

W-1 Liab
Improving Profitability Through Internal
Quality Assurance
ACI Solutions for Success
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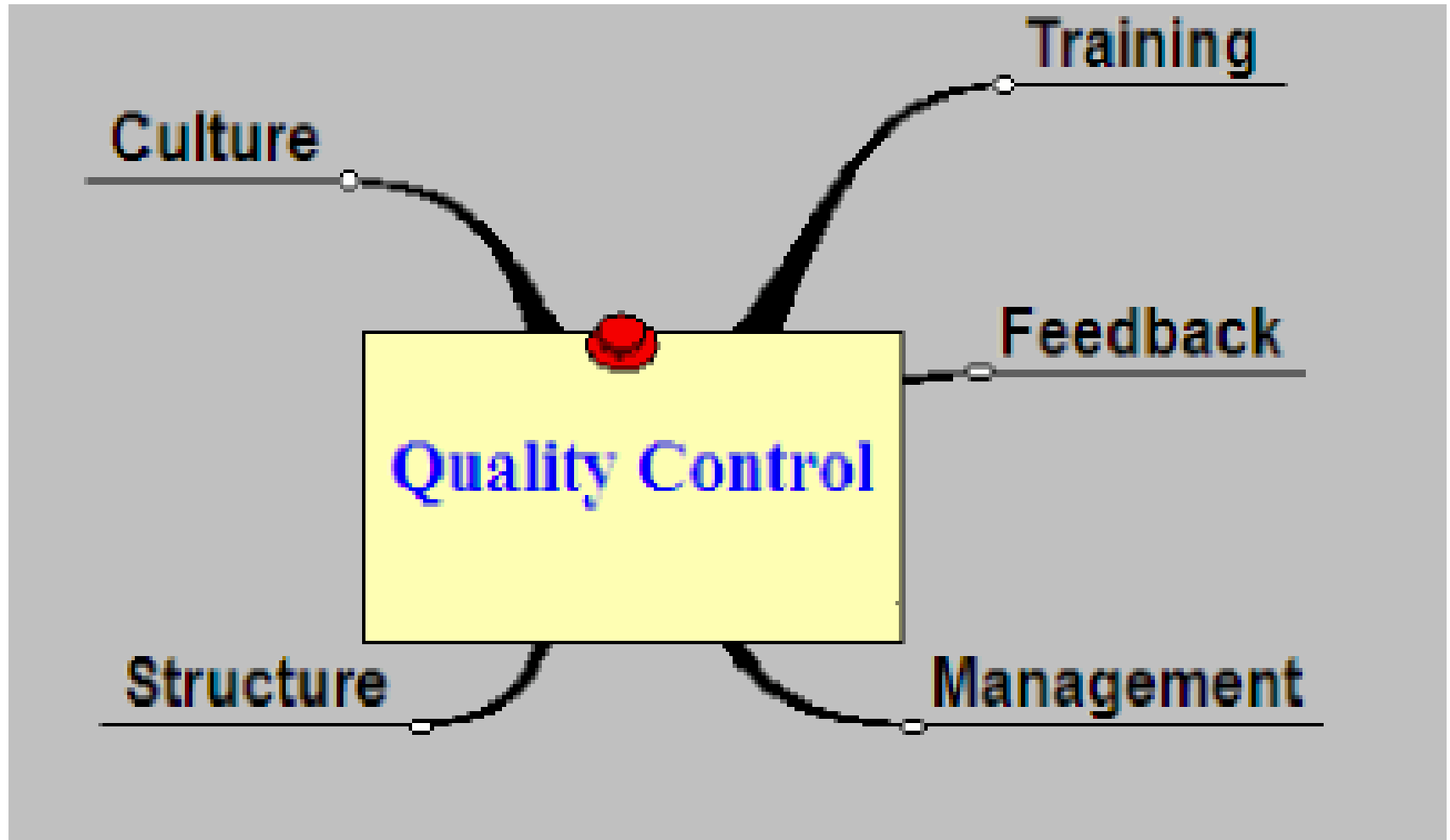
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What is Quality?

“Quality in a product or service is not what the supplier puts in. It is what the customer gets out and is willing to pay for. A product is not quality because it is hard to make and costs a lot of money, as manufacturers typically believe. This is incompetence. Customers pay only for what is of use to them and gives them value. Nothing else constitutes quality.”

Peter Drucker

Quality Control is About the Whole Enterprise



Quality Starts with the Organizational Culture

- **Mission and Vision Statement**
 - **Says Who Your Company Is, What You Do, What You Stand For And Why You Do It**
 - **No More Than 3-4 Sentences Long**
 - **Provides Strategic Vision And Direction For The Organization**

EnTherm Mission Statement

EnTherm Inc. Is committed to making buildings safe, healthy, energy efficient, comfortable and durable. We apply building performance technology and use a comprehensive approach to attain optimum results for our customers.

