

“We Engineer the Quality of your Success”

www.pqa.net (800)-837-7046 pqa@pqa.net

V 02 No.01L

This newsletter is free & 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

To receive this newsletter directly by e-mail, please e-mail pqa@pqa.net and request to receive PQA News by e-mail and be sure to include your Full name, Position, Company and Fax #

Is There Life After ISO 9001?

As of February, 2002 there are 11,564 Canadian companies registered to an ISO 9000 quality system standard. If you are one of them, you may be asking, “What’s next?”.

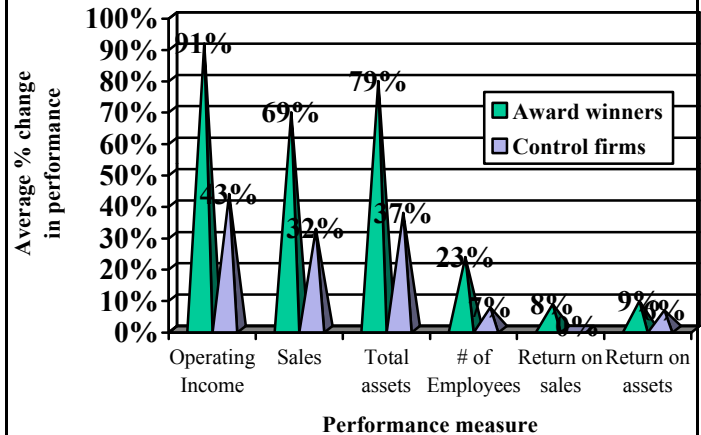
The answer for your organization may be **Total Quality Management (TQM)**.

TQM has been around since the early 80’s. However, in the last five years, TQM has come under increasing criticism from many business gurus for delivering lackluster economic returns. They suggest that many firms have become disillusioned or disappointed with TQM, and that TQM could well be just a fad that is fast losing popularity.

To determine if there was a statistically valid justification for believing TQM provided no significant financial impact, Kevin Hendricks (associate professor of operations management at The College of Williams and Mary) and Vinod Singhal (associate professor of operations management at Georgia Institute of Technology) conducted a study of 600 different quality award winners - winners of supplier quality awards, various state awards, and the Malcolm Baldrige National Quality Award winners. The professors compared financial, growth and efficiency measures of these award winning companies. Performance was examined over two five-year periods:

- ◆ Pre-implementation period covered the 5 years before the company started TQM implementation
- ◆ Post-implementation period covered the 5 years after TQM was implemented.

The professors also benchmarked the award winning companies against control firms in the same industry and of similar size



The results showed significant differences between award winners and control firms. During the 5-year post-implementation period, the growth in operating income of award winners averaged 91%. This is in contrast to 43% average growth for control firms. The difference, 38%, is a statistically and economically significant level of outperformance. Most other measures of growth and efficiency showed similar differences

To find out how your company can become an award winner, call us at PQA

March Workshops in London

Critical Chain Project Management	05-Mar-02
Ford 8D	06-Mar-02
Statistical Techniques I (Basic)	07-Mar-02
Failure Mode & Effects Analysis	12-Mar-02
Advanced Product Quality Planning	13-Mar-02
Production Part Approval Process	14-Mar-02
ISO 9000:2000	20-Mar-02
ISO 14000	21-Mar-02
Supplier Development	22-Mar-02
Writing Quality Procedures	25-Mar-02
Internal Auditor Training (2 day)	26 & 27-Mar-02