

Webbe Group
Strategy. Alignment. Impact

Quality Assurance Program
Stop depending on inspections

- Inspections are costly and unreliable – and they don't improve quality, they merely find a lack of quality
- Build quality into the process from start to finish
- Don't just find what you did wrong – eliminate the "wrongs" altogether
- Use statistical control methods – not physical inspections alone – to prove that the process is working

There is a significant difference between an inspection and a quality assurance program. Additionally, inspections are subjective and don't really improve quality. When a company has policies and procedures in place and there are systems of accountability, inspections are redundant and make executives and managers feel good but add no real value. Quality assurance programs, on the other hand, are necessary for quality customer service programs and employee satisfaction.

A quality program addresses every stakeholder when created in a holistic manner. A quality program also is easily reassessed so that needed changes can occur prior to their being a problem. A quality assurance program is based on sampling. Samples of a product or a service is performed to determine if safe and effective products and services are being performed. One organization had a problem with customer complaints that they could not schedule appointments in a timely manner. To know if there was a problem, we first had to quantify the customer complaints. How did I quantify?

The problem:

1. Assessment of customer calls to schedule compared to when the actual appointment occurred verified that there did seem to be a long wait for many customers.
2. A stratified sampling was performed. The discovery was an average wait of 23 days.

There was significant resistance to hiring new employees by executives. They felt that in the past ramping up led to layoffs. When the managers were questioned, any lull in appointments around holidays was seen as a time to lay off employees.

The first order of business was to determine how many customers went to a different company when they were not seen timely. This discovery was roughly 25%.

The second piece of data was to determine how many customers just decided not to carry through and actually have the appointment at all. This discovery was roughly 13%. In other words, the organization was losing approximately 38% of their potential business.

Solutions:

1. Quantify the lost revenue. Based on recurring appointment averages, this number was about \$82,000 a month.
2. Change policies and procedures:
 - A. Mandatory closures around holidays
 - B. Requiring employees to take paid time off during mandatory closures
 - C. Began a wait list for customers when there was an occasional canceled appointment.
3. Performed stratified data search monthly to ensure the solution remained effective

When presented with this idea to the managers of the organization, they agreed to try the policy and procedure changes and hire one additional employee. As this agreement occurred in the third quarter (July through September), we were able to test results over the primary holidays.

Result:

1. Realized \$1.25 million in additional revenue in 18 months
2. Added 3 employees within 18 months
3. Complaints from customers on wait time decreased significantly
4. Employee retention was excellent as the employees liked the mandatory closures around the holidays
5. No layoffs in 18 months
6. Increased referral base due to customer satisfaction increase
7. Customer satisfaction scores increased 3 points on a Likert scale.
8. Quality assurance measurements using the stratified sampling realized a wait time of 5 days for an appointment. An improvement of 16 days