NEW STRAITS TIMES

TEL: 03-2282 3888 @ FAX: 03-2284 9050 @ www.nstappointments.com

Compiled by IT Publications Sdn Bhd

Improving through process approach

By RAFIKUL ISLAM

ONE of W. Edwards Deming's 14 points is Improve constantly and forever the system of production and service. Improvement is not a one-time effort. Management is obligated to continually look for ways to reduce waste and improve quality.

Continuous improvement of products or services provided by the organisation is a fundamental consideration. Take the example of disc storage space. We started with the 5.25-inch disc with 360 kilobytes of space only. Now we are using higher and higher capacity discs: 3.5 floppy disc, zip disc, removable disc. CD, DVD, etc. Like this simple example of product improvement, people have been tirelessevery product or service which ing target." the organisation is providing.

Rationale for continuous improvement:

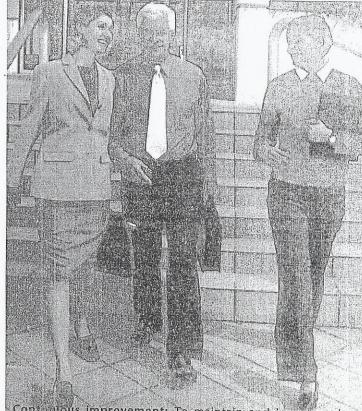
1. To surpass competitor's performance. In order to increase market share, the company needs to exceed the performance of its competitors. This is possible by continuously improving the features of its products or services. If the company stops improving its products or services, then very soon it will witness eroding market share.

2. To meet ever-changing customers needs. Joseph Juran stated, "To maintain and increase sales and income, companies must continuously evolve new product features and new process to produce these fealy trying to improve features of tures. Customer needs is a mov-

In this statement, Juran stated that customer needs were not static. The product's feature which is considered innovative today becomes just routine tomorrow. They require further innovative features. To satisfy customers' ever-changing needs, companies need to continuously improve their products or services.

No product is produced or no service is delivered without a process. Therefore, in order to produce superior product or deliver better service, we need to pay attention to the corresponding process through which the product is being produced or service is being delivered.

A process is the interaction of some combination of people, Turn to Page 2



Continuous improvement: To maintain and increase sales, companies need to try to meet ever-changing customers needs.

Promoting process-oriented thinking

Sieps to improve a process

From Page 1

materials, equipment, methods, measurement and the environment. Process needs inputs. These inputs are processed and ultimately we get some output in the form of a product or service. When the product or service reaches customers, in general, they have some "says". These "says" are conveyed to the process "owner" and subsequently the process is modified to meet customers' demands.

There are numerous processes in any organisation. We need to identify all the processes and its sub-processes. For example, in a university, some of the processes are: registering for the courses, scheduling time table for the classes, conducting examinations, communicating students' results, developing new courses, and maintaining classrooms (actually these are activities that are carried out through some process-

For an automotive company, the main processes can be: purchasing new

materials including parts, supplier selection, product design, product manufacturing (it has many subprocesses), and product distribution.

For a typical organisation, the following checklist provides a number of factors that should be improved:

M Numbers of errors or defects:

Units/hour or items/ person:

M Number of delays;

Cycle time;

Number of complaints:

Number of suggestions; Number of accidents:

■ Customer satisfaction index.

The task of improving a process is structured and it has the following steps:

1. Identifying process owner. Every process has an owner. This owner may be a single person or a group of persons. The main responsibility for process improvement lies at the hand of the process owner. However, the improvement activities will be supervised by the management.

In particular, necessary costs; and

1) Identifying Drocess owner 2) Measuring process porformance 3) Centrolling process 4) Improving process officiency and effectiveness

resources should be disbursed to implement the improvement project. The main responsibilities of process owner are:

Identifying correct customers needs;

Planning and managing the work activities;

Optimising uses of the available resources;

Reducing operating

Making necessary changes to the processes. The person is assumed to be empowered to do this.

2. Measuring process performance. Before atprocess inputs including tempting to improve a process, we should know the present performance of the process. So, measuring the present performance is essential for further improvement. People contend that if something cannot be measured, it for improvement; cannot be improved.

Take the example of work-related accidents. If you know this number, then it will be easier to develop and implement some action plan to reduce this number in future. Simply put in words, measurement entails some target for further improvement.

3. Controlling process. In this step, problems are identified and necessary solutions are implemented to correct the problems. The following sub-steps may be adopted:

Define the problem;

Find out the root cause behind the problem;

Develop a solution to correct the problem;

Implement the solution: and

Ensure that the problem has been solved.

4. Improving process. The previous three steps are applied to manage an existing process. The present step focuses on the process to increase its efficiency and effectiveness. The following substeps may be adopted:

ldentify an opportunity

Formulate the plan for improvement - doing things quicker, better and easier;

M Identify the changes and their potential impact;

Implement the plan. Many times new and superior technology is used to improve the process performance; and

Monitor the process to sustain the improved results.

Every work is done through some process. Therefore, in order to improve work performance, the organisation should promote process-oriented thinking. Those companies that think in terms of processes and that have identified and sought to improve their processes are capable to increase profitability in the market.

Rafikul Islam is an associate professor at the Department of Business Administration, Faculty of Economics and Management Sciences, International Islamic University Malaysia. He can be contacted at Tel: 03-20564738 or e-mail: rislam@iiu.edu.mv.