

# UNIT 15: MANAGING BUSINESS ACTIVITIES TO ACHIEVE RESULTS



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## » UNIT 15: MANAGING BUSINESS ACTIVITIES TO ACHIEVE RESULTS



LO 3. Be able to monitor appropriate systems to improve organisational performance.

# » THE BASIC SYLLABUS

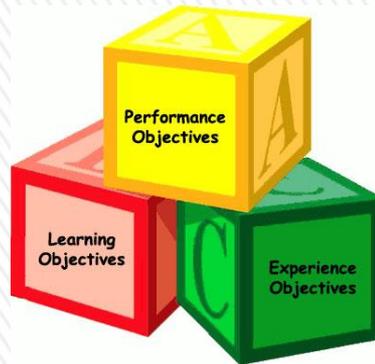


1. Understand the importance of business processes in delivering outcomes based upon business goals and objectives.
2. Be able to develop plans for own area of responsibility to implement operational plans.
3. Be able to monitor appropriate systems to improve organisational performance.
4. Be able to manage health and safety in the workplace.



# » LEARNING OBJECTIVES

- » Be able to monitor appropriate systems to improve organizational performance



- » At the end of the class the students should be able to:
- » Demonstrate a quality culture to ensure continuous monitoring, evaluation and development of the process



## » OVERVIEW

- » Quality management is the single most important process in any organization, whether for profit, nonprofit or an organization such as a health-care maintenance organization. It defines the purpose of quality for the organization it represents. Quality management is often forgotten, but it guarantees the quality in output from any organization and exists as an asset that always adds value to it.

# QUALITY SYSTEMS



According to the ASQ glossary online, a quality management system (QMS, alternatively referred to as simply a “quality system”) can be considered a mechanism for managing and continuously improving core processes to “achieve maximum customer satisfaction at the lowest overall cost to the organization”. A quality system applies and synthesizes philosophies, standards, methodologies and tools to achieve quality-related goals.

A quality system thus represents a specific implementation of quality philosophies/concepts, standards, methodologies and tools, for the purpose of achieving quality-related goals. Upon implementation, a quality system will be unique to an organization.



## » QUALITY CIRCLES

- » The idea of the quality circle was first introduced by a number of large Japanese firms in a systematic attempt to involve all their employees, at every level, in their organisation's drive for quality.
- » According to the “Quality Circles Handbook”:
- » A quality circle is a small group of between three and 12 people who do the same or similar work, voluntarily meeting together regularly for about one hour per week in paid time, usually under the leadership of their own supervisor, and trained to identify, analyse and solve some of the problems in their work, presenting solutions to management and, where possible, implementing solutions themselves.
- » There are two main tasks assigned to quality circles: the identification of problems; and the suggestion of solutions. A secondary aim is to boost the morale of the group through attendance at the meetings and the formal opportunity to discuss work-related issues.



# »QUALITY CIRCLES

- » Meetings are held in an organised way. A chairman is appointed on a rotating basis and an agenda is prepared. Minutes are also taken. They serve as a useful means of following up proposals and their implementation. The success of quality circles has been found to depend crucially on the amount of support they get from senior management, and on the amount of training that the participants are given in the ways and aims of the circles.



## » ISO9000/EN29000

- » A set of international standards on quality management and quality assurance developed to help companies effectively document the quality system elements to be implemented to maintain an efficient quality system.
- » The ISO 9000 Series 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 are not specific to any one industry.
- » 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.



## » ISO9000/EN29000

- » The EN29000 specifies a worldwide quality management system (identical to the British BS 5750); compliance with increases competition and decreases risk of professional liability; the ISO 9000 series consists of five parts of standards providing a generalised model for an organizational structure, responsibilities, procedures, and resources for implementing quality intentions concerning the production of pharmaceuticals, medical devices etc. or provision of services; EN 29000 is the identical European copy of the international standard ISO 9000; ISO 9000 standards must be followed in order to trade freely within the EC nations; companies that are not ISO 9000 accredited may need to undergo quality audits by every other company with which they trade; both ISO 9000 and FDA's good manufacturing practice regulations follow the same general guidelines; registration to ISO 9000 follows from satisfactory audit by certification bodies (e.g. BSI Quality Assurance, Lloyds Register Quality Assurance) with an initial total assessment (repeated every 3rd year), followed by six monthly partial assessments

