



Monitor Compliance with Quality Systems

■ *Scope*

A significant amount of work on quality has been done in unit A2, and as such, this unit should be done in conjunction with it (evidence gathered for A2 will also be pertinent here). This unit actually explores the implementation of audit mechanisms and reporting on the organisation's compliance with quality. Please bear in mind 'quality' is seen very differently by various organisations depending on the nature of business each is involved in. Therefore, an organisation dealing with patient care will see quality differently from those dealing in food such as restaurants and hotels or dealing in customer care or call handling. The idea is that you as a manager must know the business you are in, your customers, your external and internal environments, your service mission, your quality standards; then you are in a comfortable position to audit what is actually happening against what should be happening and make recommendations.

This unit has three elements:

F6.1 Plan to Audit Compliance with Quality Systems

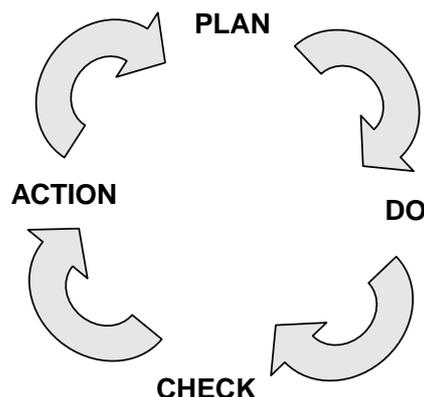
F6.2 Implement the Audit Plan

F6.3 Report on Compliance with Quality Systems

Points to Ponder

The quest for quality depends on the inner feelings of an organisation's employees; how they feel about the job, the organisation, their boss, their conviction in achieving quality in everything they do. They have to trust their organisation to recognise and reward their efforts; it is this trust that motivates them and is the driving force behind their desire to achieve business excellence.

Without such trust and the resulting commitment, organisations can spend vast sums of money on consultancies and grand projects, even win awards, but in no time they will find it difficult to sustain the impetus. The major themes on quality developed by the gurus have been discussed in unit A2: a consistent theme in Deming's work has been the reluctance of managers to accept that it is their key responsibility to change processes and drive improvements in quality. He developed a simple method of problem solving – **the Deming cycle**.



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Anyone involved in quality management has to understand the basic tools – charts, graphs, and diagrams which measure and record quality of products or services.

- **Control charts indicate visually if a product or activity is within the required specifications**
- **Pareto charts apply the 80:20 rule that 80% of the results are caused by 20% of causes, thus enabling managers to focus on the 20% of causes that are responsible for the 80% of quality problems**
- **Ishikawa or fishbone diagram where the defect is shown at the head of the arrow with branches from the backbone indicating potential causes and effects falling into categories of people, machines, techniques and materials**
- **Run charts are a running tally of data points over a period of time which help to pin point critical periods when problems occur**
- **A histogram is a graph where the number of products in a control category is displayed using a bar**
- **Scatter diagrams are used to establish the relationship between two factors such as speed of production and number of break downs**
- **Flow charts give a visual presentation of the various steps in a particular activity**

For quality management to be meaningful the underpinning philosophy must be prevention not detection; commitment to this philosophy must be led by senior management and spread organisation-wide as well as to suppliers and distributors. The overriding theme must be continuous improvement and the focus must be customer satisfaction.

The quest for quality, as mentioned before, depends on an employee's commitment and behaviour towards colleagues and customers as driven by the organisation's mission. Often employees speak of quality projects and the organisation's approach to a quality award as, 'Thank goodness, it is over and done with, we have the ISO 9000 (or whatever else), we can get back to our proper jobs now.' Or, 'We have developed a Performance Appraisal Policy because the boss wants to go for the Investors in People award, but nothing is done to carry it out.' In this sort of culture, organisations are wasting time and money going along the route of searching for quality and excellence! Quality is not a 'destination' but an ongoing journey; any quality programme has to be constantly monitored and adjusted as the environment and customer demand changes.



