of the same pain points as Phase 1. However, you've taken strong and positive steps to automate your quality management systems and improve quality in the organization. As your quality program matures, your goals will evolve, and your demands may increase.

In the Accelerate phase, the goal is to enable process flows between functions and systems, capture data at its source, leverage that data everywhere, and produce actionable information. Without the right quality management processes in place, trying to meet these goals can result in:

- Regulatory non-compliance and audit failure due to minimal traceability and inaccurate record keeping
- Loss of workforce productivity as employees manually manage corrective action, metadata configuration, supplier quality, and nonconformance handling
- Costly rework across the organization as documents go out of sync, become obsolete, get lost in storage, and offer limited opportunities for analysis
- Greater employee turnover as obsolete processes push frustrated users to find new job opportunities

Outdated quality management tools typically can't keep pace with your new demands in this phase of the Quality Journey. Because you have hundreds, perhaps thousands, of different quality processes, attempts to increase connectivity between functions and systems can be hindered by less scalable workflows and tools. You may want to increase collaboration to solidify a culture of quality, but disorganized information will hold your teams back.

Phase 3: Expand

The goal in this phase is to integrate internal and external stakeholders (especially your suppliers) into the quality process, extend your quality program to encompass environmental, health, and safety (sometimes known as EHSQ convergence), and provide value-added data analytics to all processes.

At this phase of the journey, you will map out solutions to more complex quality and compliance challenges such as:

- Inefficient third-part collaboration in Supplier Corrective Action (SCAR) and change management
- Lack of visibility into supplier performance
- Inability to prioritize and scope supplier audits
- Disjointed communications between various sites and suppliers, such as the costly coordination of in-process changes
- Manual, disconnected environmental, health, and safety processes to meet regulatory burdens that vary by geography and industry

Phase 4: Transform

At this stage of the Quality Journey, you're looking to unlock competitive advantages by becoming more proactive, making quality a strategic initiative, and focusing on consistent global harmonization of your integrated quality management system.

To achieve these higher-quality goals, you'll be forced to leap some significant hurdles to operational excellence. Most often, companies that drive into the Transform phase seek to mitigate problems like:

- Inability to anticipate, predict, and prevent quality issues
- Limited understanding of operational risk
- Inconsistent quality processes in different geographic locations
- Lack of real-time quality data
- Lack of awareness of the ever-changing regulatory environment

Matching technology to the quality journey

Regardless of where you stand in the Quality Journey and what pain points you are currently experiencing, your goal should be to find technology solutions that will scale with you as your quality management processes mature and become the catalyst to excellence that you've long envisioned.

When you're just starting out, you may be tempted to use ad hoc systems like paper-based tracking, Excel, or SharePoint to manage a few quality processes. Or, you might invest in light, low-cost quality management software. While these might work in the earliest days of your Quality Journey, their weak points will quickly surface and become evident across your organization, holding back your quality progress.

Choosing the right quality management system (QMS) and taking the proper first steps in the Quality Journey can make all the difference in your long-term success.

Getting started with an automated QMS

Once you know where you are on the Quality Journey, your ideal approach to quality management automation becomes much clearer. Doing too much too soon can easily lead to a lack of acceptance and participation by your teams and ultimately may cause more product quality problems than it solves, regardless of the QMS technology you choose. Rather than trying to change too much at once, companies just starting to modernize quality management should prioritize their list of potential processes to automate.

Simplicity and return on investment should be the main concerns at this point. If you're going to automate quality processes, you want the technology infrastructure to be effective without adding complexity. And by showing how your quality investments improve revenue and mitigate costs, you set the stage for future quality investments.

Start by focusing on three key areas of quality management to make the beginning of your journey to process excellence an easy one. By taking a few basic but critical steps, you'll develop great and actionable insight into your quality management environment and better prepare yourself for later stages of the Quality Journey.

Corrective action

Building traceability and control into your corrective action processes are essential to compliance with regulatory requirements and standards, including many ISO standards. Automated solutions built around best practices facilitate operational excellence by enabling you to initiate root cause analysis, filter corrective actions by risk, customize action plans, easily measure effectiveness, and improve visibility and reporting.

Document control

A single versioning error in documentation can cost your company millions of dollars. Automated document control systems provide a centralized location for the creation, approval, distribution, and archiving of manuals, procedures, job descriptions, and specifications. With a flexible, automated solution, you can ensure accountability, integrate employee training, maintain audit readiness, and create standard document workflows.

Training management

Employee training systems ensure all team members have the knowledge and skills to perform safe, high-quality work. It allows you to systematically identify training and certification requirements, manage responsibility, and build accountability into training processes.

These three processes give you a starting point for digitally transforming quality management. But your success in each process depends on your ability to properly implement the right automated QMS.