EnTherm Vision Statement

We believe our first responsibility is to our customers, the homeowners and building owners who use our services. The work that we do must always be of high quality. In all of our interactions and communications with our customers, employees, vendors and business associates, we will act with integrity. Our services will deliver value for our customers while ensuring profitability for the company, so that we can continue to expand the services we provide and share the benefits of our growth with our employees.

Employee Orientation

- **To The Company**
 - The Mission Statement
 - Company History
- **To The System**
 - The Employee Manual
- **To The Job**
 - Job Description
- **To Coworkers**

Job Descriptions

Serve As A Basis For Job-specific Performance Standards.

If Employees Know What Is Expected And What Constitutes Good Performance, They Are More Likely To Perform Satisfactorily.

Need to Establish Standards, Practices and Procedures

Standard: “Something, such as a practice or a product, that is widely recognized or employed, especially because of its excellence. A degree or level of requirement, excellence, or attainment.”

- <http://dictionary.reference.com/>

Best Practice: “The processes, practices, or systems identified in public and private organizations that performed exceptionally well and are widely recognized as improving an organization's performance and efficiency in specific areas”

- <http://geminfo.org/help/about/documentation/gem-controlled-vocabularies/vocabulary-resource-type>

Procedure: “A process or series of acts especially of a practical or mechanical nature involved in a particular form of work.”

- <http://dictionary.reference.com>

Sources of Standards

Building Performance Institute

www.bpi.org

North American Technician
Excellence (NATE)

<http://www.natex.org/>

Create your own

- **Best Practices**
 - General guidelines for conforming to standards.
- **Procedures**
 - Specific processes to conform to best practices.
- **Example:**
 - Standard: Sidewalls are to be insulated fully using dense pack cellulose techniques.
 - Best Practice: Wood shingles are to be removed when insulating sidewalls
 - Procedure: For 7” exposure wood shingles, score shingle diagonally at paint line with a utility knife and snap off to remove.

Next Step – Analyze your business

- **Take a clear look at how things are done in your organization.**
 - **Look at whole picture, from sales to production to customer service.**
 - **Are the estimators/sales staff correctly selling the jobs?**
 - **Are they diagnosing the building problems correctly?**
 - **Are they missing or overlooking things that should be done?**
 - **Is the communication between sales and production clear and complete?**
 - **Does production know exactly what to do on each job?**

Perform a Needs Assessment

- **What is gap between what you are doing and what you need to do?**
- **Ask the following questions:**
 - 1). Are the jobs being done correctly?**
 - Do you do what you say you will do?
 - Do you do it when you say you will do it?
 - Do you do it to the standards you have committed yourselves to?
 - 2). Do the people doing the work know how to do the job?**

If the answer to the first question is “**No**” and the answer to the second question is “**Yes**,” the problem may be:

- motivational,
- management-related
- structural.

Motivating Employees

Why do employees leave?

- Lack of recognition
- Poor communication
- No opportunities for advancement
- Insufficient compensation
 - Wages
 - Benefits

Motivating Employees

Employees have three powerful needs:

- **Connectedness – Make them a “part of a part” as well as a “part of a whole.”- Team Building**

- **Uniqueness – Recognize unique attributes and abilities they bring to company, and reward them for contributing**
 - **Bonus and incentives**
 - **Opportunities for advancement**

- **Meaningfulness - They need to believe they are doing something that matters for an organization that is doing something that matters. –The Mission Statement**

The gap between what is and what should be may also be:

– **Management-related**

- Employee not given adequate resources to do job

– **Structural**

- Poor communication between sales and production
- Poor communication between company and customers

Going back to the original questions:

- 1. Are the jobs being done correctly?**
- 2. Do the people doing the work know how to do the job?**

Training

If the answer to the first question is “No,” and the answer to the second question is “No,” training will be part of the answer.

– Training Resources

- **In-house training**
- **Educational institution**
- **Community college**
- **Other training facilities**
- **Mentoring – Each one teach one**
- **Vendor-supplied training**
- **Affordable Comfort and other conferences**

- **Define specific training objectives**
 - **Must be performance-based.**
 - **Create or adopt best practices and procedures to achieve objectives**
- **Training Methodology**
 - **Classroom**
 - **Field**
 - **Mentoring**
- **Training must be On-Going**
 - **Schedule regular weekly technical training sessions**

QA/QC Protocols

- **Focus should be on continual feedback to improve performance, not on finding fault or placing blame**
- **Establish QA/QC program appropriate to type of work**
 - **Job Checklists to be completed by Crew Chief**
 - **Site visit from supervisor during job**
 - **Test In and Test Out**

Weekly Production Review

- **Weekly meeting with production staff to review**
 - Previous week's production
 - Problem jobs
 - Next week's schedule
- **Feedback process**
 - Standards and practices are great, but if they aren't enforced in a timely manner, they are worthless.

Value of Customer Feedback

- Completion certificate
- Customer feedback questionnaire