

QUALITY MANAGEMENT 444

Lecture 16 (Week 8)

Chapter 7 – Strategic planning and performance excellence
Chapter 8 – Organizational roles to support a quality and excellence culture

Prof Imke de Kock

imkedk@sun.ac.za



QUALITY MANAGEMENT 444

Lecture 16 (Week 8)

Chapter 7 – Strategic planning and performance excellence

Prof Imke de Kock

imkedk@sun.ac.za





Strategic planning



Strategic planning is the systematic approach to defining **long-term business goals** and planning the means to **achieve them**.

Once an organization has established its long-term goals, effective strategic planning enables it, year by year, to create an **annual business plan**, which includes the necessary **annual goals, resources, and actions needed** to move toward those goals.



Strategic planning & deployment





Strategic planning & deployment



The first question that often arises in the beginning stages of strategic planning in an organization is, **'Why do strategic planning in the first place?'**

To answer this question requires a look at the **benefits** other organizations have realized from strategic planning. They report that it:

- **Focuses the organization's resources** on the activities that are essential to increasing customer satisfaction, lowering costs, and increasing shareholder value
- Creates a **planning and implementation system** that is responsive, flexible, and disciplined
- Encourages **interdepartmental cooperation**
- Provides a **method to execute breakthroughs** year after year
- Empowers leaders, managers, and employees by providing them with the **resources to carry out the planned initiatives**
- **Eliminates unnecessary and wasteful initiatives** that are not in the plan
- **Eliminates the existence of many potentially conflicting plans**—the finance plan, the marketing plan, the technology plan, and the quality plan
- Focuses resources to ensure **financial plans are achievable**



Strategic planning



The potential benefits of strategic planning and deployment are clear:

- The **goals become clear**—the planning process forces clarification of any vagueness
- The planning process then makes the **goals achievable**
- The **monitoring process** helps to ensure that the **goals are reached**
- Chronic wastes are “scheduled” to be reduced through the **improvement process**
- Creation of **new focus on the customers and quality** is attained as progress is made



Strategic deployment process



Selected definitions	
<i>Mission</i>	What business we are in
<i>Vision</i>	Desired future state of organization
<i>Values</i>	Principles to be observed to meet vision or principle to be served by meeting vision
<i>Policy</i>	How we will operate and our commitment to customers and society



Mission statements



“to give people the power to build community and bring the world closer together.”



“to be earth's most customer-centric company; to build a place where people can come to find and discover anything they might want to buy online”



“to create professional learning opportunities for academic staff in faculties and to be thought leaders in the areas of responsive, innovative and scholarly teaching and learning”



Stellenbosch
UNIVERSITY
IYUNIVESITHI
UNIVERSITEIT

forward together
sonke siya phambili
saam vorentoe



Strategic deployment process



Selected definitions	
<i>Mission</i>	What business we are in
<i>Vision</i>	Desired future state of organization
<i>Values</i>	Principles to be observed to meet vision or principle to be served by meeting vision
<i>Policy</i>	How we will operate and our commitment to customers and society



Vision statements



Apple mission is “to bringing the best user experience to its customers through its innovative hardware, software, and services.” And in a manifesto dated 2009 Tim Cook set the vision specified as “We believe that we are on the face of the earth to make great products and that's not changing.”



Create the most compelling car company of the 21st century by driving the world’s transition to electric vehicles





Strategic deployment process



Selected definitions	
<i>Mission</i>	What business we are in
<i>Vision</i>	Desired future state of organization
<i>Values</i>	Principles to be observed to meet vision or principle to be served by meeting vision
<i>Policy</i>	How we will operate and our commitment to customers and society



Strategic deployment process



The core values of GSK are integrity, respect for people, transparency and the delivery of products that are patient-focused. As an employee, you are expected to share these values and implement them fully across all areas of work.



do more
feel better
live longer

Our values define who we are, what we stand for, and how we behave.

While we come from different backgrounds and cultures, our values are what we have in common. They guide how we work with our clients and each other, inform the type of work we do, and hold us accountable to do our best. They govern our actions and determine our success.

Our values help us work towards our Purpose of building trust in society and solving important problems.

The trust that our clients, communities and our people place in PwC, and our high standards of ethical behaviour, are fundamental to everything we do. Our values underpin our **Code of Conduct** which is our frame of reference for the decisions we make every day. It's how we do business.



