

QUALITY MANAGEMENT

We as an audit firm decided to adopt the techniques suggested by "Gurus" of Quality management and went through a series of awareness programmed and implementation hassle. While the article shared might look repetitive but the experience for us was new and hence we thought of sharing the experience.

Quality Management, ensures that an organization, product or service is consistent with quality. It is based on both

prospective and retrospective reviews. However, the scope of Quality management is not just limited to product or service quality but also deals with the means to achieve and maintain quality standards. Quality Management may be defined as an act of performing all the activities and tasks which are needed to maintain a desired level of excellence. This includes creating and implementing quality planning and assurance, as well as quality control and quality improvement.

What is Quality Management Improvement?

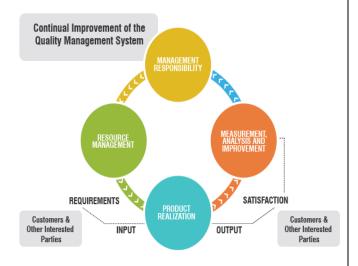
Continuous and consistent quality improvement is a must pre-requisite for all the Quality Management Systems. Quality improvement is a recurring process and should be repeated at regular intervals. It is an ongoing process, not a one-time effort and lasts with the life of an enterprise. Different examples across industries have proved that any negligence on product quality and process improvements end up in serious catastrophic results for the company and its products. The representation shows the process of continual improvement in a Quality Management System.

<u>Process of continual improvement in quality management</u>

The International Standard for Quality Management (ISO 9001:2008) has identified the following management principles which help organizations to improve their performance:

<u>Customer Centric</u>: Customer's satisfaction is of utmost importance for the overall growth of an organization. All the members of an organization should know about the requirements of the external as well as the internal customers and resolve ways to meet those requirements.

Involvement of employees in decision making: This brings a sense loyalty among the employees towards the organization and they become more responsible.



<u>Leadership Qualities</u>: An organization needs to inculcate leadership qualities among its people so that they establish unity of purpose.

<u>Process Approach:</u> This approach helps in attaining the desired result when activities and available resources are managed efficiently.

<u>System Approach to Management:</u> This approach implies identifying, understanding and managing all systems which are interrelated as a process. Quality control involves checking transformed and transforming resources in all stages of production process.

<u>Continual Improvement:</u> It is one of the most important quality improvement functions and helps in gaining insights about the overall performance, leveraging clear and concise Process Performance Measures (PPMs).

<u>Factual Approach to Decision Making:</u> Decisions made on data basis and analyses are always effective and efficient.

<u>Win- Win Situation for both organization and its suppliers:</u> Both organizations and its suppliers are interdependent on each other. Therefore, a mutually beneficial relationship is a must for their growth.

Methods Involved in Quality Improvement

Following are the globally accepted and recognized methods for Quality Improvement:

FADE Model: This model comprises of four steps- focus (on the process to be improved), analyze (collection and analysis of data to find possible solutions), Develop (data plans for improvement, implementation and communication), Execute and Evaluate (implementation of data plans).

PDSA Model: Another important method of Quality Improvement is based on the PDSA model which involves combination of building and applying knowledge. PDSA model comprises of Plan, Do Study and Act. This process runs as a cycle and needs to be repeated.

FADE = focus, analyze, develop, execute, evaluate

PDSA = plan, do, study, act

Six Sigma = (define, measure, analyze, improve, control)

CQI = Continuous Quality Improvement

TQM = Total Quality Management

Six Sigma: It is one of the most important methods of Quality Improvement. The term 'Six Sigma' is derived from the Greek letter, Sigma which denotes standard deviation of time from the mean. Six Sigma equals to 3.4 defects or errors per million. It is a measurement-based strategy of quality improvement and finds great success in problem reduction.

Total Quality Management (TQM): TQM, as a management approach was first promoted in Japan and then was adopted in USA and Europe. TQM involves total employee's participation in improving processes, product, services or the culture in which they operate. It's a long-term process and aims at customer satisfaction through integrated approach.

Different Stages in Quality Management

Broadly, the process of Quality Management involves three important phases viz. Quality Planning, Quality Assurance, Quality Control and Documentation. Let us discuss these phases in detail:

Quality Planning: This is the most important phase of Quality Management which marks the start of the plan. Every plan has a goal or objective and Quality Planning ensures the quality of the plan which is being made to achieve the desired goal or objective. The plan needs to be error proof and all the goals should be clearly communicated to the stakeholders involved.

The overall success of any plan depends upon the quality planning. Quality planning enables to check whether the plan meets customer's expectations or not.

Quality Assurance: This process monitors overall path of the project. It checks whether the project is following the laid plan or not. The Quality Assurance plan comprises of quality audits and various techniques used to evaluate performance of a project.

Quality Control: Another important step in Quality Management is Quality Control. This method comprises of quality management plan, quality standards for the project and factual observations and measurements of the work done or in progress.

<u>Documentation:</u> The process of documentation finds a place of utmost importance in Quality Management. A project is more likely to fail if all the necessary requirements are not sufficiently documented.

- As a mid-size audit firm, in order to improve the quality of audit we started allocating manpower for research in accounting standards, taxation and UAE laws in order to gain expertise which in turn was capitalized by the audit team. in these areas and help support the audit team.
- Standardized policies and procedures could be adhered to.
- The approach towards the audit transformed from mere document gathering to a better compliance monitoring and which in turn helped us to improve the awareness and knowledge sharing with the clients.
- Improvement on return of investments and increase level of technical expertise among the employees.

The steps taken by us whereas follows:

- 1. Use of technology by introducing audit software tools and software to monitor the affects of marketing team to get quality clients and drive towards paperless office.
- 2. Stringent quality control processes were followed by introducing peer review by a reputable overseas professional firm.
- 3. Customer feedback was obtained on a regular basis. Guidelines for compliance of laws and regulations was made the mission.

We would like to extend our contribution to the below listed publications

References:

"Engagement of people"

"Object Oriented Quality Management, a model for quality management"

"Taking the First Step with PDCA".