

MYTHS AND REALITIES OF QUALITY ASSURANCE

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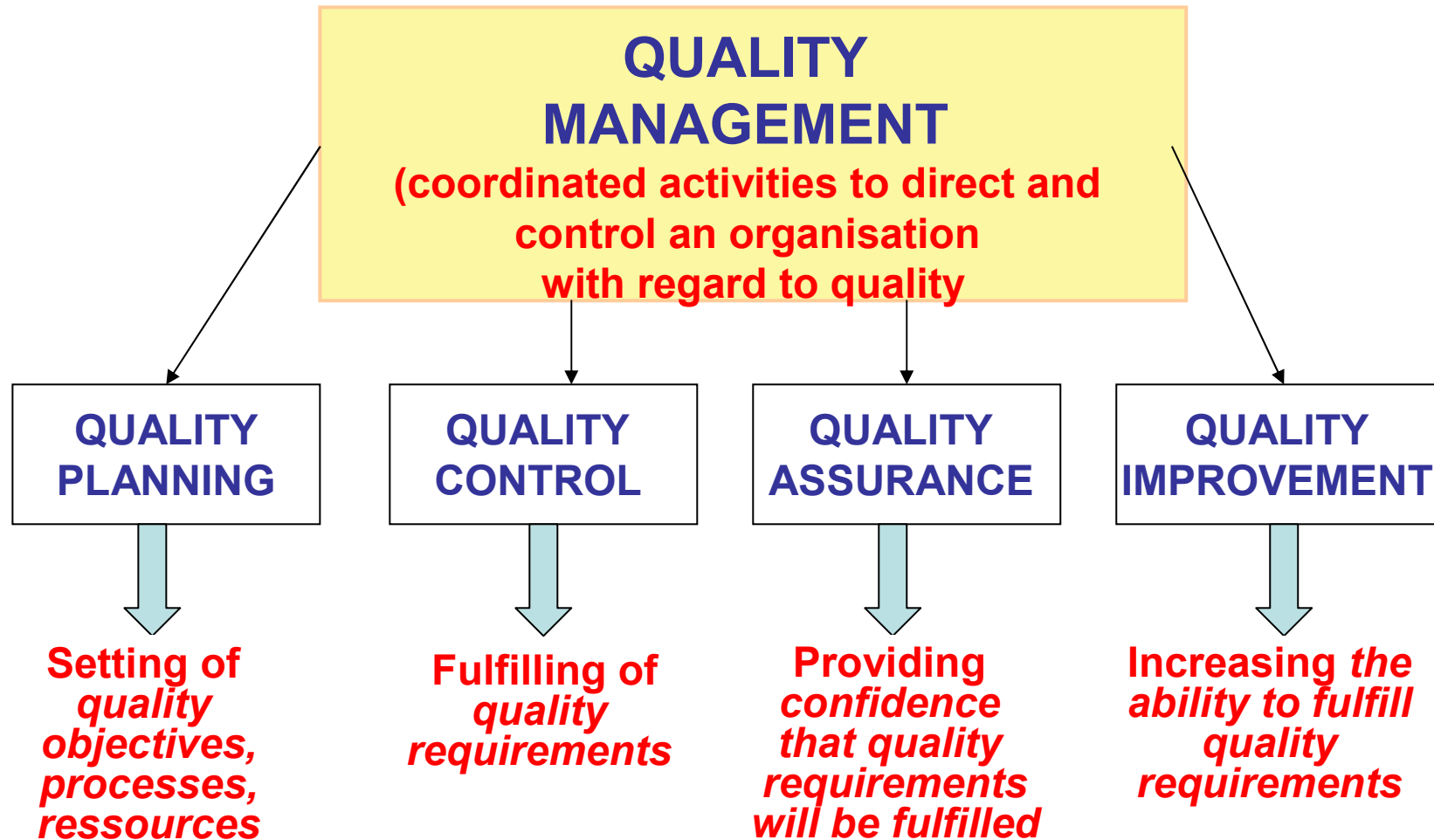
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QUALITY MANAGEMENT

- **"Quality management"** means what the organization does to **ensure** that its products or services **satisfy** the customer's quality requirements and **comply** with any regulations applicable to those products or services.
- The today's **ISO 9000 international quality management standards** require organizations that implement this **to improve their performance continually in quality management.**
- The **ISO 9000 standards family** concern **the way an organization goes about its work**, and not directly the result of this work. In other words, this standard concern **processes**, and not products - at least, not directly. Nevertheless, *the way in which the organization manages its processes is obviously going to affect its final product.*

