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"We engineer the quality of your success"

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Striving For Continuous Improvement

For continuous quality improvement, you will need:

- **A process or system to reduce variation.** For instance, maintaining statistical quality control techniques as an integral part of your process-control philosophy.
- **A preventive style of management.** Prevention has two aspects: preventing recurrence and preventing occurrence.
Preventing recurrence means not putting out the same fires over and over again, but tracing and correcting the root cause of each error or defect.
Preventing occurrence means doing it right the first time (eliminating potential defects) for all products, services, and processes. A preventive management style addresses both aspects.
- **A system for data collection and customer feedback.** An open line of communication between suppliers (internal and external) and customers (internal and external) is essential.
- **A process for recognizing individuals.** Promoting and motivating individuals who are willing to speak up and accept change or risk.

When a company says that quality costs too much, it is usually because no such ongoing systems are in place.

When variability is not controlled, when no occurrence/recurrence prevention is practiced, when customer needs and problems are not communicated to those who can address them, when people who are willing to speak up are not encouraged and nurtured, the costs for appraisal, rework, redoing, rechecking, and padding of inventory can skyrocket.

Customer Complaints More Valuable Than Praise

Complaints provide priceless insight into your business. Complaints alert you to a problem with your product or service and gives you an opportunity to rectify it.

Companies need to develop a way that will make it easy for customers to complain. If customers don't tell you they are unhappy, and instead elect to take their business elsewhere, you won't know why. If you know what the problem is, you can take steps to resolve it.

A "no hassles" guarantee is one way companies can learn about customers' changing expectations. A "no hassles" guarantee is better than a "no questions asked" guarantee because it allows a company to ask what went wrong so it can learn from the response.

Benchmarking Survey:

According to studies conducted in 1992 and August, 1995, benchmarking has emerged as an integral tool for achieving business objectives. Following are highlights from the study that show how benchmarking had changed over a 3-year period.

1992

1995

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| <ul style="list-style-type: none"> ■ 95% did not know how to benchmark but believed it was a necessary tool for survival. ■ Most considered themselves to be novice users of process benchmarking (83%) and competitive benchmarking (70%). ■ 47% of the companies that were benchmarking had been conducting studies for less than 2 years, while 20% had been benchmarking for more than 5 years. ■ The driving factors that led companies to benchmark was top management commitment, desire for better customer service, financial performance, product development cycle and delivery. | <ul style="list-style-type: none"> ■ 75% had an awareness of benchmarking concepts, and 81% had benchmarked. ■ Respondents had completed an average of 4 benchmarking studies in the past 12 months. Half were done internationally. ■ The average was 3 years. A few companies reported starting benchmarking more than 20 years ago. ■ 75% to 100% of the benchmarking projects were driven by the companies' strategic plan. |
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The 1995 study also found that the areas of greatest improvement as a result of benchmarking projects are reduced costs, increased productivity, and reduced cycle time of operations.