The Practical Value of QMS

...Operational Consistency

Foro Internacional
Sistemas de Gestion de la Calidad
- Una Ruta Hacia la Excelencia
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Key Quality Consulting
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About John

• ASQ Membership
  • Since 1978 as technician – Fellow in 2012

• ASQ Certifications
  • Engineer, Auditor, Manager, Black Belt, more…

• Work Experience – Employee & Consultant
  • Motorola, Nokia, AT&T, manufacturing & service

• Teaching Experience
  • Company / ASQ classes in Quality Concepts & Tools and Problem Solving Methods & Tools

• Education - BS Quality Management
Learning Objectives

• ISO 9000 and Malcom Baldrige as Quality Systems

• Components of the systems

• WHY use them as a Model
  … the Value Proposition
## Terms and Abbreviations

<table>
<thead>
<tr>
<th>Term</th>
<th>Abb.</th>
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<tbody>
<tr>
<td>Total Quality Management</td>
<td>TQM</td>
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<tr>
<td>Quality Management System</td>
<td>QMS</td>
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<tr>
<td>Malcom Baldrige National Quality Award (USA)</td>
<td>MBNQA Baldrige MB</td>
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<tr>
<td>International Standards Organization</td>
<td>ISO</td>
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<tr>
<td>ISO 9000 (family) – Quality Management</td>
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<td>ISO 14000 – Environmental Management</td>
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<tr>
<td>National Institute of Standards and Technology (USA)</td>
<td>NIST</td>
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Quality Philosophies

- **Juran** -
  - Trilogy (Planning, Control, Improvement)
  - Mgt Resp: Guide Quality, Set Goals, Provide Resources, Provide Training, Recognize & Reward, Periodic Reviews

- **Deming** –
  - 14 Points, Chain Reaction

- **Crosby** -
  - Measure Q by $\$, Quality is Free

- **Feigenbaum** -
  - TQM Concept, Start w/ Customer Requirements
Total Quality Management

• Systematic, Integrated, Organizational way-of-life
• Every operation/function in an organization
• Quality during vs. after production
• Not a program – an organizational transformation…

• Roles
  • Upper Management
  • Empowering the workforce
    • Cumulative skills & expertise
    • Teams / Committees
Quality Management System

ISO

Your QMS

Baldridge Criteria

Baldridge has criteria specific to Education & Government
MBNQA for Performance Excellence

• MBNQA Criteria Focus on Business Results
  • Product and service outcomes
  • Customer-focused results
  • Financial & market results
  • Human resource results
  • Organizational effectiveness results
  • Leadership & social responsibility results
Baldrige… A Focus on Core Values

- Systems Perspective
- Visionary Leadership
- Customer-Focused Excellence
- Valuing People
- Organizational Learning and Agility

- Focus on Success
- Managing for Innovation
- Management by Fact
- Societal Responsibility
- Ethics and Transparency
- Delivering Value and Results
Assessment of a QMS

Evaluation By:

• **Approach**: How do you accomplish the work of the organization? How systemic are the key processes you use?

• **Deployment**: How consistently are your key processes used throughout your organization?

• **Learning**: Have you evaluated and improved your key processes? Have improvements been shared within your organization?

• **Integration**: How do your processes address your current and future organization needs?
Baldrige Categories

1. Leadership
   • How do your senior leaders lead the organization?
   • How do you govern your organization and fulfill your societal responsibilities?

2. Strategy
   • How do you develop your strategy?
   • How do you implement your strategy?
Baldrige Categories

3. Customers
- How do you obtain information from your customers?
- How do you engage customers by serving their needs and building relationships?

4. Measurement, Analysis, and Knowledge Management
- How do you measure, analyze and then improve organizational performance?
- How do you manage your organizational knowledge assets, information, and information technology infrastructure?
Baldrige Categories

5. Workforce

• How do you build an effective and supportive workforce environment?
• How do you engage your workforce to achieve a high-performance work environment?

