Quality Policy Deployment in An Electrical Limited

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ABSTRACT

One of the most important practices of **TQM** is **Policy Deployment**. Each year companies spend hundreds, if not thousands, of hours and dollars in the preparation of their short-range and long-range business plans. Unfortunately, many of the documents created during this process are then ignored – left on top of shelves to gather dust rather than being used to manage organizations. Often this is because the plans have been based on arbitrary goals, misinterpreted data, short-term thinking, and strategies that are not linked to better meeting customers' needs and requirements.

To convert vision into action the Japanese follow the concept of policy management. It has been observed that only few companies in the globe have implemented TQM successfully.

This report is based on literature survey and the interaction with a practicing company which attempt to focus on the implementation of policy management in India.

INTRODUCTION

One of the most powerful tools advocated by TQM practitioners is Policy Deployment. This provides the means of deploying management policy down through all levels of the organization. The statement of management policy would be in general terms such as, "Increase customer satisfaction." They are then restated by each direct report in measurable terms as actions which are under the control of the manager stating them. The Vice President of Manufacturing might restate the policy for his/her organization as "Put in place standards, procedures, organization, resources, etc. which will result in improved product quality so that there will be 15% fewer customer complaints each year for the next five years." The Manager of Manufacturing might then restate the policy as "Put in place standards, procedures, organization, resources, etc. which will result in the shipment of product which more fully conforms to specification and so on. Each descending level of management becomes more concrete in it's restatement of the policy in terms relating to its' area of responsibility and also indicates the means (check points) to be used to attain these goals (control points). The check point for one level of management becomes a control point for the next lower level of management. More specific statements could be: "constantly monitor customer expectations, complaints and satisfaction," and "constantly rank root causes and work on the top ranking ones so as to reduce variation from intended results". Each level of management not only restates the goal in terms which he/she can deal with in his/her area of responsibility, but the goals (control points) of each subordinate and means of achievement (check points) of each are reviewed and approved. In this manner, not only does everyone in the organization understand management's policies, but they also understand what specific actions and results are planned to support each policy.

The Total Quality Management (TQM) is a way of managing all the aspects of a business to achieve the best results for the shareholders by providing customer satisfaction and employee motivation at the lowest achievable cost, through the practice of continuous improvement and defect prevention, involving all employees in the corporation. In TQM, strategy, philosophy, values and goals must be transmitted down an organization, from level to level in a systematic way, to provide focus, clarity, direction and alignment.

Policy Deployment is a way of aligning and assigning the organization objectives or priorities through all levels. The process typically includes consultation between levels to test the feasibility of the plans and progressive refinement to develop commitment. It becomes more detailed as each level is addressed; the end result is a high degree of alignment through the organization with everyone knowing what has to be achieved.

Policy Deployment is the application of Quality Function Deployment (QFD) in the translation of company policy into action elements. Policy Deployment employs QFD methodologies to translate high-level business goals into tangible actions plans.

Quality Function Deployment as a concept, uses a number of matrices which translate the customer requirements into engineering or design requirements, translates these engineering or design requirements into product or part characteristic, and translates these product or part characteristics into manufacturing operations and controls. Businesses of all types have been using the tools and techniques of QFD to identify critical customer needs and design initiatives that will satisfy customers in order to stay ahead of the competition.

NEED FOR THE STUDY

The conventional methods of strategic planning and implementation have many problems. **Zairi.M**

(1994) says many strategies fail to deliver for a variety of reasons including, among others:

- Poor communication of goals and objectives,
- Too many disruptions and changes in direction,
- Not exactly bothered about the long term goals.
- Cost is the key driver for results at the expense of real improvement opportunities.
- Voice of customer not really captured.
- Achievements are not sustainable.

Policy deployment offers a planning process, which can respond to and resolve these issues, and sustainability. For instance, **Newcomb (1989)** says management by policy deployment is characterized by:

- The purpose of the organization,
- The principles that guide actions,
- A vision of where the firm is going,
- The objectives that move the firm toward its vision,
- The priorities assigned to the objectives,
- An action plan in which everyone participates.

Policy management brings alignment in the organization, so that the company goals can be achieved, with the need arising through

- Global competition, rapid market change & shorter product cycles.
- The effect of globalization.
- Rotation of PDSA becomes vital in all activities.
- Policy Management deployment are the key aspect of TQM implementation which helps to realize the company vision.

TOTAL QUALITY MANAGEMENT

TQM, is a state of mind or a philosophy, rather than a specific set of procedures or methodology. This is not to suggest that there are not certain "tools" which are associated with TQM. To name just a few, there are Statistical Process Control (SPC), Relations Diagrams, Quality Function Deployment and Policy Deployment.

