

QUALITY MANAGEMENT PRINCIPLES

ACCORDING TO THE ANNEX No. 8 (PN-EN ISO 9004:2010)

MANAGING FOR THE SUSTAINED SUCCESS OF AN ORGANIZATION. A QUALITY MANAGEMENT APPROACH.

The following describes the eight quality management principles which form the basis for the quality management. These principles can be used by top management as a framework to guide their organizations towards improved performance. It gives the standardized descriptions of the principles. In addition, it provides examples of the benefits derived from their use and of actions that managers typically take in applying the principles to improve their organizations' performance.

PRINCIPLE 1: CUSTOMER FOCUS

Organizations depend on their customers and therefore should understand current and future customer needs, should meet customer requirements and strive to exceed customer expectations.

Key benefits

- increased revenue and market share obtained through flexible and fast responses to market opportunities,
- increased effectiveness in the use of the organization's resources to enhance customer satisfaction,
- improved customer loyalty leading to repeat business.

Applying the principle of CUSTOMER FOCUS typically leads to

- researching and understanding customer needs and expectations,
- ensuring that the objectives of the organization are linked to customer needs and expectations,
- communicating customer needs and expectations throughout the organization,
- measuring customer satisfaction and acting on the results,
- systematically managing customer relationships,
- ensuring a balanced approach between satisfying customers and other interested parties (such as owners, employees, suppliers, financiers, local communities and society as a whole).

PRINCIPLE 2: LEADERSHIP

Leaders establish unity of purpose and direction of the organization. They should create and maintain the internal environment in which people can become fully involved in achieving the organization's objectives.

Key benefits

- people will understand and be motivated towards the organization's goals and objectives,

Applying the principle of LEADERSHIP typically leads to

- considering the needs of all interested parties including customers, owners, employees, suppliers, financiers, local communities and society as a whole,

<ul style="list-style-type: none"> - activities are evaluated, aligned and implemented in a unified way, - miscommunication between levels of an organization will be minimized. 	<ul style="list-style-type: none"> - establishing a clear vision of the organization's future, - setting challenging goals and targets, - creating and sustaining shared values, fairness and ethical role models at all levels of the organization, - establishing trust and eliminating fear, - providing people with the required resources, training and freedom to act with responsibility and accountability, - inspiring, encouraging and recognizing people's contributions.
<p>PRINCIPLE 3: INVOLVEMENT OF PEOPLE People at all levels are the essence of an organization and their full involvement enables their abilities to be used for the organization's benefit.</p>	
<p>Key benefits</p>	<p>Applying the principle of INVOLVEMENT OF PEOPLE typically leads to</p>
<ul style="list-style-type: none"> - motivated, committed and involved people within the organization, - innovation and creativity in furthering the organization's objectives, - people being accountable for their own performance, - people eager to participate in and contribute to continual improvement. 	<ul style="list-style-type: none"> - people understanding the importance of their contribution and role in the organization, - people identifying constraints to their performance, - people accepting ownership of problems and their responsibility for solving them, - people evaluating their performance against their personal goals and objectives, - people actively seeking opportunities to enhance their competence, knowledge and experience, - people freely sharing knowledge and experience, - people openly discussing problems and issues.
<p>PRINCIPLE 4: PROCESS APPROACH A desired result is achieved more efficiently when activities and related resources are managed as a process.</p>	
<p>Key benefits</p>	<p>Applying the principle of PROCESS APPROACH typically leads to</p>
<ul style="list-style-type: none"> - lower costs and shorter cycle times through effective use of resources, - improved, consistent and predictable results, - focused and prioritized improvement opportunities. 	<ul style="list-style-type: none"> - systematically defining the activities necessary to obtain a desired result, - establishing clear responsibility and accountability for managing key activities,

	<ul style="list-style-type: none"> - analysing and measuring of the capability of key activities, - identifying the interfaces of key activities within and between the functions of the organization, - focusing on the factors, such as resources, methods, and materials, that will improve key activities of the organization, - evaluating risks, consequences and impacts of activities on customers, suppliers and other interested parties.
<p>PRINCIPLE 5: SYSTEM APPROACH TO MANAGEMENT Identifying, understanding and managing interrelated processes as a system contributes to the organization's effectiveness and efficiency in achieving its objectives.</p>	
Key benefits	Applying the principle of SYSTEM APPROACH TO MANAGEMENT typically leads to
<ul style="list-style-type: none"> - integration and alignment of the processes that will best achieve the desired results, - ability to focus effort on the key processes, - providing confidence to interested parties as to the consistency, effectiveness and efficiency of the organization. 	<ul style="list-style-type: none"> - structuring a system to achieve the organization's objectives in the most effective and efficient way, - understanding the interdependencies between the processes of the system, - structured approaches that harmonize and integrate processes, - providing a better understanding of the roles and responsibilities necessary for achieving common objectives and thereby reducing cross-functional barriers, - understanding organizational capabilities and establishing resource constraints prior to action, - targeting and defining how specific activities within a system should operate, - continually improving the system through measurement and evaluation.
<p>PRINCIPLE 6: CONTINUAL IMPROVEMENT Continual improvement of the organization's overall performance should be a permanent objective of the organization.</p>	
Key benefits	Applying the principle of CONTINUAL IMPROVEMENT typically leads to
<ul style="list-style-type: none"> - performance advantage through improved organizational capabilities, - alignment of improvement activities at all levels to an organization's strategic intent, - flexibility to react quickly to opportunities. 	<ul style="list-style-type: none"> - employing a consistent organization-wide approach to continual improvement of the organization's performance, - providing people with training in the methods and tools of continual improvement,

	<ul style="list-style-type: none"> - making continual improvement of products, processes and systems an objective for every individual in the organization, - establishing goals to guide, and measures to track, continual improvement, - recognizing and acknowledging improvements.
<p>PRINCIPLE 7: FACTUAL APPROACH TO DECISION MAKING Effective decisions are based on the analysis of data and information.</p>	
Key benefits	Applying the principle of FACTUAL APPROACH TO DECISION MAKING typically leads to
<ul style="list-style-type: none"> - informed decisions, - an increased ability to demonstrate the effectiveness of past decisions through reference to factual records, - increased ability to review, challenge and change opinions and decisions. 	<ul style="list-style-type: none"> - ensuring that data and information are sufficiently accurate and reliable, - making data accessible to those who need it, - analysing data and information using valid methods, - making decisions and taking action based on factual analysis, balanced with experience and intuition.
<p>PRINCIPLE 8: MUTUALLY BENEFICIAL SUPPLIER RELATIONSHIPS An organization and its suppliers are interdependent and a mutually beneficial relationship enhances the ability of both to create value.</p>	
Key benefits	Applying the principle of MUTUALLY BENEFICIAL SUPPLIER RELATIONSHIPS typically leads to
<ul style="list-style-type: none"> - increased ability to create value for both parties, - flexibility and speed of joint responses to changing market or customer needs and expectations, - optimization of costs and resources. 	<ul style="list-style-type: none"> - establishing relationships that balance short-term gains with long-term considerations, - pooling of expertise and resources with partners, - identifying and selecting key suppliers, - clear and open communication, - sharing information and future plans, - establishing joint development and improvement activities, - inspiring, encouraging and recognizing improvements and achievements by suppliers.