Quality Orientation Guide

*Your Personal Guide To Business Success*

By

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1-Introduction

If you're brand new to quality, you've come to the right place. Quality Orientation Guide helps you learn about quality and time-tested methods to improve your work, whatever it may be.

This Guide shows you the "first steps" to learning the tools, processes and ideas that comprise quality and how quality can be applied to your work.

Then we'll show you the "next steps" that will help you take your quality to the next level. This guide helps you get the most out of the resources Quality Assurance Solutions.com and Bexcellence.org has to offer.

The BIG Picture

Quality Orientation Guide is a 5 step process. This Quality Action Guide is divided into 5 easy to master steps.

Proceed at your own pace...

No matter your business....

1- If you are in business ...... You want to increase profit.

2- To increase profit ..... You must exceed your customer’s expectations.

3- To Exceed your customers expectations..... You must provide Excellent Products and/or service.

4- To provide excellent product ..... You must provide product and/or service with Highest Quality & Lowest price in the Right time.

5- To do all that ..... You need to follow Quality Orientation Guide!
Step 1 -- Master The All-Important Basics

Action Steps

Your Step 1 goal is to understand the Quality basics.
How? By absorbing, then living, these all-Important basics...

1- A Short introduction about Quality
2- Continuous Improvement
3- Cost of Quality
4- Customer Satisfaction
5- Problem Solving
6- Quality Assurance and Quality Control
7- Supplier Quality
8- Variation

To start your journey, you have to learn the following

A Short introduction about Quality

Do you know what quality is and how it can have the most dangerous effect on your business, if no, you are missing a lot, please have a look at the link below and then come back:


Now, after you have an idea about quality, please determine your main business operation model, if you don’t know:


A Brief History of Quality philosophy


History of TQM

**Quality Leaders**

**Dr. W. Edwards Deming.**  

**Kaoru Ishikawa**  
http://www.bexcellence.org/Kaoru-Ishikawa.html

**Joseph Moses Juran.**  

**Walter Shewhart**  

**Continuous Improvement**

Continuous improvement is an ongoing effort to improve products, services or processes. These efforts seek an "incremental" improvement over time or "breakthrough" improvement all at once.


http://www.Bexcellence.org/PDCAcycle.html

**An Overview of the Basic Continuous improvement tools**  
http://www.quality-assurance-solutions.com/basic-tools-for-process-improvement.html

**Cost of Quality**

It's a term that's widely used - and widely misunderstood.

The "cost of quality" isn't the price of creating a quality product or service. It's the cost of **NOT** creating a quality product or service.

Every time rework is done, the cost of quality increases. Obvious examples include:

- The reworking of a manufactured item.
The retesting of an assembly.
The rebuilding of a tool.
The correction of a bank statement.
The reworking of a service, such as the reprocessing of a loan application or the replacement of a food order in a restaurant.

**Total Quality Costs**


**Four Quality Cost Categories**


[http://www.bexcellence.org/Appraisal-Costs.html](http://www.bexcellence.org/Appraisal-Costs.html)

[http://www.bexcellence.org/Prevention-Costs.html](http://www.bexcellence.org/Prevention-Costs.html)
Customer Satisfaction
This applies to industrial firms, retail and wholesale businesses, government bodies, service companies, nonprofit organizations and every subgroup within an organization.

Who Are the Customers?
Customers include anyone the organization supplies with products or services. The table below illustrates some supplier-customer relationships.

<table>
<thead>
<tr>
<th>Supplier-customer relationship examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier</td>
</tr>
<tr>
<td>Automobile manufacturer</td>
</tr>
<tr>
<td>Automobile manufacturer</td>
</tr>
<tr>
<td>Bank</td>
</tr>
<tr>
<td>High school</td>
</tr>
<tr>
<td>County recorder</td>
</tr>
<tr>
<td>Hospital</td>
</tr>
<tr>
<td>Hospital</td>
</tr>
<tr>
<td>Insurance company</td>
</tr>
<tr>
<td>Steel cutting department</td>
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<tr>
<td>Punch press department</td>
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</tbody>
</table>

What Does It Take to Satisfy Customers?

Don’t assume you know what the customer wants. There are many examples of errors in this area, such as “new Coke” and car models that didn’t sell. Many organizations expend considerable time, money and effort determining the “desires” of the customer. They use tools such as customer surveys, focus groups and polling.

