

## **Quality improvement services and mentoring.**

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#### **1. Introduction**

For the many organizations sales or other funding normally anticipates and depends on a demonstration of quality and compliance to standards.

The concept of continual quality improvement that supports compliance is a specialized discipline that commands remuneration of up to \$151,000<sup>1</sup> in the service industries. Many organizations are too small to afford such a specialist. As a result the opportunity to manage a system for continual improvement, and thus to avoid errors before they occur, is often lost.

This proposal offers access to professional support for the development and maintenance of a quality improvement services based on internal audit, reporting to senior management and mentoring senior management on quality improvement steps at a marginal cost.

#### **2. The Issues**

In a multi department organization, dedicated and professional staff in a particular function or discipline tends to fall to the trap of developing and running systems '*in Silos*'. Typically these are either documented or implied systems (undocumented) and relying on institutional knowledge. This makes them difficult to measure and to relate to whole of organization goals. In addition the use of an internal audit function, reporting to the CEO and senior management is a feature largely absent in small and medium sized business. This also impacts on the ability to achieve 'whole of business' continual quality improvement.

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<sup>1</sup> [http://www.payscale.com/research/AU/Job=Quality\\_Assurance\\_\(QA\)\\_Manager\\_Service\\_Industry/Salary](http://www.payscale.com/research/AU/Job=Quality_Assurance_(QA)_Manager_Service_Industry/Salary)

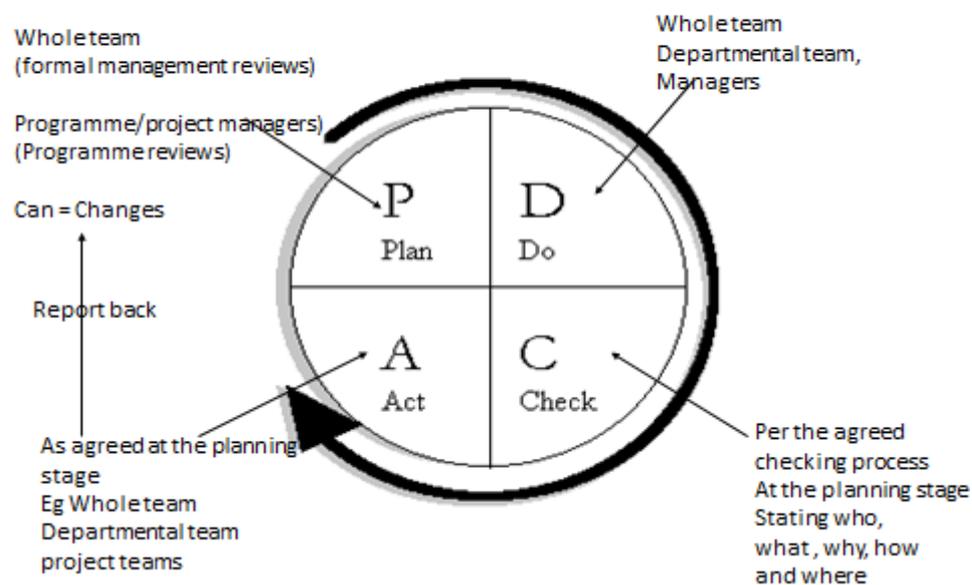
The current environment is often compliance based and typically leads to the following cycle of actions within a business:

**Compliance audit → Corrective actions → Fix Corrective actions → Next compliance audit.**

This cycle cannot support continual quality improvement and leads to a negative cycle of fixing things after they happen.

The concept of continual quality improvement relies on a structured approach.

The classic structure is the so called Plan do Check Act (PDCA) cycle



An organization that has guidance in continual quality improvement can fix things before they happen and save valuable staff time and cost.<sup>2</sup>

This approach can be simply adapted for any organization and can be tailored to current in house systems

NOTE: The current system is always the appropriate start point. It is not the intention to throw out existing systems but to put them into a continual quality improvement cycle.