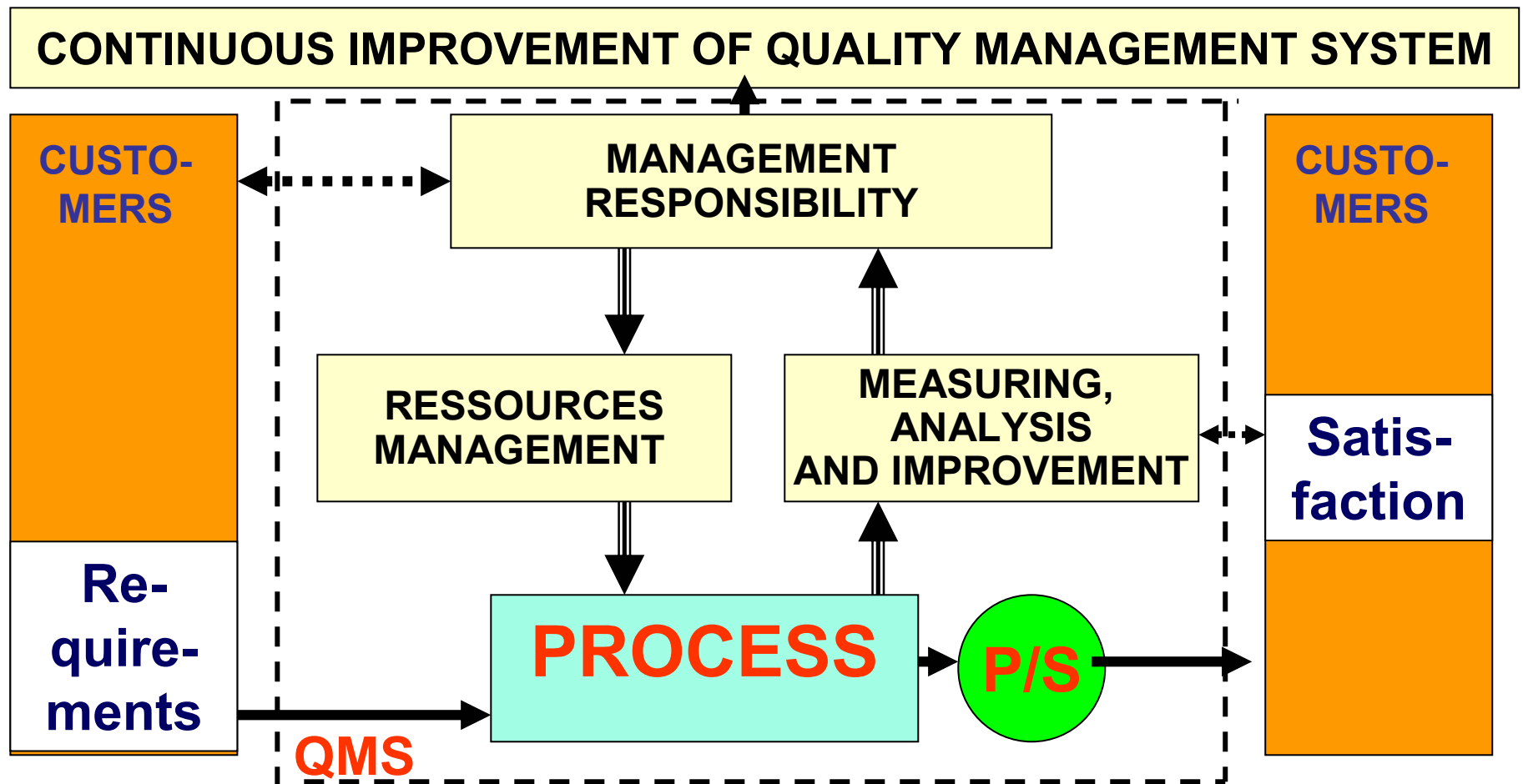
COMPONENTS OF QUALITY MANAGEMENT AND THEIR ROLES



MANAGEMENT SYSTEMS STANDARDS

- **Management system standards** provide the organization with a **model** to follow in setting up and operating the management system. This model incorporates the features on which experts in the field have reached a consensus as representing **the international state of the art**. A management system which follows the model - or "conforms to the standard" - is built on a firm foundation of state-of-the-art practices.
- **Large organizations or ones with complicated processes, could not function well without management systems - although they may have been called by some other name**. Companies in such fields as aerospace, automobiles, defence, or health care devices **have been operating management systems for years**.
- **The ISO 9000 family of management system standards now make these successful practices available for all organizations** when it comes to meeting their objectives concerning quality.