Satisfying the customer includes providing what is needed when it’s needed. In many situations, it’s up to the customer to provide the supplier with requirements.
For example, the payroll department (an internal customer) should inform other departments of the exact format for reporting the numbers of hours worked by employees. If the payroll department doesn’t do this job properly, it bears some responsibility for the variation in reporting that will occur.

Note (The above topic is from ASQ)

Problem Solving
An organization needs to define some standard of problem solving, so that leadership can effectively direct others in the research and resolution of issues. Use the generic problem-solving model

One recommendation for a problem solving system is 8D Problem Solving.

http://www.quality-assurance-solutions.com/8D-Problem-Solving.htm


Quality Assurance and Quality Control

The terms "quality assurance" and "quality control" are often used interchangeably to refer to ways of ensuring the quality of a service or product. The terms, however, have different meanings.

Assurance: The act of giving confidence, the state of being certain or the act of making certain.

Quality assurance: The planned and systematic activities implemented in a quality system so that quality requirements for a product or service will be fulfilled.

Control: An evaluation to indicate needed corrective responses; the act of guiding a process in which variability is attributable to a constant system of chance causes.

Quality control: The observation techniques and activities used to fulfill requirements for quality.

Read More:

Supplier Quality

Supplier Selection Strategies and Criteria

Supplier selection criteria for a particular product or service category should be defined by a "cross-functional" team of representatives from different sectors of your organization.

In a manufacturing company, for example, members of the team typically would include representatives from purchasing, quality, engineering and production.

Team members should include personnel with technical/applications knowledgeable of the purchased product or service, as well as members of the department that uses the purchased item.

Common supplier selection criteria:

- Previous experience and past performance with the purchased product/service.
- Relative level of sophistication of the quality system, including meeting regulatory requirements or mandated quality system registration (for example, ISO 9001, QS-9000).
- Ability to meet current and potential capacity requirements, and do so on the desired delivery schedule.
- Financial stability.
- Technical support availability and willingness to participate as a partner in developing and optimizing design and a long-term relationship.
- Total cost of dealing with the supplier (including material cost, communications methods, inventory requirements and incoming verification required).
- The supplier's track record for business-performance improvement.
- Total cost assessment.

Methods for determining how well a potential supplier fits the criteria:

- Requesting a formal quote, which includes providing the supplier with specifications and other requirements (for example, testing).
- Visits to the supplier by management and/or the selection team.
- Confirmation of quality system status either by on-site assessment, a written survey or request for a certificate of quality system registration.
- Discussions with other customers served by the supplier.
- Review of databases or industry sources for the product line and supplier.
- Evaluation (SUCH AS prototyping, lab tests, OR validation testing) of samples obtained from the supplier.
• Review performance history of other purchase products from the supplier.

**Variation**

In simple yet profound terms, variation represents the difference between an ideal and an actual situation.

http://www.bexcellence.org/Statistical-Process-Control.html


**Step 2 – Understand Organization Wide Approach**

**Today’s Action Steps**

Your goal is to understand the organization wide approach to quality. Learn how you can transform your organization to next level of quality.

**Total Quality Management**

At its core, Total Quality Management (TQM) is a management approach to long-term success through customer satisfaction.


**Malcolm Baldrige National Quality Award (MBNQA)**

In our opinion, Malcolm Baldrige National Quality Award is the most powerful guide that any one can use to achieve excellence in business.

Here's how you can apply the seven criteria for the Baldrige Award to your organization's daily operations.

The European Foundation for Quality Management (EFQM®)

The EFQM introduced this model as the primary framework for assessing and improving organizations so that they might achieve a sustainable advantage. We described this Fundamental Concepts of Excellence model here:

http://www.bexcellence.org/EFQM.html

Six Sigma

Six Sigma is a fact-based, data-driven philosophy of quality improvement that values defect prevention over defect detection. It drives customer satisfaction and bottom-line results by reducing variation and waste, thereby promoting a competitive advantage. It applies anywhere variation and waste exist, and every employee should be involved.

http://www.bexcellence.org/Six-Sigma-Overview.html

Balanced Scorecard

The balanced scorecard (BSC) is a strategic management tool that views the organization from different perspectives.

http://www.bexcellence.org/balanced-scorecard.html

Lean

The fine art of eliminating non-value adding activities and waste from your processes and products.

Henry Ford defined the lean concept in one sentence: "We will not put into our establishment anything that is useless."