It's helpful to keep the following eight key considerations in mind to successfully implement an automated QMS that supports your business at every phase of the Quality Journey.

1. Flexibility: Optimizing processes for operational excellence

One main cause of implementation failure is the inability of the software to adapt to your organization's existing processes and workflows. You need a QMS that meets you where you are today and can evolve with you as you progress on your Quality Journey.

When you find a flexible QMS that's easy for non-technical admins to configure with drag and drop forms and workflows to match your current quality processes, you'll be able to visualize, streamline and share critical data and begin to reap the benefits of improved quality management efficiency.

You also want a system that you can adapt easily as your processes evolve and new capabilities are required. Strong adaptability means that you'll never have to go through multiple migrations to new systems each time your requirements change.

2. Web-based vs. web-enabled

Web-enabled software often uses third-party tools or middleware to mimic a web-based experience. True web-based software — also known as service-as-a-software or SaaS — is what you want in your automated QMS because it allows users to access all forms, workflows, and applications — including administration — through a simple web browser rather than requiring installation on a device. Mobile device access also plays a role here as quality professionals are often found working on a factory floor or in the field and don't have immediate, direct access to their QMS.

Asking a provider whether software or third-party tools need to be installed on every computer or if you can access the QMS from a browser on different devices is an easy way to sort through potential solutions.

3. The end user experience

Many software vendors don't come from your industry. Rather, they have a technology background, which can leave end users feeling lost once the software is implemented. When vendors don't understand quality management, you end up with a technologically advanced system that's anything but user-friendly.

And what happens when users are forced to interact with less-than-intuitive technology? They either drag their feet on learning it and share their frustration with others, hindering adoption efforts and tanking productivity — or worse, they begrudgingly use the software and, finding themselves frustrated, start looking for new job opportunities. The selection process must account for user experience. From look and feel to training time, design, and process flexibility, you want to consider every element from your team's perspective.

4. Ease of use for user acceptance

An automated QMS that is ignored by staff because it's difficult to use, inflexible, and doesn't reflect the daily realities of the quality processes at your company is useless. Even small bits of customization and personalization — like the ability to brand the QMS with your own company's look and feel — can make employees more comfortable with the software and increase adoption across the workforce.

While this may seem trivial, user acceptance is essential for QMS adoption success. Getting the look and feel right can energize your team to leverage the software to solve your most pressing quality problems.

5. Analytics: Making sense of your data

Quality data analytics are a critical capability of any automated QMS. Without the ability to access and analyze data easily, you'll find it difficult to get the information you need to turn insights into action. Automation eliminates the staff time required to manually filter and export results, guaranteeing quality professionals can spend their cycles on value-added work.

For many vendors, reporting and analytics are an afterthought that involves third-party tools with limited QMS integration. Look for a more robust QMS with reporting tools embedded in the software, allowing you to pull data from across the system for actionable insights.

6. Integration: Breaking down information silos

Most organizations understand that operational excellence requires breaking down information silos and departmental barriers. Collaborating and sharing information enterprise-wide between production, finance, and quality systems is key to uncovering process gaps and identifying areas of improvement.

Make sure that an automated QMS will integrate with systems in your organization. Integration is a best practice for optimizing processes, reducing errors, maintaining consistency, minimizing downtime, and resolving quality issues faster, so it's a critical key to implementation success.

7. Scalability: Taking quality enterprise-wide

If your organization has multiple facilities, you want a QMS capable of scaling across multiple sites easily. Quality processes and software must expand as the business does, encompassing new locations as they open, supporting new business units, and scaling with M&A activity.

Future plans must also be considered. Even if scalability isn't an immediate need, the ability to expand your QMS to other facilities, suppliers, and customers while maintaining a harmonious set of quality processes makes a huge difference in overall value.

8. Security: Providing the right info to the right person at the right time

Layered on top of the other seven considerations is security. You will have multiple users, both from within and outside your organization, who will need to access and run analytics from the QMS. Therefore, answering the question of who has access to information becomes critical. It's not enough to manage access by individual users. You need to ensure that different roles have the correct access, that users on different devices can access their information, and that access from different locations provides filtered information. Third parties, such as suppliers, are limited in the functions and data they can access.

Your quality management system identifies critical vulnerabilities and actions taken to correct known issues. Keeping this data secure is paramount to maintaining organizational control.

