

Above and Beyond Compliance : A Value-Added Quality Management Systems Approach



“Many people believe that the implementation of a QMS software package, like Visual Quality, is the starting point to building a solid Quality data collection program, install the software and plug in the data. Not true. Your processes must be in place well in advance. But how well are you doing with that? Synergy Resources helped us determine just that with their Quality Assessment. Synergy Resources provided an unbiased, current state look into our company’s quality management systems as it related to our business, not just to a specific quality standard audit. They provided solid feedback and participated in subsequent internal conversations to help guide us forward into our current phase, the implementation of Visual Quality. “

LORI MULLEN

DIRECTOR OF
INFORMATION SYSTEMS

Small to mid-size manufacturing companies typically experience similar difficulties when developing an effective Quality Management System.

If you answer yes to one or more of the following questions you should continue reading this paper. If you answer no to all of these questions then congratulations; you are performing at a higher level of excellence than a majority of your customers and competitors.

- Has your Quality Management System caused indirect costs to increase?
- Do your problems and defects continue to resurface?
- Are supplier defects and late deliveries accepted as the norm?
- Does your internal audit program provide little value?
- Are your performance measurements misaligned with your strategic vision?

Too often, manufacturing companies adopt an approach to their Quality Management System compliance, whether it is ISO 9001, AS 9100, ISO 13485, or ISO 16949 that is cumbersome and wholly or heavily supported by the Quality department, while the true intent of the standard and system is not fully understood or embraced by the organization as a whole. The under-interpretation of the intent of these standards create busy-work, misunderstandings, and resentment in a company. There are some key signs that this is the case in your organization.

Your organization has to ‘get ready’ for an external audit.

It may sound surprising, particularly when you reflect on what your company goes through in the weeks leading up to your certification audit, but true compliance and the related benefits from a Quality Management System require no additional preparation for an external audit because the system is always working.

Your Management Reviews take place infrequently, provide little benefit, or drive no action.

Management reviews are only required to be held annually by most Quality standards, but doing the bare minimum doesn't provide much benefit, if any, to the organization. Often times the action items from management reviews are only looked at during the week prior, instead of acting as a key driver of the strategic actions that the management team should be taking. The Management Review can and should be a time to review your organization's performance to established metrics and goals. Doing so with a monthly or quarterly frequency ensures that you have time to quickly react in areas where you are not meeting goals or expectations. In other words, don't create your goals and metrics for the management review; create them for the benefit of the business success and utilize the management review to track performance to those goals and drive improvement action. Meeting the goal? Then raise the bar and define a plan to drive further improvement.

Corrective Actions are not effective in eliminating problems, are issued too often or too little, or assignment holds a very negative connotation in the organization.

Corrective Actions should be one of the cornerstones of defect reduction and continuous improvement, but unfortunately the Corrective Action process is not always utilized as such. Many organizations are experiencing one or more of the following negative scenarios: CARs are rarely issued, while real problems are resolved outside of the system, in an attempt to keep the process and subsequent records manageable; CARs are issued for every nonconformance, creating such a volume and backlog that none of the problems are solved effectively; CAR responses are determined based on a 'get this off my desk' mentality which almost guarantees that the problem will crop up again.



“The Strategic Business Services division held an 8D Problem Solving Workshop at our facility. The workshop provided training and part of the session included breaking into teams and working on real problems in our company. The 8D program presented at the workshop contributed to immediate improvement in our problem solving activity, helping to lower cost and reduce lead-times.”

DAVID RYTI

DIRECTOR OF QUALITY
FOR OMNI COMPONENTS

“Typically when we go into an organization that is having problems with its suppliers you hear that the suppliers have too many defects and are always late. More often than not, once you break down the walls and open the communication lines, you will find that the causes of defects and late deliveries are a shared responsibility between the organization and the supplier. And solving these problems as a team does more than improve quality and delivery; it is the beginning of a mutually beneficial supplier relationship where everyone wins.”

KATIE FARRAND

CONTINUOUS IMPROVEMENT
SPECIALIST, SYNERGY
RESOURCES

All of these types of behaviors result in massive amounts of wasted time and effort with little positive impact, which is not the typical Return on Investment you are looking to get out of such an important resource investment.

If this is the case, you must change your approach in order to achieve better results. Utilizing tried and true quality tools and techniques, coupled with a methodical approach to problem solving, is often the difference between a problem being permanently solved and rearing its ugly head again. Philosophically, world class organizations see Corrective Actions as a truly positive instance to create a team of experts to solve a challenging problem and keep it from ever happening again. When approached with the right process and mentality, the associated activities will foster team work, employee development, and problem solving skills, reduce non-value added costs like scrap and rework, and create an environment where a problem is seen as an opportunity.

Your Supplier Management Program can be defined as an annual scramble to get your suppliers to complete a survey that doesn't get analyzed, just in case an auditor asks to see them.

If your Supplier Management Program doesn't highlight supply chain risk to the organization and doesn't actively improve Supplier Quality and On Time Delivery performance then it's not doing what it is supposed to do. A supplier qualification and performance program is intended to provide risk mitigation and performance enhancement for areas that directly impact the organization but are not under the direct control of the organization. Too often a cumbersome program is created to try to meet the requirements of the standards, without a focus on benefit to the organization. If the development of such a program is prioritized differently by focusing on maximum benefit to the organization in consideration to the requirements of the standard, the outcome is beneficial for both the company and their suppliers. Working hand in hand with suppliers often results in win-win solutions for both organizations which in turn leads to improved quality, quicker delivery, and potentially lower costs.



Internal Audits are performed infrequently, don't utilize employees from across the organization, or don't drive real process or product improvements.

Internal Audits are often outsourced, assigned primarily to the quality group, or their results are not supported or prioritized by management. Internal audits are intended to ensure compliance, but don't have to be limited as such. Utilizing the organization's employees is one of the most powerful ways to educate and empower the organization's most valuable resource.

Training employees to look beyond compliance for process waste and non-value added steps is a very powerful strategy that can help to elevate an organization to a new level of continuous improvement.

If one or more of these circumstances sounds all too familiar, it is very likely that your organization's approach to a Quality Management System remains the almighty 'Certificate'; this is often what's responsible for a static state of non-value added compliance. Instead, consider changing the focus on achieving the best business practices in manufacturing; practices that increase quality and customer satisfaction while lowering costs that 'happen' to comply with a Quality standard. Regardless of the Quality standard your organization complies with, it contains the framework of successful business best practices that will allow you to achieve the following:

- Eliminate the need to have to prepare for certification audits
- Measure and achieve lower cost of quality values continuously
- Measure and achieve >95% corrective action effectiveness
- Measure and partner with suppliers who achieve quality and delivery ratings >95%
- Develop and empower employees to suggest and implement improvements



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So the next time you hear the statement “We have to get ready for our certification audit” remember that this doesn’t have to be the permanent state of your organization’s Quality Management System. Consider a QMS Review to see if you are working your system to its full potential. Our experienced Quality professionals will determine if the business is using QMS best practices to their full potential with a focus on effectiveness.

Synergy Resources Strategic Business Services: For companies serious about improving business performance and with the resolve to take the necessary action, Synergy Resources offers a unique combination of Strategic Business Services, Quality Services, Continuous Improvement Services, Technical Services, and Products and Software Application Services to help companies achieve sustainable business performance improvement.