Lean theory and tools are here:

http://www.bexcellence.org/Lean-manufacturing.html

Auditing

Auditing is the process of comparing actual processes to expected processes. Auditing is key to ensuring your Quality Assurance system is sound.

There are many different types of audits. A good audit will follow predefined audit stages.


ISO 9000 and Other Standards

Quality professionals use the term “standards” to mean many things, such as metrics, specifications, gages, statements, categories, segments, groupings or behaviors.

But usually when they talk about quality standards, they’re talking about quality management.

Management standards address the needs of organizations in many elements including training, quality auditing and quality-management systems.

The ISO 9000 Series, for example, is a set of international standards for quality management and quality assurance. The standards were developed to help companies effectively document the elements they need to maintain an efficient quality system.

They may or may not be specific to any one industry.

The ISO 9000 Series

ISO 9000 can help a company satisfy its customers, meet regulatory requirements and achieve continual improvement. But it’s a first step, many quality professionals will tell you, the base level of a quality system, not a complete guarantee of quality.

ISO 9000 Facts

- Originally published in 1987 by the International Organization for Standardization (ISO), a specialized international agency for standardization composed of the national standards bodies of 90 countries.
- Underwent major revision in 2000.

**Benchmarking**

The benchmarking process consists of five phases:

1. Identify what is to be benchmarked.
2. Identify comparative companies.
3. Determine data collection method and collect data.
4. Determine current performance “gaps.”
5. Project future performance levels.
6. Communicate benchmark findings and gain acceptance.
7. Establish functional goals.
8. Develop action plans.
9. Implement specific actions and monitor progress.
10. Recalibrate benchmarks.

- Leadership position attained
- Practices fully integrated into processes
Step 3 – Learn How To Use Data

Today’s Action Steps

Your goal is to understand and apply process statistics. This includes data analysis, CpK, Statistical Sampling and Statistical Process Control.

**Collecting Data**

Statistical sampling for data collection is critical to measuring your products performance and process performance. Experts wrote many excellent standards that covers statistical sampling


**Data Analysis**

Once you collect the data you need to understand it, summarize it, present it, and use it for improvement. You need to understand how data relates to improvement.


**CpK**

CpK stands for Process capability. This is a calculation that tells you how well your process is doing compared to specifications.

Statistical Process Control

Statistical process control (SPC) procedures helps you monitor process behavior. How to apply statistics to evaluate and monitor process behavior, identify unusual events and apply continuous improvement techniques.


http://www.bexcellence.org/Control-Charts.html

http://www.bexcellence.org/data.html

Step 4 – Create Quality Culture

Today’s Action Steps

Your step 4 goal is to learn the basics of change management and dealing with people

Team formation
A team is a group of people who perform interdependent tasks to work toward a common mission.

Some teams have a limited life: for example, a design team developing a new product, or a process improvement team organized to solve a particular problem. Others are ongoing, such as a department team that meets regularly to review goals, activities and performance.

Understanding the many interrelationships that exist between organizational units and processes, and the impact of these relationships on quality, productivity and cost, makes the value of teams apparent.

Types of Teams
Company’s utilize three primary three types of teams:

1. **Process improvement teams.** These project teams focus on improving or developing specific business processes. These teams come together to achieve a specific goal. A well-defined project plan with a negotiated beginning and end guides the team.

2. **Work groups.** Sometimes called natural teams maintains responsibility for a particular process (for example, a department, a product line or a stage of a business process) and work together in a participative environment. The degree of authority and autonomy of the team ranges from relatively limited to full self-management. Employees will be more productive if they have a higher level of responsibility for their work.

3. **Self-managed teams.** They directly manage the day-to-day operation of their particular process or department. Management authorized them to make decisions on a wide range of issues (for example, safety, quality, maintenance, scheduling and personnel).

The Value of Teams

<table>
<thead>
<tr>
<th>Team processes offer the following benefits to the organization:</th>
<th>Individuals can gain the following benefits from teams:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Synergistic process design or problem solving.</td>
<td>• Enhanced problem-solving skills.</td>
</tr>
<tr>
<td>• Objective analysis of problems or opportunities.</td>
<td>• Increased knowledge of interpersonal dynamics.</td>
</tr>
<tr>
<td>• Promotion of cross-functional understanding.</td>
<td>• Broader knowledge of business processes.</td>
</tr>
<tr>
<td>• Improved quality and productivity.</td>
<td>• New skills for future leadership roles.</td>
</tr>
<tr>
<td>• Greater innovation.</td>
<td>• Increased quality of work life.</td>
</tr>
<tr>
<td>• Reduced operating costs.</td>
<td>• Feelings of satisfaction and commitment.</td>
</tr>
<tr>
<td>• Increased commitment to organizational mission.</td>
<td>• A sense of being part of something greater than what one could accomplish alone.</td>
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</table>