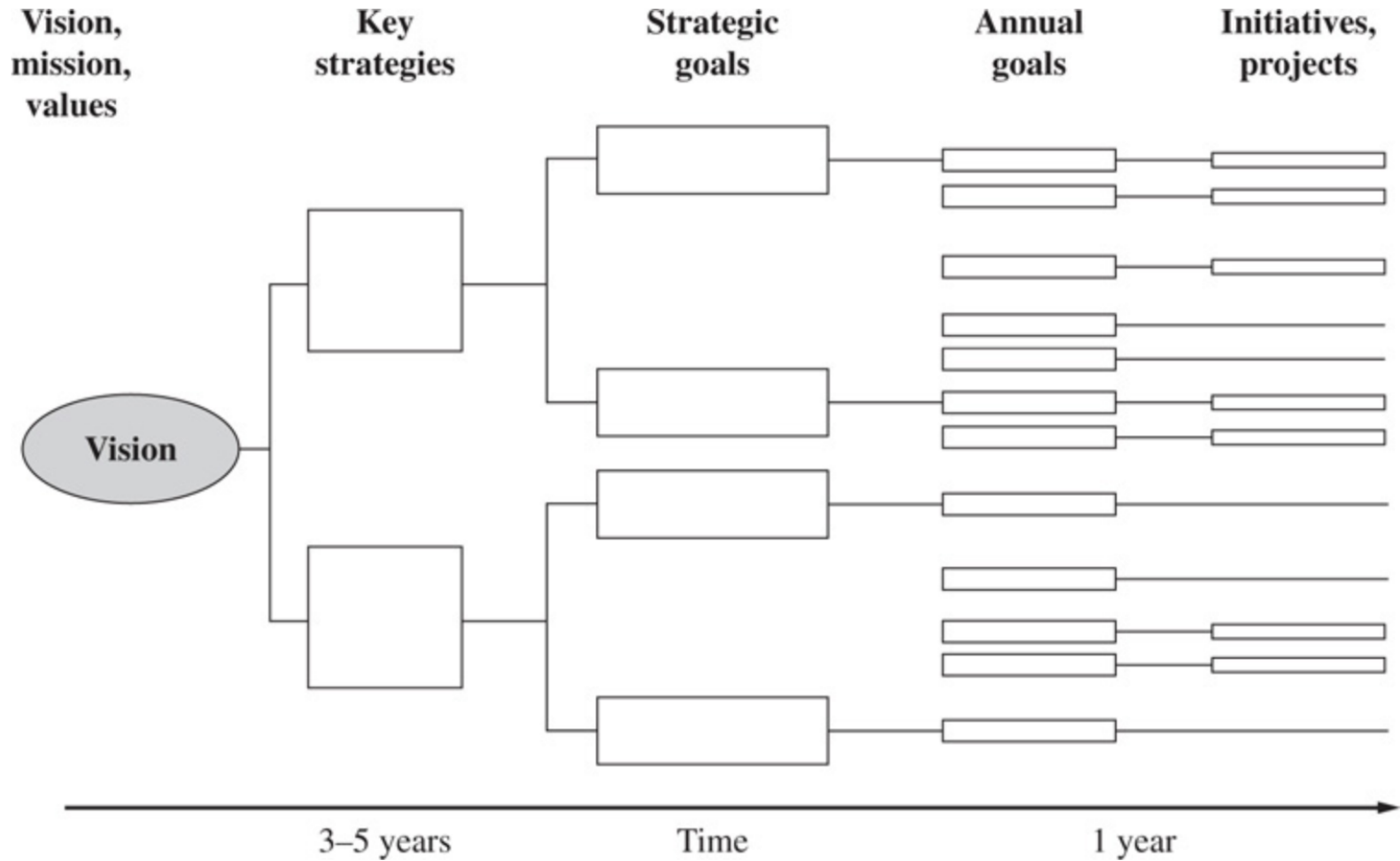
Our values



pwc



Deployment plan





Deployment plan



Agree on your mission: What business are we in? What is our reason for existence?

Ford: "People working together as a lean, global enterprise to make people's lives better through automotive and mobility leadership"

Tesla's mission is to accelerate the world's transition to sustainable energy.

Establish a vision: A desired future state of the organization or enterprise.

