

Efficiency Management in Quality Operation

cME & Smart-QC Newsletter

APRIL 2009 , Issue 16 - Efficiency Management: THE Business Process

Dear Colleague,

Welcome to cResults Newsletter, designed to offer you insights, news, information about Quality Operation Efficiency Management, Software solution: cME (www.cmanageefficiency.com) to manage batch record release and overall QA efficiency, Smart-QC (www.smart-qc.com) for QC Laboratories Planning and Scheduling, events and quality related efficiency improvement ideas.

We hope this issue of cResults Newsletter will spark new ideas to help you better manage your quality operation, and improve your customer service level. At the end of the day, we are not successful unless you are.

Sincerely,

Rafi Maslaton *President, cResults*

Please be sure to register for our upcoming Webinars: Documentation Errors Reduction Methodology and Overall QA Efficiency, KPI in Quality Operation and Resource Planning, Scheduling and COQ for QC Labs.

This Newsletter is dedicated to Efficiency Management Business Process

Introduction: In recent years, companies have begun to focus on efficiency improvement throughout their supply chain. Most industry leaders have engaged in Lean and Six Sigma initiatives to enhance their overall efficiency, cycle time, cost, and service level. In previous newsletters, we have discussed the approach to efficiency management, the methods to measure efficiency in both QA and QC Labs. However, even by knowing how we should approach this calculation does not provide us with the business process on how to manage efficiency and assist the Supervisor in effectively addressing challenges in his/her team. In this newsletter, our focus is the business process regarding efficiency management and how we should leverage the information we are collecting to drive efficiency and reward high performers in the organization. As a short reminder, the approach we took to measure efficiency is based on comparing the standards to the actual performance and the ratio between these provide the efficiency level. In cases where the activities do not have standard, these were excluded from the calculation base yet the plan and the actual reported hours were collected and reported. In the screenshots on the right, we see efficiency summary (the blue rectangle) which presents the results for each team member for the past 3 weeks (e.g., AKIMITSU SATOU achieved 103.9% efficiency in Week-1 / March-09). Next to it in the red rectangle, we can see the activities performed, their standards and below the non-standard activities and potentially other activities such as training.

How to use this information to drive efficiency? The Supervisor reviews with the Analyst or QA Auditor activities completed last week based on the information provided by the system on the right. Then, they identify where performance was lower than the standards and discuss the root cause. Finally, they discuss the goal for the upcoming week, the areas / methods of focus for the coming week. This should be a weekly routine and should take no more than 5-10 min per week; our recommendation is to do it on Monday or the first day of the given shift. In addition, this information is used to compare high performers and low performers and identify needs for training, inefficient work and best practices. One of the potential conclusions is to pair 2 colleagues (High / Low performer) to have the low performer learn the method, sequencing and focus from the high performer. Process Excellence team can use this information to identify high performers and convert their technique into best practices and train the team on the efficient work flow.

This approach should yield the following benefits: (1) Increase ownership and accountability; (2) Identify outstanding performers (3) Identify needs for training (4) Improve the Supervisor visibility to efficiency losses and their reasons. This approach can help fairly new Supervisors as well as experienced Supervisors where it becomes hard to communicate inefficiency and issues as overtime the team has developed less formal relations. When both the Supervisor and the Analyst / QA are reviewing the information on the screen, it takes the emotion out of the equation and makes the discussion fact based and takes out the anecdotal. "I think", "I believe", "I saw", "I was told".

The screenshots show the software interface with two main sections highlighted: 'Efficiency Summary' (blue box) and 'Efficiency Details' (red box). The summary table shows efficiency percentages for three weeks, with 103.9% for Week 1 circled. The details section shows a table of completed work for AMATO SOLOZANO, with a total efficiency of 31.8% circled.

Resource Unit ID	Efficiency(%) Week 1	Efficiency(%) Week 2	Efficiency(%) Week 3
AKIMITSU SATOU	103.9	43.8	113.9
AMATO SOLOZANO	99.0	19.8	22.1
AN WU	56.5	18.8	86.9

Resource Unit ID	Efficiency(%) Week 1
AKIMITSU SATOU	103.9
AMATO SOLOZANO	99.0
EDWARD LEE	64.9

Test Id	Sub Test Id	Test Desc	Batch Id	Start Time	Finish Time	Earned Hrs	R
190.1.02	General	Desc:190.1.02-General	28538	04-MAR-09	08-MAR-09	8.8	T
670.1.02	General	Desc:670.1.02-General	29833	10-MAR-09	10-MAR-09	10.0	T
680.1.03	General	Desc:680.1.03-General	31103	13-MAR-09	13-MAR-09	13.0	T
report total:						31.8	1 - 3

Upcoming Events:

- April 13th, 24th on **Planning and Scheduling in QC Laboratories** www.smart-qc.com.
- April 20th on **KPI In Quality Operation**.
- April 17th on **Batch Record Documentation Errors Reduction Methodology & QA Efficiency**.

Please visit our web site www.cmanageefficiency.com, www.cresultsconsulting.com, and www.smart-qc.com for the latest events