Change management.
An incredibly high percentage of the changes introduced in business organizations do not reach their full potential—that is, they’re not fully implemented or do not produce the benefits envisioned by their sponsors. It’s often said that people don’t resist “change” so much as they resist “being changed.” So the job of change
management is clear: In a nutshell, you have to explain why the affected people should want to change, and thereby cultivate readiness instead of resistance.

http://www.bexcellence.org/Change-Strategy.html


**A Model for Overcoming Human Resistance to Change**

Figure 1 depicts the elements of a change model and the sequence in which they occur.

**Figure 1** Change model for making change work

![Change model](image)

In the center of the figure, all changes move from the current state, through a transition phase, into the desired improvement state.

- In the beginning, it’s important to create, or affirm, a broadly understood need for the change (creating a shared need).
- You also need to create and disseminate an idea of what the outcome will look like (shaping a vision).
- As the change effort gets underway, and until the end, there must always be sufficient resources dedicated to it (mobilizing commitment).
- As work gets completed, you must have a way to track it (monitoring progress).
- You also must assure that it reaches completion (finishing the job).

For the highest assurance that a particular change will succeed, all seven steps of the change model should be in place. If one area is weak it doesn’t necessarily mean disaster, but it does present a real risk. If you do choose to take a risk, you should do so in light of the potential consequences.

Motivation and Empowerment

People talk about employee empowerment in many different ways, but the basic theme remains: give your employees the means for making important decisions, and making those decisions the right ones.

The results, when this process is done right, include heightened productivity and a better quality of work life.

Employee empowerment means different things in different organizations, based on culture and work design. However, empowerment is based on the concepts of job enlargement and job enrichment.
• **Job enlargement:** Changing the scope of the job to include a greater portion of the horizontal process.  
  **Example:** A bank teller not only handles deposits and disbursement, but also distributes traveler's checks and sells certificates of deposit.

• **Job enrichment:** Increasing the depth of the job to include responsibilities that have traditionally been carried out at higher levels of the organization.  
  **Example:** The teller also has the authority to help a client fill out a loan application, and to determine whether or not to approve the loan.

As these examples show, employee empowerment requires:

• Training in the skills necessary to carry out the additional responsibilities.
• Access to information on which decisions can be made.
• Initiative and confidence on the part of the employee to take on greater responsibility.

Employee empowerment also means giving up some of the power traditionally held by management, which means managers also must take on new roles, knowledge and responsibilities.

It does not mean that management relinquishes all authority, totally delegates decision-making and allows operations to run without accountability. Empowerment also requires

• a significant investment of time and effort to develop mutual trust,
• assess and add to individuals' capabilities
• develop clear agreements about roles, responsibilities, risk taking and boundaries.

**What does an empowered organizational structure look like?**

Employee empowerment often also calls for restructuring the organization to reduce levels of the hierarchy or to provide a more customer- and process-focused organization.

Employee empowerment is often viewed as an inverted triangle of organizational power. In the traditional view, management is at the top while customers are on the bottom; in an empowered environment, customers are at the top while management is in a support role at the bottom.


**Leadership**

Practical advice on approaching leadership from both strategic and operational points of view.
Perhaps nothing has as much impact on an organization as how well it’s led. Leadership is not solely the responsibility of those who reside at the higher levels of the hierarchy. Instead, it’s an activity in which anyone who’s interested in the success of an organization can take part.


**Strategic leadership involves:**

- Defining the overall vision and mission of an organization.
- Developing strategies, systems and structures to achieve the vision and mission.
- Creating both technical and social systems that are effectively integrated, and which address the needs of both customers and employees.

**Operational leadership involves:**

- Ensuring that organizational processes are effectively carried out on a day-to-day basis.
- Monitoring performance.
- Addressing constraints.
- Ensuring that employees understand what is to be done and are provided with the authority, knowledge and skills to do it.

**Step 5 – Mastering The Tools**

**Action Steps**

Your step 5 goal is to understand (When, How, Why) and use the quality tools. On the below links there are many links to specific details on quality tools.


http://www.quality-assurance-solutions.com/basic-tools-for-process-improvement.html