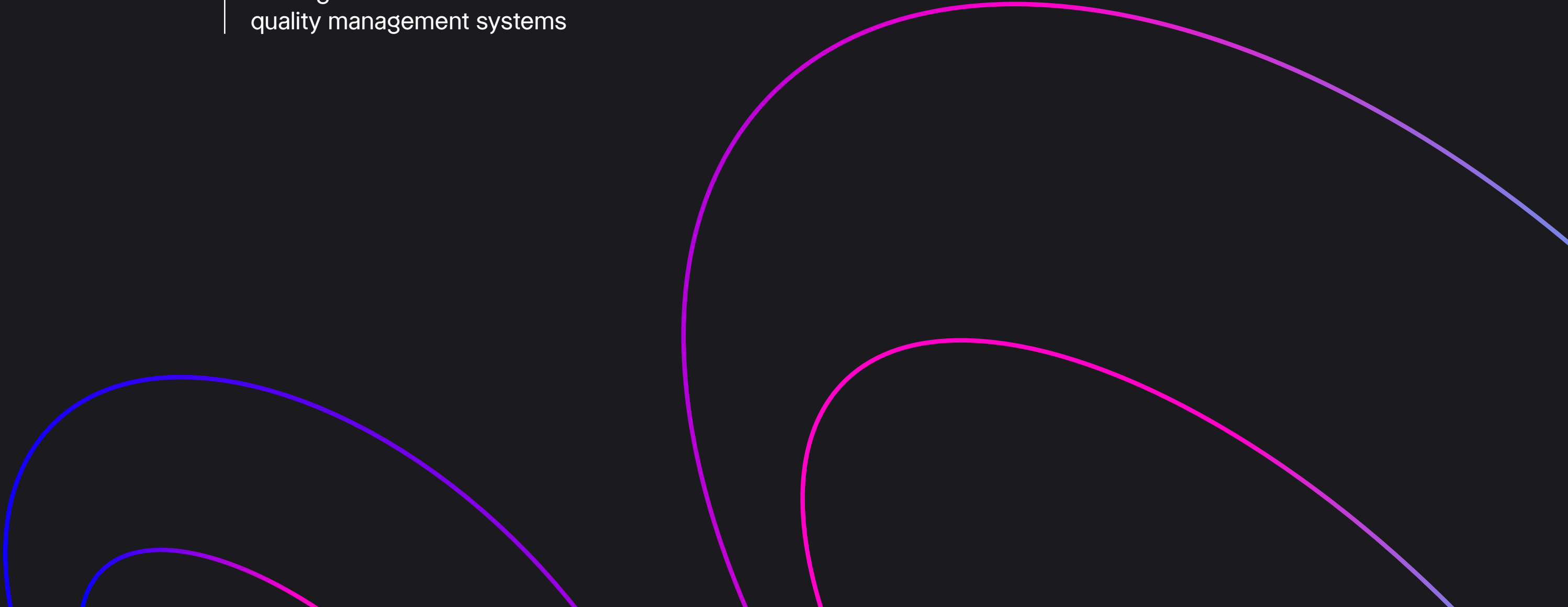




Tackling the cost of poor quality

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Strategies and solutions in modern quality management systems



"The 'cost of poor quality' (COPQ) refers to the costs incurred from producing defective products that don't meet an organization's minimum quality standards. Modern quality management systems (QMS) can help organizations reduce the cost of poor quality by streamlining quality processes and data sharing, boosting supplier quality and automating corrective actions and audit preparations. This helps organizations ensure that they can consistently meet customer requirements."



Encouraging data input by operators and supervisors



Data is essential for decision-making and process optimization because it helps organizations identify defect patterns and track whether the solution they have implemented solves the problem.

The manufacturing process produces a significant amount of data, which can sometimes be overwhelming for operators and supervisors. An automated QMS addresses this challenge by collecting and analyzing data and then communicating it effectively and efficiently.

Octave Reliance[®] (formerly ETQ Reliance)'s approach is to assist in data collection by capturing data automatically. Users can configure it only to display what is relevant to a specific operator. It's also possible to create mobile versions of these forms for those who don't have immediate access to a desktop. This improves the operator's user experience and makes it more convenient to use the tool.

If further manual inputs are required, organizations can implement well-managed training programs designed to ensure that employees are trained on the most appropriate processes. They can also make it part of the daily workflow to encourage supervisors and operators to get into the habit of using these tools. Organizations may also choose to further incentivize employees with contests to award the supervisor or operator who fills out the most completed forms within a month.

Explaining the business impact of cost of quality to top management



While there is a cost associated with implementing an automated QMS solution, that investment can help to control the cost of poor quality within an organization by leading to significant savings in time and money and bolstering brand reputation. But despite the benefits, achieving management buy-in for this investment can feel like a challenge.

The first step is understanding the problem and what the outcomes of the problem are. This can help management to understand what they're looking for and what messaging they're trying to raise.

The next step is to raise the issue and figure out how much it is costing the organization. This will enable you to figure out how much money the organization would be able to recover if it spent the money required to solve the problem and prevent it from happening in the future.

Demonstrating these savings can help you to articulate the benefits of a modern QMS and help management understand that the return on investment (ROI) is worth it. Ultimately, it comes down to having a deep understanding of your organization's quality objectives and understanding where you can make the biggest impact.

Using a QMS to reduce non-conformance



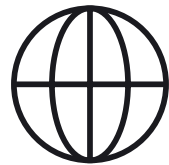
Non-conformance is when an organization, business operation, product or service fails to meet requirements and standards. This can hurt production processes and production quality, which can cost organizations a significant amount of money.

A QMS essentially becomes a hub that can be connected to virtually any system across the entire organization and can integrate and sync data with related enterprise systems. It can help to reduce non-conformance by providing a portal that allows suppliers to collaborate directly with organizations, so they have an active role in quality processes.

Its extensive reporting and analytics capabilities also provide organizations with new insights that enable faster, better decision-making that reduces the risk of non-conformance. It is designed to cater to a broad quality ecosystem by providing organizations with access to an integrated, flexible, comprehensive set of interconnected quality processes.

These features lead to lower costs associated with reworking solutions, which increases revenue and margins. It also leads to higher quality products, increased productivity and ultimately helps to improve your brand reputation.

Considering the cost of poor quality in mid-market companies and global enterprises



It is important to consider the cost of poor quality for product lifecycles of all sizes. However, it is particularly important for mid-market companies and global enterprises, where the stakes are much higher.

Mid-market and global companies can benefit significantly from a QMS system like Octave's that can provide an interconnected process map. This can significantly enhance large-scale workflow productivity. It also provides additional standard features, such as document control and non-conformance corrective action, which also help to promote good quality within an organization.

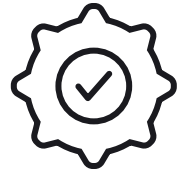
"By bringing a consistent methodology to our reporting and providing a true apples-to-apples approach, we were able to convince our C-suite to fund Octave across our business.

Traditionally, each plant picks up the cost. To remove roadblocks, we've removed any talk of cost. There's no longer any barrier of 'my plant can't afford this.'

Adam Ryley

Former Global Quality Systems Leader,
Trane Technologies

Drive business value by controlling and reducing the cost of poor quality with a data-driven QMS



A good quality management system like Octave Reliance can help to reduce the cost of poor quality by easing change management, reducing operational errors, assisting in risk management and improving supplier quality by making it easier to communicate with suppliers.

This improves data accuracy and reliability, giving you the confidence to make practical, well-informed decisions within your organization.



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.

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