Do Small Businesses need a Quality Model?

Or Top tips on how to deploy process improvement in Small Businesses:

**Some basic assumptions – Why to improve quality?**

* Studies show that the vast majority of Software companies are small to medium organizations.
* In today's world of rapid changes and aggressive competition, software development companies need to continuously improve their efficiency and reduce their costs, while constantly improving the quality of their products.
* Small organizations that want to compete in the global market are aware that productivity and quality are key factors in such a context.

**Quality Approach and barrier in Small businesses:**

* Small businesses face different challenges than large organizations and often cannot implement the same quality mechanisms as the large organizations.
* Small businesses often deal with day-to-day survival issues found critical for their business success.
* Quality is usually limited to minimal amount of effort doing some testing before they ship their products.
* Small business have very limited resources and strict delivery-time constraints: Implementing a wide quality program that will cover all aspects of Software development is simply an impossible mission.
* Quality and process improvement is perceived as “less creative” work and “slowing” activities
* Another reason for not implementing quality model is the opposition to changes from both employees and management: quality is view as “not fun”

**Unique advantages of small organization:**

When adopting new processes, small businesses have the ability to adopt changes more quickly because:

* They approved and developed innovative ideas are at a faster pace.
* Their communication channels are shorter and simpler.
* The have fewer bureaucratic procedures to overcome
* Employees acquire decision making skills faster by exercising the authority that has been granted to them.
* Employees working in small effective teams
* Upper management is usually highly involved in all activities

**How to address the Challenge – 3 basic key of success:**

1. Quality Improvement should be **Driven by Business Goals *(to develop)***
	* To focus on ROI of quality program and to demonstrate the direct impact between quality improvement and business success:
		+ Quality must be measurable in business related terms – money and time
		+ Relationship between quality and finance must exists
		+ Profit = Income – Expenses, so to have an affect on Profit, Quality must affect either income or expenses
2. The key of success if Optimization and Flexibility to **match organization culture** ***(to develop)***
3. The improvement plan should be Focused and Customized to include only **the most significant practices.**
	* The quality plan is based on extracting and prioritizing the key criteria that have the biggest impact on the business results
	* There is no need to adopt processes that are obvious for a small-to-medium business
	* The adopted processes should be defined with minimum overhead keeping in mind the bottom line of the expected improvement.
	* The investment vs. expense aspect is here also an fundamental element. In term of software process investment vs. expense can be translated by prevention vs. correction.