ISO 9000:2000 MODEL OF QUALITY MANAGEMENT SYSTEM



WHY ISO 9000 ARE GENERIC MANAGEMENT SYSTEMS STANDARDS ?

- The vast majority of ISO standards are highly specific to a particular product, material, or process.
- However, ISO 9000 standards are known as **generic management system standards**.
 - **Generic** means that the same standards can be applied to any organization, large or small, whatever its product - including whether its "product" is actually a service - in any sector of activity, and whether it is a business enterprise, a public administration, or a government department.
 - **Management system** refers to what the organization does to manage its processes, or activities in order that the products or services that it produces meet the objectives it has set itself, such as the following:
 - **satisfying the customer's quality requirements,**
 - **complying to regulations**

ISO 9000 MAJOR BENEFITS

- Improved **consistency of service/ product performance**
- Higher **customer satisfaction** levels.
- Improved **customer perception**
- Improved **productivity and efficiency**
- Cost reductions
- Improved **communications, morale and job satisfaction**
- Competitive **advantage** and **increased marketing and sales opportunities**
- International **acceptance and recognition**
- Facilitated trade in **international markets**

WHY SHOULD AN ORGANISATION IMPLEMENT ISO 9000 ?

- The existence of an organization **without customers, or with dissatisfied customers, is in peril!**
- To keep organisation's customers - and to keep them satisfied - its **product** (which may, in fact, **be a service**) **needs to meet their requirements.**
- ISO 9000 provides **a tried and tested framework for taking a systematic approach to managing your business processes** (your organization's activities) **so that they consistently turn out product conforming to the customer's expectations.** And that means **consistently happy customers!**

WHAT DOES IT MEAN ISO 9000?

- **ISO – International Standardisation Organisation** (www.iso.ch) - has been developing **voluntary technical standards** over almost all sectors of business, industry and technology **since 1947**.
- With the exception of ISO 9000 and ISO 14000, **the vast majority of ISO standards are highly specific**. They are *documented agreements containing **technical specifications** or other precise criteria to be used consistently as **rules, guidelines, or definitions of characteristics** to ensure that materials, products, processes and services are fit for their purpose* .
- Then, in 1987, came ISO 9000 - followed nearly 10 years later by ISO 14000 - which have brought ISO to the attention of a much wider business community. **These are very different from the majority of ISO's highly specific standards.**

WHAT IS ISO 9000 ?

- The ISO 9000 family of standards represents **an international consensus on good management practices** with the aim of ensuring that **the organization can time and time again deliver the product or services that meet the customer's quality requirements and applicable regulatory requirements, while aiming to enhance customer satisfaction, and achieve continual improvement of its performance in pursuit of these objectives.**
- These **good practices** have been distilled into **a set of standardized requirements for a quality management system**, regardless of what your organization does, its size, or whether it's in the private, or public sector.
- **International editions: I (1987), II (1994), III (2000)**

SOME OF TODAY'S ROMANIAN MYTHS ON ISO 9000 STANDARDS

- ISO 9000 is a “product standard“
- ISO 9000 is an “authorization”
- ISO 9000 certification is compulsory
- ISO 9000 is a very expensive, time consuming, paper-based and useless approach
- ISO 9000 is to be implemented mainly within big industrial companies; therefore, it is not adequate for higher education organizations
- There are no customers in higher education; therefore, it is nonsense to speak about “customer’s requirements”, “fulfillment” of this requirements and “customer’s satisfaction” within higher education

SOME MISINTERPRETATIONS OF THE ISO 9000 STANDARD

- **It leads to wasted efforts and time...**
 - ...Having to redesign processes numerous times.
 - ...Over implementing the standard - requiring too much in your system.
 - ...Uncovering major nonconformities during your audit, delaying your registration.
- **“If I document everything I do, will I still have value?”**

