

Assessment task 3 – Quality management system

BSBPMG513A (505A)

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Introduction

Purpose of assessment

To provide evidence of your skills and knowledge related to the effectiveness of a QMS within an organisation.

This assessment task accounts for 50% of total assessment.

Assessment task

You are required to review a QMS of an organisation to identify its strengths and weaknesses.

To do this, you will need to contact a suitable organisation and request their cooperation in completing this task.

You must interview the people responsible for making sure of the effectiveness of the QMS to inform development of a report documenting your findings.

Your report must include discussion about how the system has been developed to satisfy stakeholders' needs. You must also therefore articulate how senior management of the organisation foster a quality-focused culture:

- explain how quality strategies are implemented and managed to make sure of the desired outcomes
- discuss the effectiveness of the tools and techniques used in the system.

Assessment task 3 –Quality management system

The strengths and weaknesses of MT organisation by reviewing its QMS.

1. Explain how quality strategies are implemented and managed to make sure of the desired outcomes

MT has implemented the ISO 9000 quality management system to measure and document the results of project activities to make sure they meet the desired outcomes and stakeholders' needs. However, different stakeholders have different needs, some of them focus on the budget, some focus on the timeframe of the project and some focus on if the finishing house can totally show their ideas as designed. A QMS need to balance out all these enquires, also need to comply with the relevant building and construction regulations, and existing standards such as Australian building and construction standards, material standards and professional technique standards.

The QMS has been made by MT is trying to lead to greater profitability for stakeholders. Also, MT have developed reward and management system for their employees, such as employee of the month awards, employee suggestion boxes, cash rewards for saving an organization money and decentralized decision making. MT believes a good QMS can also lead to employee satisfaction, which has a chain reaction effect on customer satisfaction.

MT follows 4 respects to improve their QMS.

At first, set quality strategies:

- Determining quality objectives
- Quality assurance
- Quality control

Secondly, determining quality objectives:

- Enable you to perform product verification at the supplier's site
- Specify documentation requirements
- Specify how you evaluate and select suppliers based on criteria for selection, evaluation and re-evaluation

- Allow you to determine the type and extend of control applied to the supplier and the purchased product or service

Thirdly, quality assurance:

- Reduce rework and waste
- All construction work is done correctly the first time
- Improve the efficiency and overall job effectiveness
- Rework and waste is reduced.
- Quality assurance gives credibility to the organisation.
- Efficiency and overall job effectiveness is improved.
- The organisation will have a marketing advantage over competitors.
- A systematic and well planned organisation is created through use of quality systems.

Finally, quality control:

- Defined as the operational techniques and the activities used
- Keep the quality of outcomes to the expected specifications
- Quality control is a reactive (after the event) approach, which means that you must therefore focus on preventing problems before they occur and not focus on controlling problems that should not have happened in the first place.

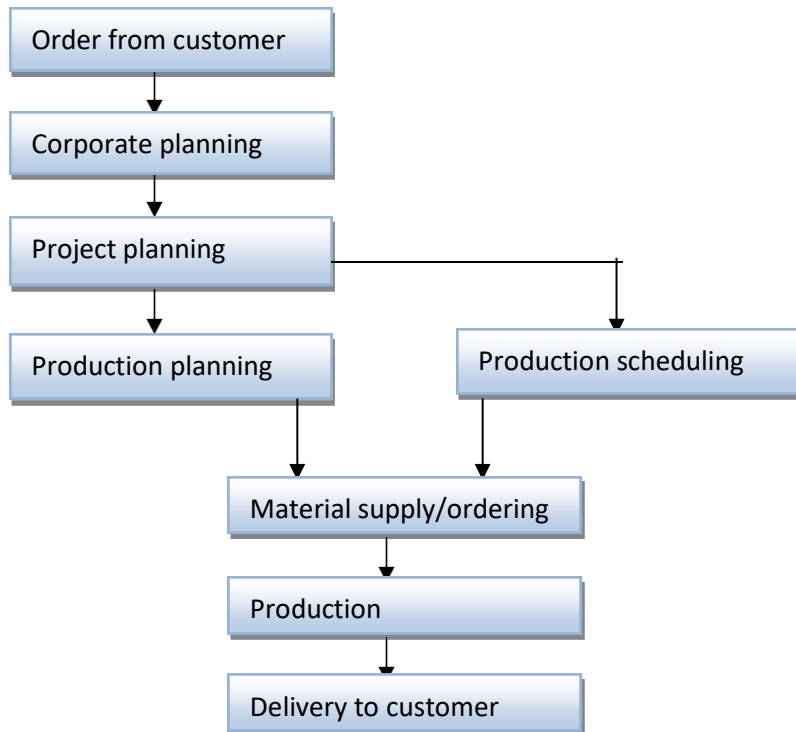
2. Discuss the effectiveness of the tools and techniques used in the system.

MT use different tools and techniques to improve their system.

a. Benchmarking

Benchmarking is the process of comparing the organisation's processes and outputs with a standard. It involves identifying other organisations, sometimes a competitor, embracing best practice and using these as the basis for comparing your organisation. For MT, they benchmark their system against their main competitors, the building company who focus on Luxury house market and the building company who works in commercial sector. By benchmarking, MT is able to specify the standard and target they are willing to achieve, it help their works become more efficient.

