

V00 No.6A This newsletter is free and may be copied or quoted as long as you state PQA as the source. To add or delete your name from the newsletter's Fax list, call PQA at (800)-837-7046

What Happened?

The notice tucked into the front door of our townhouse unit read:

"Contractors will be entering your yard next Monday to do drainage and grading repairs. Please remove your outdoor furniture and personal items to allow for this work.

Thank you,
Your Condo Management "

One day, men and equipment came and transformed the steep, muddy drainage ditch into a gentle-sloped, grassy swale. Daily, the landscapers worked industriously around the complex. Then, the work stopped. Areas that had been re-graded waited for sod. Top soil sat piled in Visitor Parking. What happened?

One night, my wife said to me "The people at the other end of the complex are really upset. The mature trees behind their units have been cut down and the fences they paid for personally have been taken down and no one is putting them back up".

The problem was likely caused by poor communication; but the damage has been done. The contractor might not get paid. Costly legal proceedings may follow.

The new **ISO 9001** standard in the **year 2000 revision** requires companies to identify not only "requirements specified by the customer", but also to determine "requirements not specified by the customer but necessary for the intended or specified use". The company is directed to confirm customer requirements and to "identify and implement arrangements for communicating with customers".

Although some people say ISO 9001 requires too much paper work, clear, concise and documented communication helps companies avoid conflicts with their customers and enhances their professional image.

Quotable Quote:

" You can observe a lot just by watchin' "

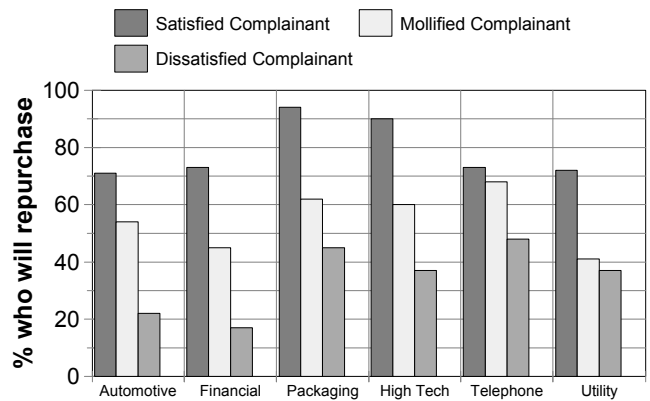
Yogi Berra

Retaining Customer Loyalty

Recently published data from TARP, a research and consulting firm, shows:

- Problems decrease customer loyalty 15% to 30%
- Most customers encountering problems do not complain to anyone at the company
- Customers who are dissatisfied with a company's products or services tell twice as many people about their experiences as do customers who are satisfied
- If a call centre can resolve a customer's complaint, changing a dissatisfied customer to a satisfied one, the company usually gets an increase in loyalty of 50% points, as shown by the following chart.

Impact of Fixing Problems on Loyalty



Contest Winner: The winner of the draw at the London Industrial Show for a free registration to a PQA workshop was Mr. Dennis Little of Bre-ex Ltd.

Upcoming Workshops

Windsor

Reliability and Maintainability	June 22
Failure Mode & Effect Analysis(FMEA)	July 11
Advanced Product Quality Planning(APQP)	July 18
ISO 9000:2000 (Year 2000 Revisions)	July 27

Sarnia

Critical Chain Project Management (CCPM)	July 12
Introduction to ISO/QS-9000	July 19