CONCEPT OF TQM:

According to "**Total Quality Management, Policy Deployment and FAST"** document presented at the 1992 International Conference of the Society of American Value Engineers (SAVE) at Phoenix, Arizona by **Howard Eckstein.**

- TQM foundation:
➢ Any product, process, or service can be improved.
➢ A successful organization is one that consciously seeks and exploits opportunities for improvement at all levels.
➢ The load bearing structure is customer satisfaction.
➢ The watchword is continuous improvement.

THRUSTS OF TQM:

The thrusts of TQM are:

Continuous Improvement:

Every activity is part of a process supporting Management policy, and all processes must be continuously improved. This includes the manufacturing processes, the way products are designed, and even the way managers make decisions.

Customer focused:

The focus of our endeavours must be the understanding and satisfying of customer needs. The customer's needs are recognized as having the highest priority.

To think in terms of customer, supplier relationships:

Each of us has customers who receive the results of our efforts and we also have suppliers who provide us the tools, materials, information, etc. needed to satisfy our customers' needs.

To think in terms of process (check points) instead of only results (control points):

It is claimed that approximately ninety percent of all variation (from intended results) is caused by the process (selected by Management) and only ten percent is the fault of the worker. Statistical tools are used to analyze data so that variation can be minimized, and processes improved.

POLICY DEPLOYMENT

According to "POLICY DEPLOYMENT", **Myron Tribus,** October 26, 1997,

"Policy Deployment" refers to methods used to be sure that everyone in the enterprise is working effectively towards the same ends. Efficient deployment of policies requires not only that the policies be communicated without ambiguity, but also that the policies be workable and understandable by those who are to carry them out. It is not enough that a policy be written in clear, understandable language. What is clear and understandable to one person is not always clear and understandable to another. Effective policy deployment requires that communications be tested for comprehension.

In addition to testing the communications, the policies themselves should be tested to see that they are workable and that they make sense to those who are to carry them out. This step is often neglected. Policy makers often believe that their job is finished when they have announced a clearly stated policy. In fact, when the policy is announced, the job has barely begun.

Like so many methods in total quality management, the methods used in policy deployment are extremely simple. **Dr. Deming** has described the situation aptly when he said, "It's all so simple, and it's silly". Despite the simplicity, however, most people have difficulty learning to execute policy deployment effectively. This is because the complications which can arise in practice are not so simple. There does not seem to be a limit on the ways in which people can fail to understand one another or managers can misunderstand reality.

STRATEGIC PLANNING

▪   The process of envisioning an organization's future and developing the necessary procedures and operations to achieve that future.

"A strategy is a pattern or plan that integrates an organization's major goals, policies, and action sequences into a cohesive whole."

James Quinn Formal strategy includes:

▪   Goals to be achieved
▪   Policies to guide or limit action
▪   Action sequences, or programs, that accomplish the goals

Tasks Accomplished by Strategic Planning:

▪   Understand important customer and operational requirements
▪   Optimize use of resources and ensure bridging between short-term and longer-term requirements
▪   Ensure that quality initiatives are understood at all organizational levels
▪   Ensure that work organizations and structures will facilitate accomplishment of strategic plan

EXISTING SYSTEM

The quality manual details out the Quality Management Systems, Organisation and Responsibilities of the inter-related functions to meet the Quality Policy, Objectives and the requirements of ISO 9001:2000. The Quality Manual is supported second and third tier documents, each tier becoming progressively more detailed. The chapters of the Quality Manual are aligned with the clauses of ISO 9001:2000.

The quality manual is approved by Head/Quality and made available online for access by all concerned through their companies through their computers. Revision to the manuals are notified by Head/Quality and updated for online viewing. Hard Copies are maintained and issued only where necessary.

The Quality Manual is controlled by the revision status of the table of Contents and Record of Revisions. Each chapter is controlled for revision and the revision status is indicated in the table of contents.

Whenever there is a change to Quality Management Systems (QMS) the relevant chapters, record of revisions and the table of contents are updated and communicated to all concerned. Controlled copyholders will be issued with the updated sheets and the obsolete sheets are withdrawn. Uncontrolled copies will be current during issue but may not be updated after issue.

The master copy of the Quality manual approved by the certification body will be maintained by the Head / Quality.

PROPOSED METHODOLOGY

Policy Deployment process aligns the organization to focus on breakthrough improvements indicated in the annual plan.

The policy deployment process is described in following steps:

a.   Annual Policy setting.
b.   Deployment of Policy and Action Plan.
c.   Action plan implementation and periodic monitoring of results.
d.   Annual performance review.

LIMITATIONS

Employment is the phenomenon of allocation of work to the different levels of the organization. Policy deployment is the allocation of responsibilities in work to the different levels of organization. The integration of responsibilities is a difficult task. Also the implementation of quality policy in small scale industries is a time consumable target.

CONCLUSION

Taking an organization from vision to action is not a simple task. Since no one organization has discovered the perfect answer, it is up to each organization to develop its own approach based on its quality philosophy. Policy deployment is the way to align all efforts in the company towards its managerial goals.