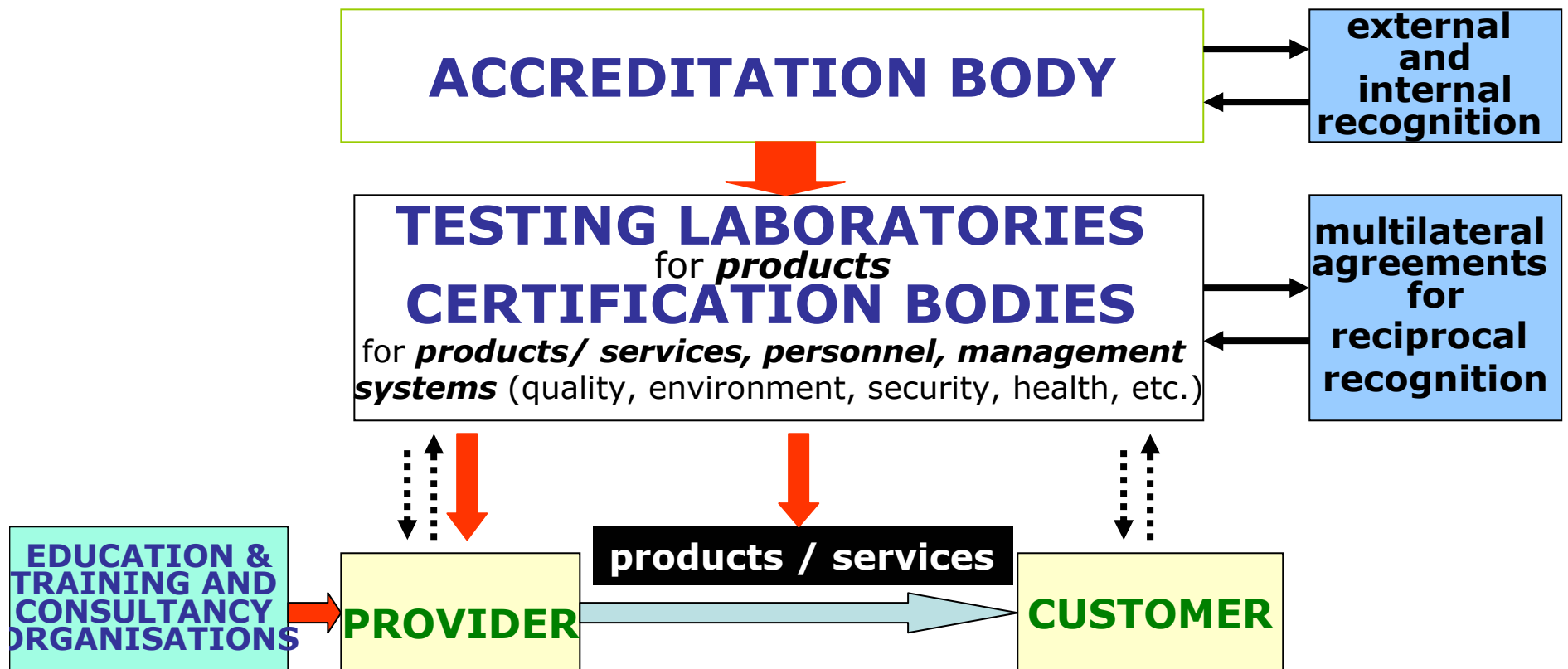
ISO 9000 WORLD STATISTICS

- **Up to the end of December 2004, the worldwide total of ISO 9001:2000 certificates was 670 399, an increase of 35 % over the year 2003 and 64 % over 2000**
- **The standard is now implemented in 154 economies.**
- **Top ten countries for ISO 9000:2000 certification (2004) :**
 1. China: 132 926;
 2. Italy: 84 485;
 3. UK: 50 884;
 4. Japan: 48 989;
 5. Spain: 40 972;
 6. USA: 37 285;
 7. France: 27 101;
 8. Germany: 26 654;
 9. Australia: 17 365;
 10. India: 12 558

EVOLUTION OF ISO 9001:2000 CERTIFICATIONS IN EUROPE (SOME EXAMPLES)

| | 12.2001 | 12.2002 | 12.2003 | 12.2004 |
|------------|---------|---------|---------|---------|
| ROMANIA | 87 | 767 | 2 052 | 5 183 |
| BULGARIA | 38 | 246 | 842 | 1 685 |
| CZECH REP. | 320 | 1125 | 2 565 | 10 781 |
| HUNGARY | 1 349 | 4446 | 7 750 | 10 207 |
| POLAND | 232 | 914 | 3 216 | 5 753 |
| FRANCE | 2 194 | 6 529 | 15 073 | 27 101 |
| GERMANY | 2 338 | 10 811 | 23 598 | 26 654 |
| ITALY | 1 974 | 14 733 | 64 120 | 84 485 |
| UK | 8 501 | 9 301 | 45 465 | 50 884 |