- b. Flow charts,** it is the most widely used project management tools. They can be simple or complex depending on the requirements of the user. Flow charts are a pictorial representation of a process that show the steps required to complete the process. By using flow chart, MT's system is more clear and easy understanding by showing step by step.



- c. Brainstorming,** it is a group activity that helps organisations pull apart problems and suggest possible solutions. It can also be used to generate ideas for future development and how to meet customer needs. MT has employee suggestion boxes in the office to let employees contribute their ideas to the system, and it is very effective in helping MT improve their QMS.
- d. Surveys,** Surveys are used to collect information about what customers, or potential customers, want or how they rate your products and services. MT has its own service department to follow up their customers and get feedback from customers, also give customer curtesy calls every 3 months to keep business relationship. It is very effective and it helps MT improve their QMS.

e. Cost/benefit analysis

By continually reviewing charts and determining trends in data after changes have been made to processes, comparisons can be made to determine the success, or otherwise, of particular changes. Costs to quality can then be analyzed.

By using cost/benefit analysis, MT compares their cost, their profit and makes their system more effective.

f. Cause and effect diagrams:

A cause and effect diagram shows the relationship between a particular effect and its associated causes. It is best prepared by a group of people who are familiar with the problem under discussion. Information may come from a brainstorming session as discussed previously.

The cause and effect diagrams enhance the effectiveness of dealing emergency issues for MT.

g. Work breakdown structure (WBS)

A work breakdown structure (WBS) is an outline of the project. Using the project goals as a guide, the project is broken down into milestones. The tasks required to achieve the milestones are then determined. The tasks become the next level in the WBS. By using WBS, MT is more efficient on tracing back to details and root problems.

h. Network diagram:

A network diagram allows the relationship between tasks to be mapped. A WBS shows only the hierarchical relationships, not the sequence of events. A network diagram shows the workflow, not just the work. When planning projects, it is best, but not essential, for you to create a WBS before a network diagram. It helps MT's system become more efficient.

i. Pareto charts:

By using Pareto chart, MT's system is more clear and easy understanding by showing step by step.

j. Plan-Do-Check-Act model

PDCA model is an approach to continuous improvement consisting of four phases and associated steps, Plan-Do-Check-Act. MT use this model to continually improve their system, it starts quality improvement programs with careful

planning, then followed up by effective action and review. It helps MT improve their system efficiently.

3. Overall,

3.1 The strengths of MT's QMS

- **Increased marketability**— as an ISO 9000 registration quality management system, it provides businesses with markedly heightened credibility with current and prospective clients to MT. Basically, it proves that the company is dedicated to providing quality to its customers, which is no small advantage whether the company is negotiating with a long-time customer or endeavoring to pry a potentially lucrative customer away from a competitor. This benefit manifests itself not only in increased customer retention, but also in increased customer acquisition and heightened ability to enter into new markets
- **Reduced operational expenses**— MT focus on 4 areas to improve and perfect their QMS. It helps MT to exposes significant shortcomings in various operational areas , then the company can take the appropriate steps to improve its processes. These improved efficiencies can help companies garner savings in both time and money.
- **Better management control**— MT use efficient management control with so much documentation and self-assessment to increased understanding of the company's overall direction and processes as a significant benefit.
- **Increased customer satisfaction**— MT use a few different tools and techniques to improve their effectiveness of the system. And such effort often brings higher levels of customer satisfaction.
- **Improved internal communication**— MT's management system emphasis on self-analysis and operations management issues encourages various internal areas or departments of companies to interact with one another in hopes of gaining a more complete understanding of the needs and desires of their internal customers.
- **Improved customer service**—MT often serves to refocus company priorities on pleasing their customers in all respects. MT has its own service department, they do surveys to collect information their products and services. They follow up their customers and get feedback from customers frequently, they give customer curtesy calls every 3 months to keep business relationship. It also helps heighten awareness of quality issues among employees.

- Attractiveness to investors— by marketing with ISO-9000 certification can be a potent tool in securing funding from venture capital firms, MT has already built up a reliable image as a profit guarantee company to their current and potential customers.

3.2 weaknesses

- Heavy rely on documentation—MT'S QMS process relies heavily on documentation of internal operating procedures in many areas, that makes the office environment is too rigid and constricting.
- Length of the process— Due to the complex hierarchy, some process that takes many months to complete.
- Detail management: ignoring or mistake of details in the system that might lead unsatisfactory results.
- Each department working only for itself.
- Heavy relies on the systems.
- Confusing quality with grade.
- Accepting that a level of defects or errors is inevitable.
- The “it's not my problem” attitude.
- Costly System maintenance

4. Suggestion:

- The organizational structure and processes needed to review more frequent.
- The improvement of the efficiency of the system maintenance.
- Enhance the management of supervision on site to ensure customer satisfaction.

Conclusion

In conclusion, this assessment demonstrates the evidence of the skills and knowledge related to the effectiveness of a QMS within an organization.

Reference:

Manage project quality (BSBPMG505A)-Learner Resource

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