



Published each month by:

PROCESS QUALITY ASSOCIATES INC.

690 King St., Suite 2, London, Ontario N5W-2X3 Phone (519)-667-1720 1-800-837-7046 Fax (519)-667-1722

"We engineer the quality of your success"

VOL. 96 No. R

Circulated to people interested in improving their products and processes

Supplier-Customer Relationships:

Select Suppliers Capable Of Conformance

Information on suppliers can come from a review of past performances, tests of incoming materials, and an on-site evaluation. The on-site evaluation will provide the opportunity to assess the supplier's internal quality control procedures and manufacturing control systems. Such evaluations should emphasize determining the capabilities of the process, the adequacy of process controls, the training and qualifications of the work force.

The evaluation also can help improve communications between the customer and supplier, and even within the supplier's organization. Such surveys frequently stimulate action by the supplier's top management on matters that the supplier's own employees have been unable to communicate.

A Quality Context

Context is the soul of an organization. It is expressed in the company's style and culture. The context determines what is possible and what is impossible to achieve. A quality context should consist of the following factors:

- Quality becomes a way of life for everyone in the company. Quality is not seen as just another program, but as a never-ending improvement process. Errors and nonconformances are viewed as avoidable rather than inevitable. People shift from repair and correction work to prevention work.
- Management is committed to quality. Management demonstrates leadership, develops a quality-oriented culture, and is dedicated to customer satisfaction.
- Management believes in each person's ability to make valuable contributions. There is emphasis on people rather than on machines and techniques. Although both are important, they are often overemphasized when it is the people that are the true key to quality.
- Quality work is recognized as just as important as production work or sales work. Management realizes that quality contributes directly to profitability, market share, and productivity.
- Each department supports the entire quality effort, in addition to raising the level of quality in its own operation. An all-too-common belief is that all quality-related work is done only by the QA department.
- There is a willingness to acknowledge the truth about how things are working or not working. No errors are swept under the rug. Quality failures are acknowledged in a spirit of "How can we improve it? How can we eliminate defects and errors?" This attitude replaces fault-finding and blame.

Gimmicks Alone Won't Produce Customer Loyalty

Today's customers have a lot of choices; they expect to be satisfied and companies must continually find ways to give them something extra to win their loyalty and keep them as lifetime customers. Companies must remember, though, that customer incentive programs are only as good as the entity offering them.

Customers will only remain loyal if they are completely satisfied, which is why seemingly loyal airline customers defect when they exhaust their frequent flyer miles. Everything else in terms of the customer experience and basic product and service must be equal before frequent buyer awards from the company will keep customers coming back.

Before offering customers frequent buyer programs, the basics of quality must be right first. Only when a company:

- has incorporated quality into the basic elements of its products or services;
 - has a recovery process for counteracting bad experiences; and
 - excels in meeting customers' rising expectations
- can it move from customer satisfaction to the level of customer loyalty.