<sup>2</sup> <http://www.csia.com.au/CSIA%20National%20Customer%20Service%20Week%20slides%20and%20article.pdf>

### 3 Proposal and indicative investment.

An approach is offered to provide quality improvement disciplines, plus some additional optional services, to underpin the effectiveness of the system and to support continual quality improvement.

#### Internal audit and management review

Internal audit is first party auditing (us on us). Businesses are often very familiar with third party audit (them on us) with clients and certification bodies undertaking external audits. The process for third party audit is necessarily very different than internal auditing with compliance being the main arbiter not continual improvement.

Auditing has got a bad reputation largely because of compliance style auditing with an impression that the auditor is looking for faults and gains some pleasure out of discovering noncompliance (the so called “Gottcha” auditing)

A whimsical definition of this type of auditor is:

“one who comes upon the battlefield when the battle is done and attacks the wounded.”

Under this proposal the internal auditing process needs to reflect a style of auditing that is consistent with continual improvement not compliance.

Under the proposed approach each service area would be subject to an internal audit, with a frequency determined by the CEO and senior management, on the basis of risk and confidence. For example senior management may want to include a review of a new products or contracts in an internal audit rather than review existing and established contracts.

For each audit there would be a report and in person ‘management review’ meeting with CEO and senior executive to examine the outcomes and the continual improvement actions that have been identified.

The following example is based on one audit of service areas with an existing documented system.

Actions	Time	Cost per service area
Internal audit	2 days including on site time and report writing	\$2,500
In person management review meeting.	Half a day on site.	\$500

This includes all time local travel and incidental costs. GST and non-local travel is additional.

### **Plus Optional mentoring of in house staff.**

Larger organizations who wish to embrace quality improvement may, through this process, identify a business case for in house management of quality improvement rather than outsourcing. In this case there can be an arrangement where the system is established by Pinnacle Quality but then in-house staff are mentored to take over the function.

Under this arrangement, as well as initial mentoring, an arrangement of on call mentoring/assistance could be agreed upon once the staff member takes over the quality improvement function.

### **Plus Optional documented system review and integration**

It is often easier to do a ground level review of documentation before embarking on an internal audit and review phase.

Under this option the Policies and Procedures will be reviewed, checked for consistency and formatted for simplicity and ease of reading. They will also be checked for consistency with all identified standards and compliance identified by the client. **The aim will be a single documented system that is fully integrated to cover all compliance audit situations.**

Several conventions will be followed:

The voice will be present tense and active, avoiding language such as 'may' or 'should' which opens the procedure to interpretation. During audit this means that if a procedure is not undertaken as written then a corrective action applies.

The procedures will, wherever possible allow the user the discretion of achieving an outcome without being overly prescriptive as to the exact method needed to reach that outcome. In this way the document can be shorter but no less imperative as to the procedure that needs to be followed.

Allied to this concept, where a form or another procedure applies it will be referenced and not repeated. This avoids a situation whereby a related form or other procedure changes inevitably leading to documentation control errors.

Furthermore, where an external document applies it will be referenced and not copied verbatim into the body of the text, for example legislation.

The document will be simple and readable aiming at a Gunning Fog readability index of 12 (able to be understood by a 12 year old).

Documentation control conventions (per ISO 9001:2000 clause 4.2.3) will be followed.

The document will be written on the assumption that it will be rendered both in hard copy and online.

Quotes for costs will depend on the size of the system under review.

### **Plus an optional documentation control service**

Under this proposal the organization will pull together a complete inventory of all documents for each section in the identified documentation structure and create a single (uncontrolled) hard copy of these and a soft copy.

A professional documentation control expert will create an inventory of documents in the most appropriate form and identify the current versions of the documents, their owners/reviewers, the person approving, the next review date etc. Then develop an ongoing documentation control system that can be managed by the organization or outsourced. As before this can be managed by Pinnacle Quality for a short while whilst an identified staff member is mentored into the new system.

Quotes for costs will depend on the size of the system under review.