A vision should define the benefits a customer, an employee, a shareholder, or society at large can expect from the organization

Develop long-term strategies or goals

The first step in converting the vision into an achievable plan is to break the vision into a small number of key strategies

Key strategies represent the most fundamental choices that the organization will make about how it will go about reaching its vision

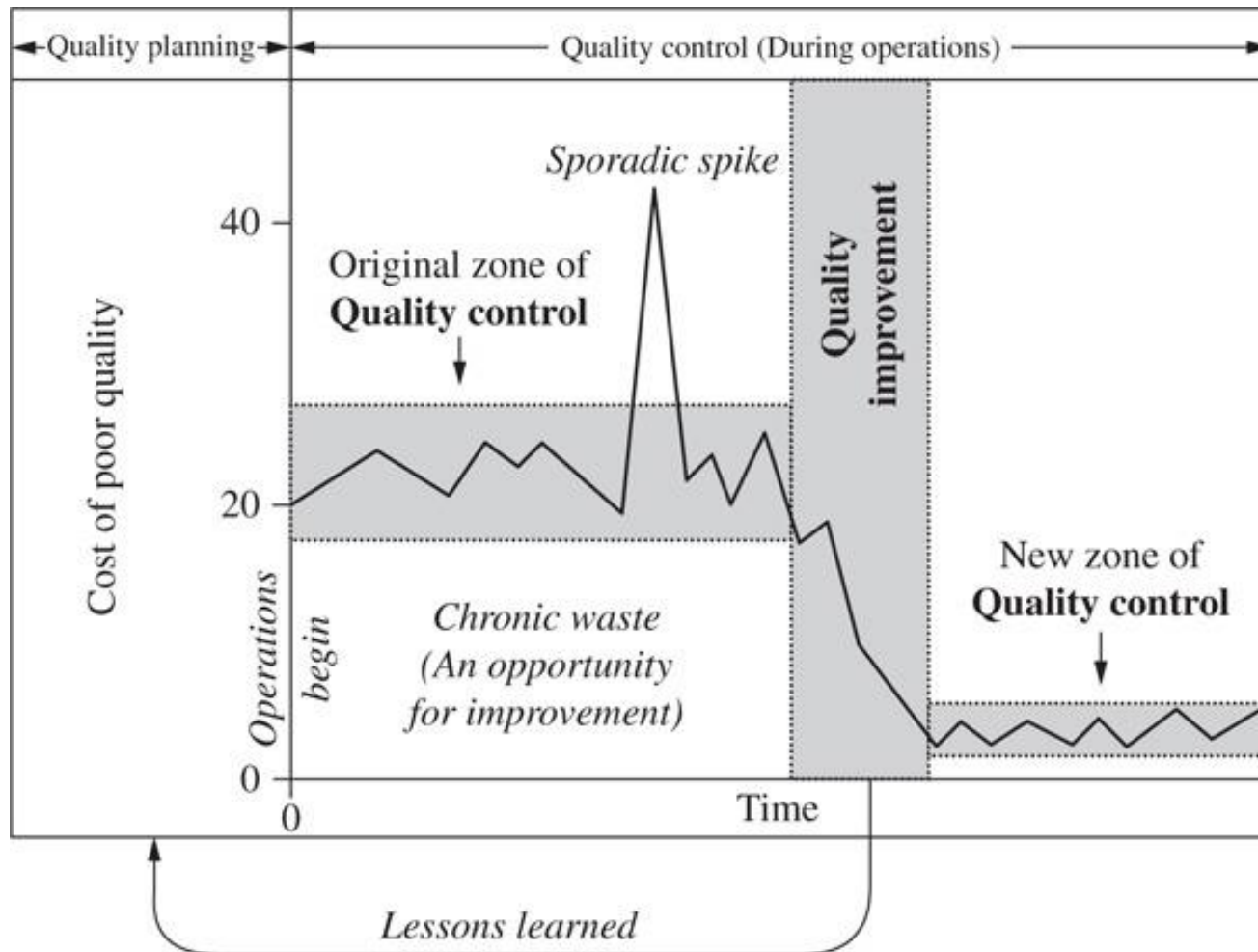
Develop annual goals

An organization sets specific, measurable strategic goals that must be achieved for the broad strategy to be a success

A goal must be specific. It must be quantifiable (measurable) and is to be met within a specific period