CONFIDENCE GENERATION through CERTIFICATION and ACCREDITATION



CERTIFICATION, REGISTRATION AND ACCREDITATION

- According to the standardized definitions, terms like "certification", "registration" and "accreditation" **are not quite the same thing.**
- In the context of ISO 9001:2000, "**certification**" refers to the issuing of written assurance (the certificate) by an independent, external body that has audited an organization's management system and verified that it conforms to the requirements specified in the standard. "**Registration**" means that the auditing body then records the certification in its client register.
- The organization's management system has therefore been **both certified and registered.** For practical purposes, in the ISO 9001:2000 context, **the difference between the two terms is not significant** and both are acceptable for general use.
- "**Certification**" seems to be **the term most widely used worldwide**, although **registration** (from which "registrar" as an alternative to registration/certification body) is often preferred in North America, and the two are also used interchangeably.
- On the contrary, **using "accreditation" as an interchangeable alternative for certification or registration is a mistake**, because it means something different. In the ISO 9001:2000 context, **accreditation refers to the formal recognition by a specialized body - an accreditation body - that a certification body is competent to carry out ISO 9001:2000 certification in specified business sectors.** In simple terms, **accreditation is like certification of the certification body.**
- Certificates issued by accredited certification bodies - and known as "**accredited certificates**" - **may be perceived on the market as having increased credibility.**

CERTIFICATION IS NOT COMPULSORY

- It is possible to implement ISO 9001:2000 **without seeking to have your management system audited and certified** as conforming to the standards, by an independent, external certification body.
- Like all ISO standards, ISO 9001:2000 is a voluntary standard. Your organization can implement them **solely for the internal benefits they bring in increased effectiveness and efficiency of your operations,** without incurring the investment required in a certification program.
- **Deciding to have an independent audit** of your system - in order to confirm that it conforms to the standard - **is a decision to be taken on business grounds** – if, for example:
 - it is a *contractual, regulatory, or market requirement,*
 - it meets *customer preferences,*
 - it is *part of a risk management program,* or (if you think)
 - it *will motivate your staff* by setting a clear goal for the development of the management system.

PYRAMID OF CREDIBILITY



QUALITY MANAGEMENT PRINCIPLES

- The eight quality management principles are defined in **ISO 9000:2000**, *Quality management systems Fundamentals and vocabulary*, and in **ISO 9004:2000**, *Quality management systems Guidelines for performance improvements*.
- Following slides give the **standardized descriptions** of the principles as they appear in ISO 9000:2000 and ISO 9004:2000. In addition, they provide **examples of the benefits** derived from their use and of **actions** that managers typically take in applying the principles to improve their organizations' performance.
- Principle 1 : Customer focus
- Principle 2 : Leadership
- Principle 3 : Involvement of people
- Principle 4 : Process approach
- Principle 5 : System approach to management
- Principle 6 : Continual improvement
- Principle 7 : Factual approach to decision making
- Principle 8 : Mutually beneficial supplier relationships

PRINCIPLE 1 : CUSTOMER FOCUS

Organizations depend on their customers and therefore should understand *current and future customer needs*, should meet *customer requirements* and *strive to exceed customer expectations*.

KEY BENEFITS:

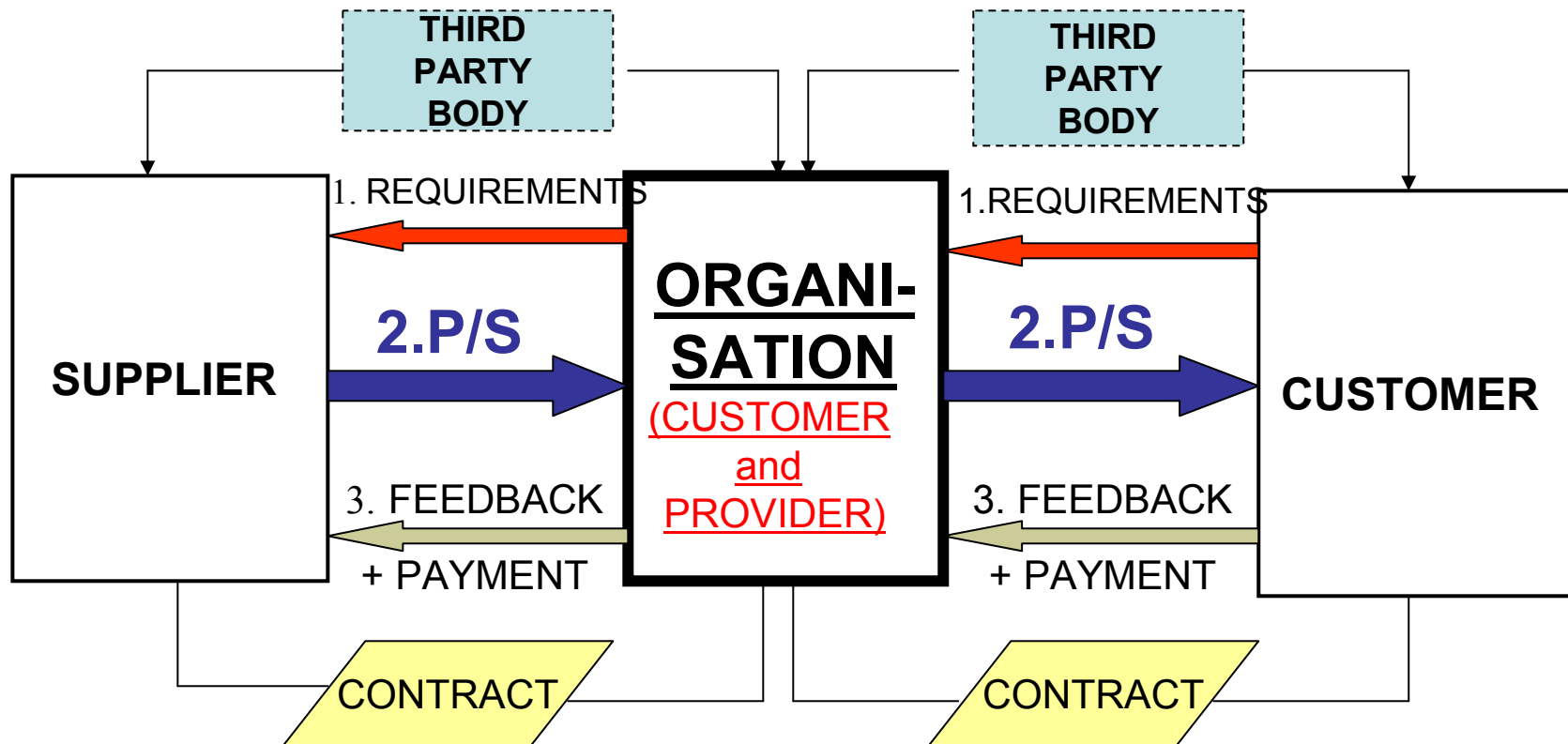
- Increased revenue and market share obtained through flexible and fast responses to market opportunities.
- Increased effectiveness in the use of the organization's resources to enhance customer satisfaction.
- Improved customer loyalty leading to repeat business.

APPLYING THE PRINCIPLE OF CUSTOMER FOCUS TYPICALLY LEADS TO:

- Researching and understanding customer needs and expectations.
- Ensuring that the objectives of the organization are linked to customer needs and expectations.
- Communicating customer needs and expectations throughout the organization.
- Measuring customer satisfaction and acting on the results.
- Systematically managing customer relationships.
- Ensuring a ***balanced approach between satisfying customers and other interested parties*** (such as owners, employees, suppliers, financiers, local communities and society as a whole).

EXTERNAL CUSTOMER – SUPPLIER/ PROVIDER RELATIONSHIP

P/ S = product / service



PRINCIPLE 2: LEADERSHIP

Leaders establish *unity of purpose and direction of the organization*. They should create and maintain *the internal environment* in which people can become fully involved in achieving the organization's objectives.

KEY BENEFITS:

- People will understand and be motivated towards the organization's **goals** and **objectives**.
- Activities are evaluated, aligned and implemented in a unified way.
- Miscommunication between levels of an organization will be minimized.

APPLYING THE PRINCIPLE OF LEADERSHIP TYPICALLY LEADS TO:

- Considering the needs of ***all interested parties*** including customers, owners, employees, suppliers, financiers, local communities and society as a whole.
- Establishing a clear vision of the organization's future.
- Setting challenging goals and targets.
- Creating and sustaining shared values, fairness and ethical role models at all levels of the organization.
- Establishing trust and eliminating fear.
- Providing people with the required resources, training and freedom to act with responsibility and accountability.
- Inspiring, encouraging and recognizing people's contributions.