In terms of quality audits and monitoring, managers need to ask a few questions continuously:

- **Is quality aligned to corporate strategy; does our mission statement explicitly state commitment to quality and customer service?**
- **Is quality a word simply talked about to impress customers and suppliers or has the organisation been fully convinced by the need and benefits of quality management?**
- **Is quality regarded as a 'quick fix' or is it fully embedded within the organisational culture with all levels of staff being trained in quality and customer service issues?**
- **Do you treat both internal and external customers with the same care and attention?**
- **Is quality an investment or an overhead?**
- **What is our approach to mistakes: an opportunity to learn and adjust or an occasion to punish the culprit?**
- **Is quality a continuous process or a 'buzz' word for today?**
- **Do we have appropriate people and performance management policies and procedures in place to promote high standards, realistic and measurable goals, the training and development of staff at all levels and the tools to assess staff behaviour towards colleagues and customers?**
- **Do we benchmark our competitors?**
- **Do we regularly check customer satisfaction?**
- **Is communication free-flowing within our organisation, or on a 'need-to-know' basis?**
- **Do we reward our employees for their efforts to adhere to quality and empower them to be creative and innovative?**
- **Is quality everybody's business?**
- **Is our management structure flat or too hierarchical?**

There are a number of quality awards an organisation can achieve, but immaterial of which you seek, the sensible way forward is to critically evaluate your organisation in terms of leadership, information and communication, HR planning and development, process management, and customer focus. Investigate at what stage each of these components stands and what gaps exist; then put them right. This way you will already be halfway through gaining an award and for the right reasons. The European Quality Award was developed in 1992 by the European Foundation for Quality Management.

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The EFQM model is widely recognised by many British organisations and the first award was won by Rank Xerox. The EQA encourages organisations to carry out a self assessment against the standards and then receive feedback from independent assessors. The nine criteria are:

Enablers (how results are achieved) Results

- **Leadership**
- **People management**
- **Policy and strategy**
- **Resources**
- **Processes**
- **People satisfaction**
- **Customer satisfaction**
- **Impact on society**
- **Business results**

The UK Quality Award is managed through the British Quality Foundation and reflects the European model. ISO 9000 is the international quality management systems standard.

According to service management experts Karl Albrecht and Ron Zemke (1985), implementing a service quality management programme has five steps:

- **The service audit often using a customer report card which lists the service attributes which your customers are looking for. One way of getting the information to compile such a report card will be to conduct in-depth interviews with a sample of the organisation's clientele**
- **Strategy development: in simple terms the service strategy should answer the question 'Why should the customer choose us?'**
- **Education is the next step, to spread the gospel of service through out the organisation**
- **Implementation is all about redesigning the service systems using what you know about customer preferences and priorities**
- **Maintenance, making the change permanent. This requires the manager's planning, organising, controlling and leading skills**



Investigate

1. Design an audit plan for your organisation paying attention to:

- *The aspects of the organisation are you auditing*
- *The standards you are applying*
- *How you would convince your managers of the need for this*
- *How you would select the audit team*
- *How you would explain their tasks*
- *What methods you would use*
- *How you would report on the findings*

In doing this, do not go looking for things extraordinary! Look at your workplace, consider what would motivate you and your team attempting to achieve excellence, identify what is lacking and make recommendations.

The road map for quality planning developed initially by Juran but further generalised, indicates the following steps:

- **Identify who your customers are**
- **Determine the needs of those customers**
- **Translate those needs into your language**
- **Develop a product/service that can respond to those needs**
- **Optimise the product features to meet your needs as well as the customers'**
- **Develop and optimise a process to produce the product/service**
- **Translate the process into general operating forces**
- **Monitor, evaluate and adjust**

The cost of quality has little to do with the operation of the quality department! Quality is everybody's business. The cost of bad quality is cash down the drain in internal costs – scrap, rework, overtime, reprogramming – and external costs – returns and time spent placating irate customers. Management thinking should integrate Crosby's supplier-customer relationship. By treating each operator in the production or service line as a customer with expectations of quality and performance, much waste and error could be removed, thus benefiting the real customer at the end of the chain.

Quality is recognised as a continually moving target: when low defect rates become the norm of the organisation, the target changes to achieving top quality at lower cost.

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■ *Guidance for Gathering Evidence for this Unit*

All elements call for a personal narrative covering the performance criteria. The exercise, if carried out using work-based documents, will provide significant evidence against most of the PCs.

Possible Sources of Supporting Evidence		
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<i>Possible Source of Evidence</i>	<i>Used</i>	<i>Location in Workplace/Portfolio</i>
Memos or documents indicating your proposals and plans for a quality audit		
You requesting assistance from the quality department or personnel with particular responsibility for quality		
Minutes of meetings to discuss the audit		
Documents showing the audit brief		
Evidence of customer satisfaction surveys/audits		
Documents showing how you have allocated the audit plan to others to carry out and how you have supported them		
Evidence of an audit report, and documents showing how you have presented the audit report to your managers		
Candidate's Signature		
Assessor's Signature		
Comments:		