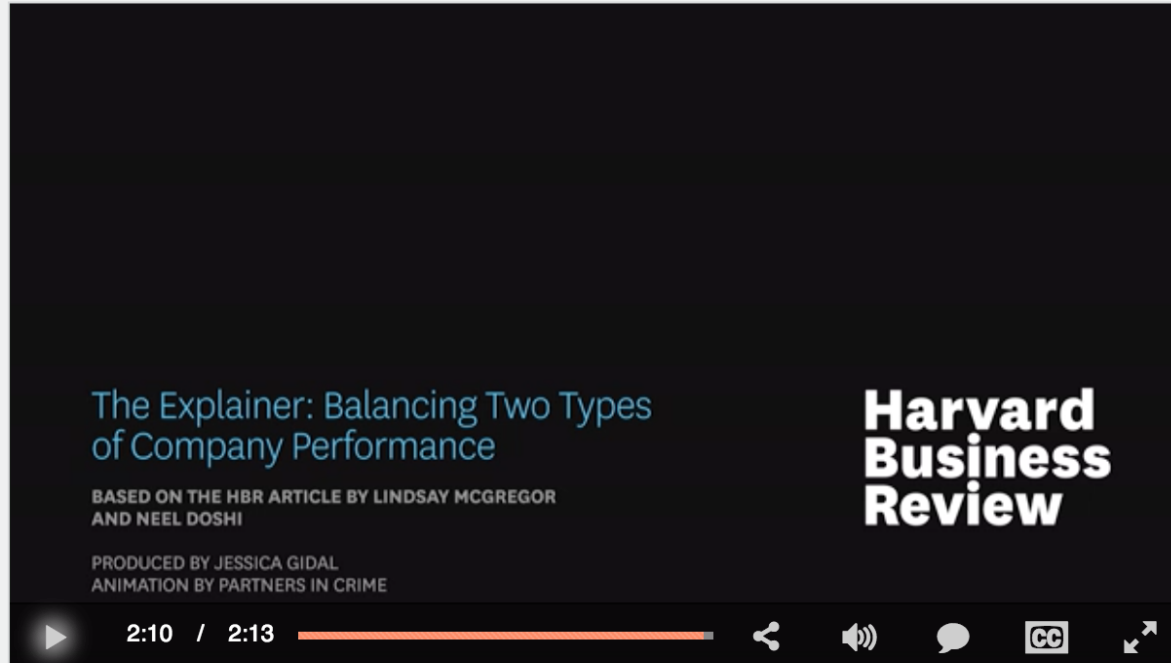


Universal principles for managing for quality: Juran's trilogy





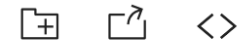
Balancing act



The Explainer: Balancing Two Types of Company Performance

Most organizations only focus on one. For more, read "There Are Two Types of Performance -- but Most Organizations Only Focus on One."

AUGUST 20, 2018 | 2:13



<https://hbr.org/video/5824513674001/the-explainer-balancing-two-types-of-company-performance>

QUALITY MANAGEMENT 444

Lecture 16 (Week 8)

