

QS 9000: AUDITING TO A STRATEGIC INTENT

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SUMMARY

The strategic intent of QS-9000 is to have a quality system that employees feel is worthwhile maintaining and one in which they are willing to invest their intellectual energies. To accomplish these two goals, first we must clearly understand what QS-9000 is and what it is not. Then we must formulate a simple set of measures that can be assessed internally whether a facility meets a certain strategic intent. Additionally, we should design an audit to spend minimum time and money. Since control of actual registration of the QS-9000 is external, we deploy *AUDITING TO A STRATEGIC INTENT* internally -- like a pulse check of the system. The paper differentiates between IS and IS NOT of QS-9000, suggests essential output measures that jointly act as a beat of the system, and outlines the audit details to check the beat with minimal investment. The quality systems will continue to evolve but the same combined output measures would continue to remain the robust indicators of implementation effectiveness.

KEY WORDS

ISO 9000, QS-9000, QUALITY AUDITS

INTRODUCTION

For many automotive supply-base companies, achieving QS-9000 (Quality System Requirements) certified status is the equivalent of achieving world-class quality status. The dream that motivates a company toward quality is often something more sophisticated and more positive than conventional programs or common techniques' approach to quality. Strategic intent is a term for animating such a dream. External audit of QS-9000 procedures may provide proof of a strategic architecture being present, but auditing internally to a strategic intent will provide the proof of the intended results. Strategic intent is equivalent of the heart that provides emotional and intellectual energy for the journey toward QS-9000. The strategic intent is results-based rather than process-based. It does not ignore the process by any means. The strategic intent simply enhances the QS-9000-based systems by taking directions from the output signals. There are three output signals that jointly define the quality health of the system. They are: 1) Sensitivity of a company in conducting daily operations with respect to select individuals being absent on the job, 2) Ability to rectify defects at the point of occurrence as opposed to further downstream, and 3) Ability to hold known solutions in place. These three effects measured together form a robust indicator -- that means, the indicator will measure the effectiveness of any quality system. How do we internally measure progress of such an intent?

WHAT QS-9000 IS AND IS NOT

To start with, all employees must have clear understanding of what QS-9000 is and what it is not. The need to differentiate arises from the fact that quality has many facets of which QS-9000 is a part. Management as well as employees, therefore, must be clear about its scope, limitations, and relationships with other efforts and measures of quality. This way resources are budgeted proportionately to all quality measures, namely delivered quality, produced quality and grade of quality.

The QS-9000 based system company converts its existing knowledge into a set of procedures with the intent of practicing prevention to achieve the best level of delivered quality. The essence of such a system is to manage quality-related incidents by well-defined practices. The well-defined practices translate into running daily operations without heavy dependence on the presence of select individuals, preventing quality defects from propagating downstream, and holding known process control solutions in place. In all, it is a measure of conformance to procedures as we best understand them to prevent and to respond to ongoing quality-related incidents. The preceding scenario essentially defines the scope of the QS-9000 based system. Its limitations rise from the fact that the actions taken with the best knowledge are not necessarily the best when viewed from the marketing standpoint. The marketing forces require that we match world-class standards at the world-class prices. This is a prerequisite to the very existence of the company. QS-9000 System Requirements are neither designed nor can be used to measure the distance between the company's best and the world's best. The relationships of the QS-9000 based system and quality-related problems come into play only when a company is hit with a quality crisis from a marketing perspective -- that is, it cannot deliver world-class products at world-class prices. A company operating under QS-9000 guidelines will have a favorable environment to face such crises versus a company not operating under such guidelines that might be forced to fold. Referencing the previous example, we can state that a QS-9000 based system is a reflection of the best existing knowledge allowing us to deliver the highest quality possible. However, in terms of limitations, we can also state that a QS-9000 based system is neither a measure of produced quality nor a measure of grade of quality necessary for the continued existence of the company.

WHAT ARE EXPECTED RESULTS FROM QS-9000 BASED SYSTEM COMPANIES?