STAKEHOLDERS (INTERESTED PARTIES) MATRIX

| | | | |
|------------------------|------------------|-------------------------|---------------|
| 1. SHAREHOLDERS | INTERESTS | RESPONSIBILITIES | RIGHTS |
| 2. MANAGERS | INTERESTS | RESPONSIBILITIES | RIGHTS |
| 3. EMPLOYEES | INTERESTS | RESPONSIBILITIES | RIGHTS |
| 4. PROVIDERS | INTERESTS | RESPONSIBILITIES | RIGHTS |
| 5. CUSTOMERS | INTERESTS | RESPONSIBILITIES | RIGHTS |
| 6. CREDITORS | INTERESTS | RESPONSIBILITIES | RIGHTS |
| 7. AUTHORITIES | INTERESTS | RESPONSIBILITIES | RIGHTS |
| 8. COMMUNITY | INTERESTS | RESPONSIBILITIES | RIGHTS |
| 9. STATE | INTERESTS | RESPONSIBILITIES | RIGHTS |

PRINCIPLE 3 : INVOLVEMENT OF PEOPLE

People at all levels are *the essence of an organization* and their full involvement enables their abilities to be used for the organization's benefit.

KEY BENEFITS:

- Motivated, committed and involved people within the organization.
- Innovation and creativity in furthering the organization's objectives.
- People being accountable for their own performance.
- People eager to participate in and contribute to continual improvement.

APPLYING THE PRINCIPLE OF INVOLVEMENT OF PEOPLE TYPICALLY LEADS TO:

- People understanding the importance of their contribution and role in the organization.
- People identifying constraints to their performance.
- People accepting ownership of problems and their responsibility for solving them.
- People evaluating their performance against their personal goals and objectives.
- People actively seeking opportunities to enhance their competence, knowledge and experience.
- People freely sharing knowledge and experience.
- People openly discussing problems and issues.

PRINCIPLE 4: PROCESS APPROACH

A desired result is achieved more efficiently when activities and related resources are managed as a process.

KEY BENEFITS:

- Lower costs and shorter cycle times through effective use of resources.
- Improved, consistent and predictable results.
- Focused and prioritized improvement opportunities.

APPLYING THE PRINCIPLE OF PROCESS APPROACH TYPICALLY LEADS TO:

- Systematically defining the activities necessary to obtain a desired result.
- Establishing clear responsibility and accountability for managing key activities.
- Analysing and measuring of the capability of key activities.
- Identifying the interfaces of key activities within and between the functions of the organization.
- Focusing on the factors such as resources, methods, and materials that will improve key activities of the organization.
- Evaluating risks, consequences and impacts of activities on customers, suppliers and other interested parties.

PRINCIPLE 5 : SYSTEM APPROACH TO MANAGEMENT

Identifying, understanding and managing interrelated processes as a system contributes to the organization's effectiveness and efficiency in achieving its objectives.

KEY BENEFITS:

- Integration and alignment of the processes that will best achieve the desired results.
- Ability to focus effort on the key processes.
- Providing confidence to interested parties as to the consistency, effectiveness and efficiency of the organization.

APPLYING THE PRINCIPLE OF SYSTEM APPROACH TO MANAGEMENT TYPICALLY LEADS TO:

- Structuring a system to achieve the organization's objectives in the most effective and efficient way.
- Understanding the interdependencies between the processes of the system.
- Structured approaches that harmonize and integrate processes.
- Providing a better understanding of the roles and responsibilities necessary for achieving common objectives and thereby reducing cross-functional barriers.
- Understanding organizational capabilities and establishing resource constraints prior to action.
- Targeting and defining how specific activities within a system should operate.
- Continually improving the system through measurement and evaluation.

PRINCIPLE 6: CONTINUAL IMPROVEMENT

Continual improvement of the organization's overall performance should be a permanent objective of the organization.

KEY BENEFITS:

- Performance advantage through improved organizational capabilities.
- Alignment of improvement activities at all levels to an organization's strategic intent.
- Flexibility to react quickly to opportunities.

APPLYING THE PRINCIPLE OF CONTINUAL IMPROVEMENT TYPICALLY LEADS TO:

- Employing a consistent organization-wide approach to continual improvement of the organization's performance.
- Providing people with training in the methods and tools of continual improvement.
- Making continual improvement of products, processes and systems an objective for every individual in the organization.
- Establishing goals to guide, and measures to track, continual improvement.
- Recognizing and acknowledging improvements.

PRINCIPLE 7 : FACTUAL APPROACH TO DECISION MAKING

Effective decisions are based on the *analysis of data and information*

KEY BENEFITS:

- Informed decisions.
- An increased ability to demonstrate the effectiveness of past decisions through reference to factual records.
- Increased ability to review, challenge and change opinions and decisions.