Chapter 8 – Organizational roles to support a quality and excellence culture

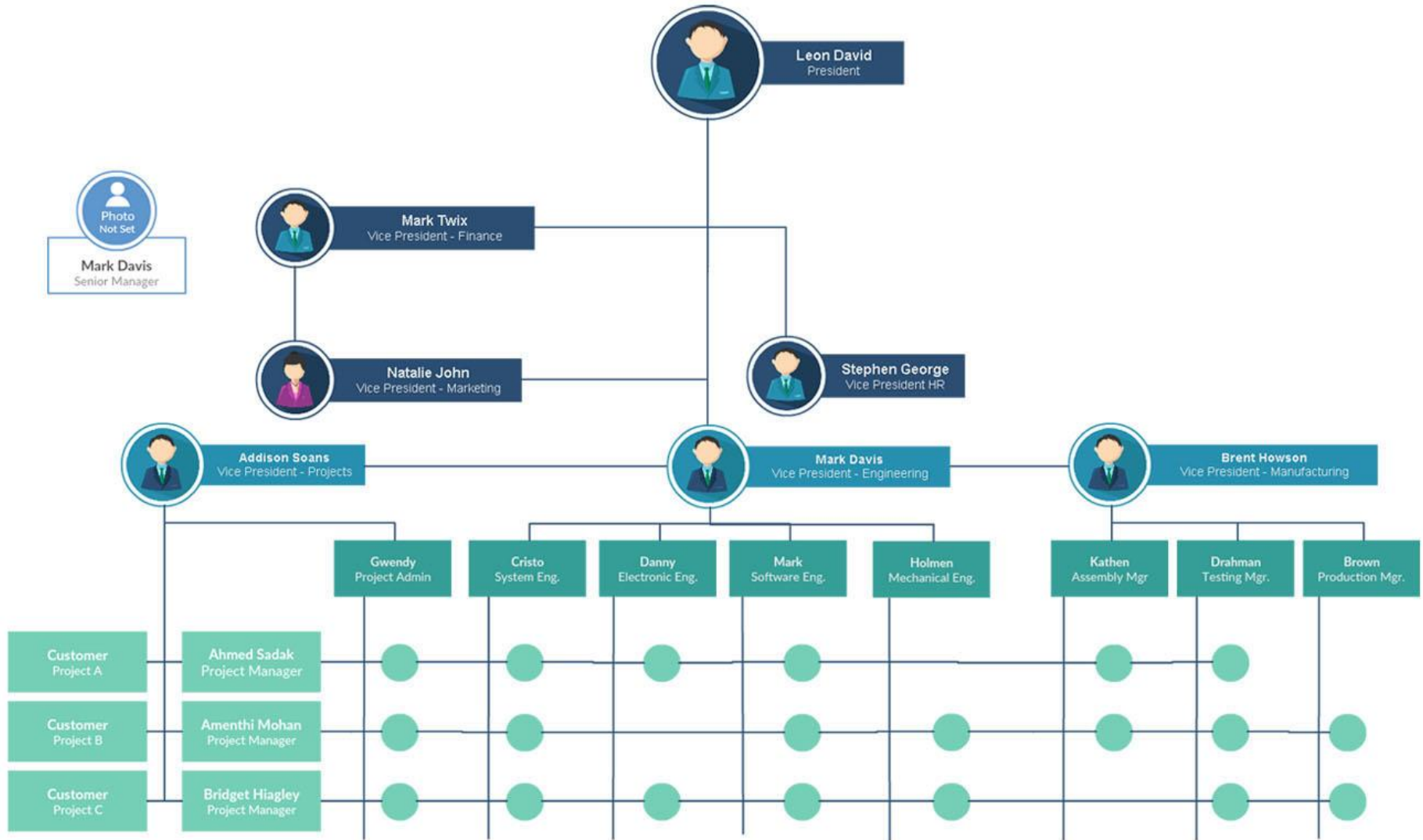
Prof Imke de Kock

imkedk@sun.ac.za





Organisational roles





Role of upper management



- Establish and serve on a quality council
- Establish quality strategies
- Establish, align, and deploy quality goals
- Provide the resources for quality activities
- Provide training in quality methodology
- Serve on upper management quality improvement teams that address chronic problems of an upper management nature
- Review progress and stimulate improvement
- Provide for reward and recognition



Role of the quality leadership council



- Formulating quality strategies and policies
- Estimating major dimensions of the quality issue
- Establishing an infrastructure for selecting quality projects and assigning project team leaders and members
- Providing resources including support for teams
- Planning for training for all levels
- Establishing strategic measures of progress
- Reviewing progress and remove any obstacles to improvement
- Providing for public recognition of teams
- Revising the reward system to reflect progress in quality improvement
- Setting and deploying vision, mission, shared values, quality policy, and quality goals
- Reviewing progress against goals
- Integrating quality goals into business plans and performance management plans



Role of the quality department



- Companywide quality planning
- Setting up quality measurement at all levels]
- Auditing outgoing quality
- Auditing quality practices
- Coordinating and assisting with quality projects
- Participating in supplier partnerships
- Training for quality
- Consulting for quality
- Developing new quality methodologies
- Transferring activities to line departments



Role of the quality director



- Assessing quality
- Formulating goals and policies
- Developing quality strategies to increase sales revenue and reduce internal costs
- Delegating organisational responsibilities for quality
- Carrying out reward and recognition
- Reviewing progress
- Determining personal roles for upper management
- Acting as facilitator to the quality council
- Integrating quality during strategic business planning cycle



Role of management



- Nominating quality problems for solutions.
- Serving as leaders of various types of quality teams.
- Serving as members of quality teams.
- Serving on task forces to assist the quality council in developing elements of the quality strategy.
- Leading the quality activities within their own area by demonstrating a personal commitment and encouraging their employees.
- Identifying customers and suppliers and meeting with them to discover and address their needs



Role of the workforce



- Nominating quality problems for solution
- Serving as members of various types of quality teams
- Identifying elements of their own jobs that do not meet the three criteria of self-control
- Becoming knowledgeable as to the needs of their customers (internal and external)



Role of teams



	Improvement Quality Project Team	Workforce Team	Business Process Quality Team	Self-Directed Team
Purpose	Solve cross-functional quality problems	Solve problems within a department	Plan, control, and improve the quality of a key cross-functional process	Plan, execute, and control work to achieve a defined output
Membership	Combination of managers, professionals, and workforce from multiple departments	Primarily workforce from one department	Primarily managers and professionals from multiple departments	Primarily workforce from one work area
Basis and size of membership	Mandatory; 4–8 members	Voluntary; 6–12 members	Mandatory; 4–6 members	Mandatory; all members in the work area (6–18)
Continuity	Team disbands after project is completed	Team remains intact, project after project	Permanent	Permanent
Other names	Quality improvement team	Employee involvement group	Business process management team; process team	Self-supervising team; semiautonomous team



Organisational roles