Once we understand the scope of the QS-9000 based system, we can begin to ask what sorts of results should we expect from a company that has successfully actualized QS-9000. Even though QS-9000 procedures reflect the process elements of the system, we should formulate the strategic intent from the derived results rather than from conformance to the process elements. Let us subdivide the task of measuring results into three categories: (1) Delays in the systems solely due to absence of employees, (2) Downstream complaints that are upstream defects, and (3) Violations of known process control measures.

Having defined the scope and the expected results from the QS-9000 based system, we have prepared a background for an audit that meets the strategic intent. The strategic intent consists of: 1) all the chosen indicators that reflect the essences of QS-9000 system are in existence, 2) the

indicators show favorable trends as well as favorable levels, and 3) there are procedures and practices in place for the maintenance and improvement of these indicators. We should plan the audit in such a way that we can execute it in a minimum amount of time with minimum expense.

HOW DO WE EXECUTE A RESULTS-BASED EFFECTIVE AUDIT?

We look for the answers to the following questions while evaluating any element: A) Is the system defined to deal with the issue? B) Is system implemented? C) Is system implemented effectively?

Element 1 -- How sensitive is the system to employees' absence?

A. Is the system defined to deal with the issue?

Has the system identified absenteeism as one of the quality system issues? Are there procedures in existence that deal with an employee not being present?

B. Is system implemented?

Look for a c+Pareto chart where c reflects the number of incidents per week and Pareto reflects the affected categories by departments, tasks, or customers. As a part of an actual audit, the following questions should be considered appropriate: identification of who is absent today, who is covering for an absentee, what incident is likely to be incurred, is there a procedure present to cover for that person, is there a category on the c+Pareto chart that reflects the likely incident, etc.

C. Is system implemented effectively?

Are the numbers of incidents decreasing with respect to time? Is there evidence of how a company deals with absenteeism?

Element 2 -- Are there defects found that could have been prevented at upstream operations?

A. Is the system defined to deal with the issue?

This element is likely to be present because it is implicit throughout the 60 years of the history of quality systems.

B. Is system implemented?

Look for ongoing records of customer complaints' data plus dock audit data on the c+Pareto chart, where c measures the number of incidents per chosen time period and Pareto categorizes the incidents by department, products, or customers. Also, conduct an actual dock audit.

C. Is system implemented effectively?

Are the numbers of incidents decreasing with respect to time? Is there evidence of how a company upgrades technology to deal with these incidents?

Element 3 -- Are there violations of known control measures?

A. Is the system defined to deal with the issue?

This element is likely to be present because it is implicit throughout the 60 years of the history of quality systems.

B. Is system implemented?

Look for the presence of a list of good things to do at each process. Randomly select processes and a list of few good things to do and check if they are executed as planned. Also, look for an internal audit report identifying process violations on a c+Pareto chart. Once again, c measures the numbers of incidents per internal audit, and Pareto categorizes the incidents with a process flow diagram.

C. Is system implemented effectively?

Are the numbers of incidents decreasing with respect to time? Is there evidence of how a company upgrades process control technology to eliminate these incidents?

An internal audit of these three elements can be easily completed in less than a day by an ASQC Certified Quality Auditor (CQA) or equivalent keeping time and expenditure both within affordable limits.

CONCLUDING REMARKS

The last 50 years have seen Q9858, Q101, Q1, TQE, Target for Excellence, Pentastar, ISO9000, and now QS-9000. There exist conflicting reports on how QS-9000 Quality System Requirements are taking hold in the automotive supply-base. The only thing that is certain is the rising quality performance expectations in the marketplace. What is proposed here is an internal, affordable, practical, and robust approach that can save the time and money necessary for the companies to attend to other quality measures. By defining and auditing to a strategic intent, a company can shave off valuable time and money. Such a move will create a positive environment necessary for a synthesized quality journey toward all three attributes of quality: 1) the delivered quality, 2) the produced quality, and 3) the grade of quality.