



IE407 Total Quality Management

Lecture 09



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Reminder: SA grade

- ▶ SA grade will be determined by the attendance system
- ▶ More than 8 absents will automatically lead to SA grade
- ▶ Please be careful about your attendance in lectures





Besterfield Chapter 2: Leadership





Strategic Planning

Goals and Objectives

- ▶ Strategic planning is long term planning to achieve goals
- ▶ Operational planning is short term planning to achieve objectives
- ▶ Goals and objectives are synonymous but we can make a distinction by using goals for long term and objectives for short term
 - ▶ Goal is to win the war
 - ▶ Objective is to capture the bridge
- ▶ Concrete goals are necessary to provide a focus
- ▶ Goals must be realistic and based on statistical evidence

Goals and Objectives - 2

- ▶ Goals must be definitive, specific, and understandable in terms of results (as opposed to behaviours or attitudes)
 - ▶ Goals must be challenging yet achievable
- ▶ Most important characteristic of goals is that they be measurable
 - ▶ Only measurable goals can be evaluated
- ▶ Statement of goals must include a plan or method with resources together with a specific timeframe or deadline for their achievement
- ▶ Everyone who will be affected by achievement of goals should be involved in their formalization

S.M.A.R.T. Goal Setting

- ▶ **S**pecific
- ▶ **M**easurable
- ▶ **A**ttainable / **A**ssignable
- ▶ **R**elevant / **R**ealistic
- ▶ **T**imely / **T**ime-Based
- ▶ Visit and read:
<http://www.yourcoach.be/en/coaching-tools/smart-goal-setting.php>
- ▶ See next slide



S

Specific

What, Where
How?

A specific goal is distinct & defines as much of the goal as possible and contains no ambiguous language

M

Measurable

From and To
A measurement gives feedback and let's one know when the goal is complete.

A

Assignable

Who?
Goals must be assignable to individuals or groups

R

Realistic

Feasible?
Realistic goals are challenging yet attainable within the given timeframe

T

Time-Based

When?
Timeframe must be aggressive yet realistic



Source:

<https://wikispaces.psu.edu/display/PSYCH484/6.+Goal+Setting+Theory>

Seven Steps to Strategic Planning

- ▶ Discover the future needs of customers
- ▶ Customer positioning: Where the organization wants to be in relation to the customers
- ▶ Predict the future: Demographics, economic forecasts, and technical assessments or projections
- ▶ Gap analysis: Identify the gaps between the current state and the desired future state
- ▶ Closing the gap: Plan to close the gap by establishing goals and responsibilities
 - ▶ All stakeholders should be included in the development of the plan



Seven Steps to Strategic Planning - 2

- ▶ Alignment with mission, vision, and core values and concepts of the organization
- ▶ Implementation
 - ▶ Frequently the most difficult step
 - ▶ Resources must be allocated to collecting data, designing changes, and overcoming resistance to change
 - ▶ Requires monitoring to ensure that progress is being made
- ▶ **In a nutshell: Plan to do the right thing at the right time, every time**



Annual Quality Improvement Program

- ▶ Strategic plan being long term, preparation of annual plan in accordance with the strategic plan
 - ▶ Permits the implementation of strategic plan in an orderly manner
- ▶ Annual quality improvement program should develop:
 - ▶ A sense of responsibility for active participation in making improvements
 - ▶ The skill needed to make improvements
 - ▶ The habit of annual improvement
 - ▶ Each year better than the previous
- ▶ Operating personnel should be involved with setting objectives
 - ▶ Management should support them with training and resources



References

- ▶ Besterfield, Dale H. and others. 2019. *Total Quality Management*, 5th edition. Pearson India