6. Operations

• How do you design, manage, and improve your key products/services and work processes?
• How do you ensure effective management of your operations (includes supply chain performance)?
Baldrige Categories

7. Results

- What are your product/service performance and process effectiveness?
- What are your customer-focused performance results?
- What are your workforce-focused performance results?
- What are your senior leadership and governance results?
- What are your financial and marketplace performance results?

**NOTE:** Services can include Education, Government, Healthcare as well as those considered as typical consumer services.
Quality System Effectiveness

• Management Reviews
  • Performance opportunities
  • Improvement opportunities

• Management Review Agenda
  • External Complaints
  • Internal & External Audits
  • Surveys & Feedback
  • Preventive Action
  • Corrective Action
### Predictability

Meet Business Plan  
Meet Customer Needs  
Meet Financial Plan

<table>
<thead>
<tr>
<th>Quality</th>
<th>Product</th>
<th>Out of Box</th>
<th>Scrap</th>
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<tr>
<td></td>
<td></td>
<td>Reliability</td>
<td>Rework, repair, re-do</td>
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<tr>
<td></td>
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<td>Warranty</td>
<td>Return, replace</td>
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<td>Error Free</td>
<td>Do-again?</td>
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<td>Service</td>
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<td>Complete</td>
<td>Meet expectations</td>
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<tr>
<th>Delivery</th>
<th>On Time</th>
<th>As committed</th>
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<td></td>
<td>Complete</td>
<td>Full order</td>
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<tr>
<td></td>
<td>Condition</td>
<td>Damage?</td>
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<td></td>
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<td>Spoilage?</td>
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<tr>
<td></td>
<td>No Rework</td>
<td>Do-again?</td>
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<thead>
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<th>Cost</th>
<th>Sales Targets</th>
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<td>Materials</td>
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<td>Labor</td>
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<td>Overhead</td>
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<td>Transport</td>
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<td>Price Point</td>
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<td>Timing</td>
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<tr>
<td>Innovation</td>
<td>Ongoing</td>
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<tr>
<td>Processes</td>
<td>Efficient</td>
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<td>Improvements?</td>
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**QSM Value ➔ ➔ ➔ Predictability**

**Prevent the Re’s:**
- Repair
- Rework
- Return
- Re-do
- Retype
- Refund
- Resend
- Replace
- Reschedule
# Alignment within the Organization

<table>
<thead>
<tr>
<th>DESCRIPTOR</th>
<th>PROCESS</th>
<th>RESULTS</th>
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<tbody>
<tr>
<td>Reactive</td>
<td>● Operations are characterized by activities rather than by processes, and they are largely responsive to immediate needs or problems. Goals are poorly defined.</td>
<td>● Results that are important to the organization’s ongoing success are missing, not used, or randomly reported.</td>
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<td>Early</td>
<td>● The organization is beginning to carry out operations with repeatable processes, evaluation, and improvement, and there is some early coordination among organizational units. Strategy and quantitative goals are being defined.</td>
<td>● Results that are important to the organization’s ongoing success are reported, tracked over time, and improving.</td>
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<tr>
<td>Mature</td>
<td>● Operations are characterized by repeatable processes that are regularly evaluated for improvement. Learnings are shared, and there is coordination among organizational units. Processes address key strategies and goals.</td>
<td>● Results that are important to the organization’s ongoing success are trending in the right direction and doing well relative to competitors or other relevant organizations.</td>
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<tr>
<td>Role Model</td>
<td>● Operations are characterized by repeatable processes that are regularly evaluated for change and improvement in collaboration with other affected units. The organization seeks and achieves efficiencies across units through analysis, innovation, and the sharing of information and knowledge. Processes and measures track progress on key strategic and operational goals.</td>
<td>● The full array of results that are important to the organization’s ongoing success are reported and trended over time, indicating top performance relative to other organizations.</td>
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Thank You