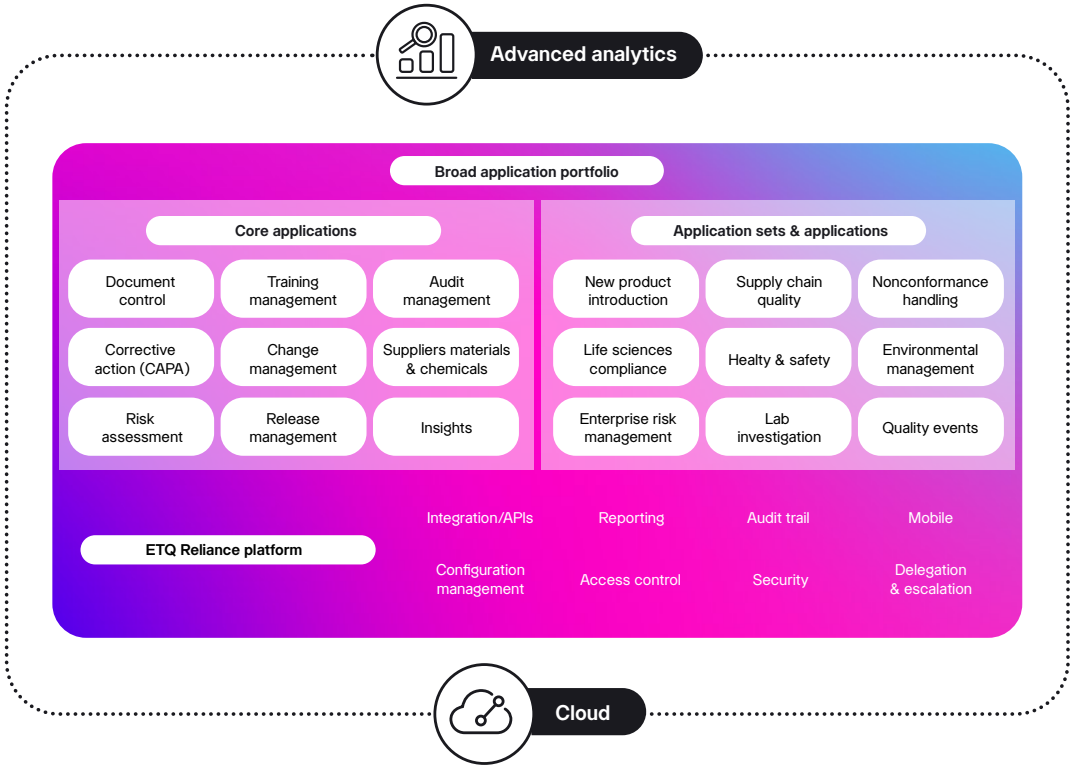
The Reliance difference

Octave Reliance® (formerly ETQ Reliance), is the only Quality Management System designed for comprehensive quality excellence across all quality processes and all stages of the Quality Journey—from document management to business transformation. The Reliance QMS has the quality and EHS application breadth to address broad business requirements combined with the depth of experience and limitless flexibility that quality and EHS professionals need.

Reliance is a cloud-native QMS powered by an agile platform that drives 40 best-in class applications adaptable to your unique environment. Based on more than 30 years of quality best practices and best-in-class flexibility, Reliance is the most comprehensive and capable QMS on the market and is designed to support your evolving needs — all with an intuitive user interface that drives employee adoption and harmonizes quality processes across the organization.

The applications that make up Reliance all benefit from the "genetics" of our platform. At the core of Reliance is a consistent focus on five key characteristics:

- **Connectivity:** Linking and data inheritance ensure common data across all applications in the software.
- **Integration:** Industry standard and advanced integration options provide bi-directional data exchange.
- **External collaboration:** Internal and external parties seamlessly and securely contribute to common workflows.
- **Contextual awareness:** Location, role, and product-based filtering and security deliver the right information to specific users.
- **Adaptability:** Unlimited flexibility to modify or create new applications with drag-and-drop ease and powerful scripting.



The genetics of Reliance ensure that all stakeholders can maximize the value of each component of the software.

With Reliance, you can optimize critical processes that drive excellence through quality. The results include:

- Reduced costs of poor quality
- Accelerated time to market for quality products
- Improved process harmonization
- Ensured security for brand reputation
- Maximized performance and profitability

Reliance is the quality management solution leader trusted by the world's strongest brands. We have more than 700,000 active users in companies ranging in size from startups to Fortune Global 500. With a **96% customer retention rate and strong customer satisfaction figures as measured by G2 Crowd**, Octave provides deep quality management expertise that can help you achieve your quality goals — no matter where you're starting in the Quality Journey.

When you're ready to transform your quality management with an automated solution that will scale and adapt to your needs, contact us for more information, including a free demo of the powerful Reliance software.

About Octave

Octave is a leader in enterprise software, turning data into decisive action and intelligence into your edge. Our software solves for and simplifies complexity, from the design and build to operations and protection of people, property, and assets– for any scope, at any scale. For decades, we've partnered with customers to sharpen performance, elevate efficiency, and amplify results. From factory floors to entire cities, our solutions are tuned to scale up what's possible from day one onward.