APPLYING THE PRINCIPLE OF FACTUAL APPROACH TO DECISION MAKING TYPICALLY LEADS TO:

- Ensuring that data and information are sufficiently accurate and reliable.
- Making data accessible to those who need it.
- Analysing data and information using valid methods.
- Making decisions and taking action based on factual analysis, balanced with experience and intuition.

PRINCIPLE 8: MUTUALLY BENEFICIAL SUPPLIER RELATIONSHIPS

An organization and its suppliers are interdependent and a *mutually beneficial relationship* enhances the ability of both to create value

KEY BENEFITS:

- Increased ability to create value for both parties.
- Flexibility and speed of joint responses to changing market or customer needs and expectations.
- Optimization of costs and resources.

APPLYING THE PRINCIPLES OF MUTUALLY BENEFICIAL SUPPLIER RELATIONSHIPS TYPICALLY LEADS TO:

- Establishing relationships that balance short-term gains with long-term considerations.
- Pooling of expertise and resources with partners.
- Identifying and selecting key suppliers.
- Clear and open communication.
- Sharing information and future plans.
- Establishing joint development and improvement activities.
- Inspiring, encouraging and recognizing improvements and achievements by suppliers.

EUROPEAN COOPERATION FOR QUALITY ASSURANCE IN HIGHER EDUCATION

PAN-EUROPEAN ORGANISATIONS

- **ENQA** – European Association for Quality Assurance in Higher Education (www.enqa.net) – Helsinki
- **EUA** – European University Association (www.eua.be) – Bruxelles
- **ESIB** – The National Unions of Students in Europe (www.esib.org) – Bruxelles
- **EURASHE** - European Association of Institutions in Higher Education (www.eurashe.be) - Bruxelles
- **ECA** – European Cooperation for Accreditation (www.european-accreditation.org)
- **CEE Network** - Central and Eastern European Network of Quality Assurance Agencies (www.uka.amu.edu.pl/subnetwork.html) – Vienna

NATIONAL ORGANISATIONS (examples)

- **QAA** - Quality Assurance Agency for Higher Education (Great Britain)
- **NOKUT** – Norwegian Agency for Quality Assurance in Higher Education (Norway)
- **CQAHE** - Centre for Quality Assessment in Higher Education (Lithuania)
- **ANECA** - National Agency for Quality Assessment and Accreditation of Spain (Spain)
- **ACQUIN** – Accreditation, Certification and Quality Assurance Institute (Germany)
- **CNE** – Comite National d’Evaluation (France)

ENQA - Standards and Guidelines for Quality Assurance in the European Higher Education Area (I)

1. European standards and guidelines for internal quality assurance within higher education institutions

- 1.1 Policy and procedures for quality assurance
- 1.2 Approval, monitoring and periodic review of programmes and awards
- 1.3 Assessment of students
- 1.4 Quality assurance of teaching staff
- 1.5 Learning resources and student support
- 1.6 Information systems
- 1.7 Public information

ENQA - Standards and Guidelines for Quality Assurance in the European Higher Education Area (II)

2: European standards for the **external quality assurance** of higher education

2.1 Use of internal quality assurance procedures

2.2 Development of external quality assurance processes:

2.3 Criteria for decisions

2.4 Processes fit for purpose

2.5 Reporting

2.6 Follow-up procedures

2.7 Periodic reviews

2.8 System-wide analyses

ENQA - Standards and Guidelines for Quality Assurance in the European Higher Education Area (III)

3: European standards for **external quality assurance agencies**

- 3.1 Use of external quality assurance procedures for higher education
- 3.2 Official status
- 3.3 Activities

Some Basic Conceptual Deficiencies of Romanian Draft Law on Quality Assurance in Higher Education (OUG 75/12.07.2005)

- **Improper definition of some basic QA concepts:** *quality, quality assurance, quality control, standard, internal/ external beneficiaries (customers), and others*
- **Lack of basic QA concepts definition and use:** *stakeholders, quality management, quality management system, occupational standard, non-conformity, corrective action, preventive action, correction, and others*
- **Use of some redundant expressions:** *quality standards, reference standards, pre-established standard, performance indicator, etc.*
- **Improper approach of higher education stakeholders** and their role
- **Lack of provisions related to the implementation of ENQA standards and guidelines** in Romania (what?, who?, how?)
- **Lack of correlation with existing Romanian QA legislation, standards, procedures and organizations**
- **Low credibility of new founded QA bodies** (ARACIS and ARACIP)

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