# » MANAGING AND MONITORING QUALITY

- » The Universal Process for managing quality (Juran's Trilogy)
- » Juran's Trilogy is constituted by three steps: quality planning, quality controlling and quality improvement.
- » **Quality Planning consists the following steps:** Establish quality Goal,
- » Identify customer & their needs, develop product features, Develop process features, Establish process controls and Transfer to operation
- » **Quality Controlling:** Choose control subjects, Choose units to measure, Set goals, Create a sensor, Measure actual Performance, Interpret the difference, Take action on the difference
- » **Quality Improvement:** Prove the need, Identify projects, Organize project teams, Diagnose the causes, Provide remedies, Deal with the resistance,
- » Change and control, Hold the gains.

# Juran's Trilogy



[www.shakehandwithlife.blogspot.com](http://www.shakehandwithlife.blogspot.com)

# » MANAGING AND MONITORING QUALITY

- » **Quality Improvement:** Prove the need, Identify projects, Organize project teams, Diagnose the causes, Provide remedies, Deal with the resistance, Change and control, Hold the gains.
- » The main logic here – in planning phase the producer of the product has to determine the customer's requirements and design accordingly, once the operation begin, usually 20% percent work has to redone due to quality deficiencies. It is not possible to get rid of this chronic waste; therefore they perform quality control to prevent the situation. That time the process may go up to 40% rework and has brought back within control limit by taking appropriate measures. Over a period of time by employing quality.

## » **MANAGING AND MONITORING QUALITY**

- » A support center's quality monitoring (or call monitoring) program is an essential element in providing excellent service to customers. There's a direct correlation between how analysts treat customers to how satisfied and loyal customers are to the company. Quality interactions help you retain your customers and grow the business. More and more companies find that they can no longer sell solely on the features and benefits of their products, because those products have become commodities. Instead, they must compete on the quality and types of service they offer. The spotlight is on service, so quality must be on the forefront of every support manager's mind.

## » **MANAGING AND MONITORING QUALITY**

- » There are many benefits to establishing a quality monitoring program for your phone-based analysts including a means to ensure consistent and professional service, to enforce customer service skills learned in training, to demonstrate to analysts how important customer service is, and to approximate and measure what your customers think of your service. The goals of a quality program are to ensure consistent, high quality service, recognize analysts who are doing a great job, and identify opportunities for analyst training. Results of the quality monitoring evaluations are often included in analyst scorecards with other, more tangible metrics such as number of calls handled, average handle time, and first contact resolution rate.

## » MANAGING AND MONITORING QUALITY





# » REVIEW QUESTION

- » 1.A management concept under which all managers and employees at all stages of company operations strive toward higher standards and a reduced number of defective units is called:
  - » a. Continuous Improvement
  - » b. Total Quality Management (TQM)
  - » c. Theory of Constraints (TOC)
  - » d. Total Quality Control (TQC)
- » 2. In order to achieve long-term quality improvements, management must do the following:
  - » A.Motivate the employees with seminars, contests, and institution of programs such as "Quality Improvement" day
  - » B.Create a quality control department and give the head of the department ultimate responsibility for quality improvement
  - » C.Implement a formal quality control program with worker and management involvement
  - » D.Establish financial incentive packages for workers
  - » A and D



# »REVIEW QUESTION

## **3. Quality assurance is**

- A. top management's intention regarding quality
- B. functions determining implementation of the quality policy
- C. actions to provide confidence of satisfying quality requirements
- D. responsibilities and processes which implement quality management
- E. all of the above

## 4. The ISO 9000 series is:

- A. a set of instructions for preparing control charts
- B. a set of guidelines for quality
- C. a set of forms and procedures to ensure quality
- D. an international standard that describes a recommended quality system
- E. intended to be applied only to manufactured products



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