

# **Continuous Improvement (CIP)**

## **Module 3 – Process Quality Improvement**

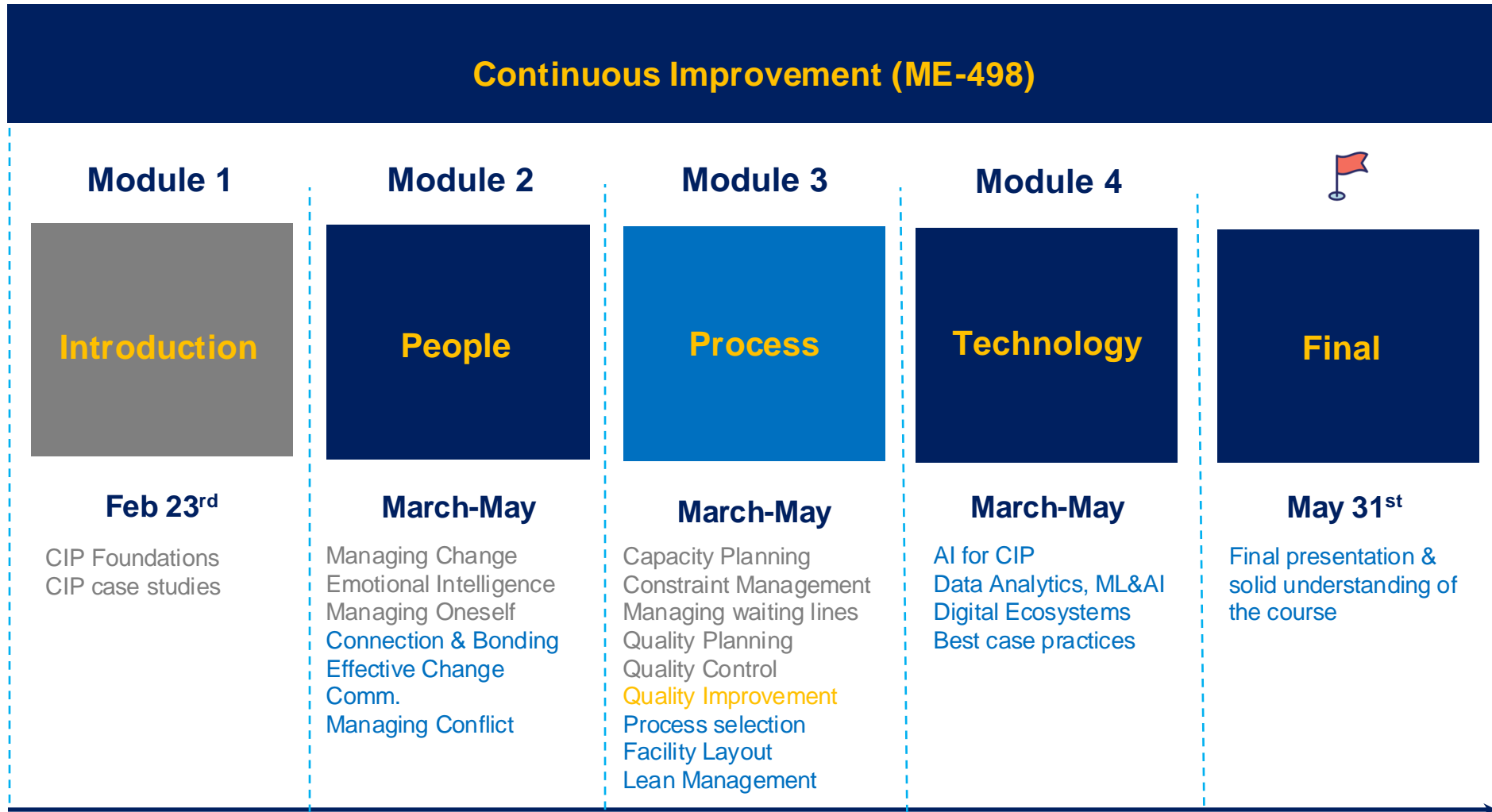
Amin Kaboli

Week 7, Session 1&2, April 4<sup>th</sup>, 2025

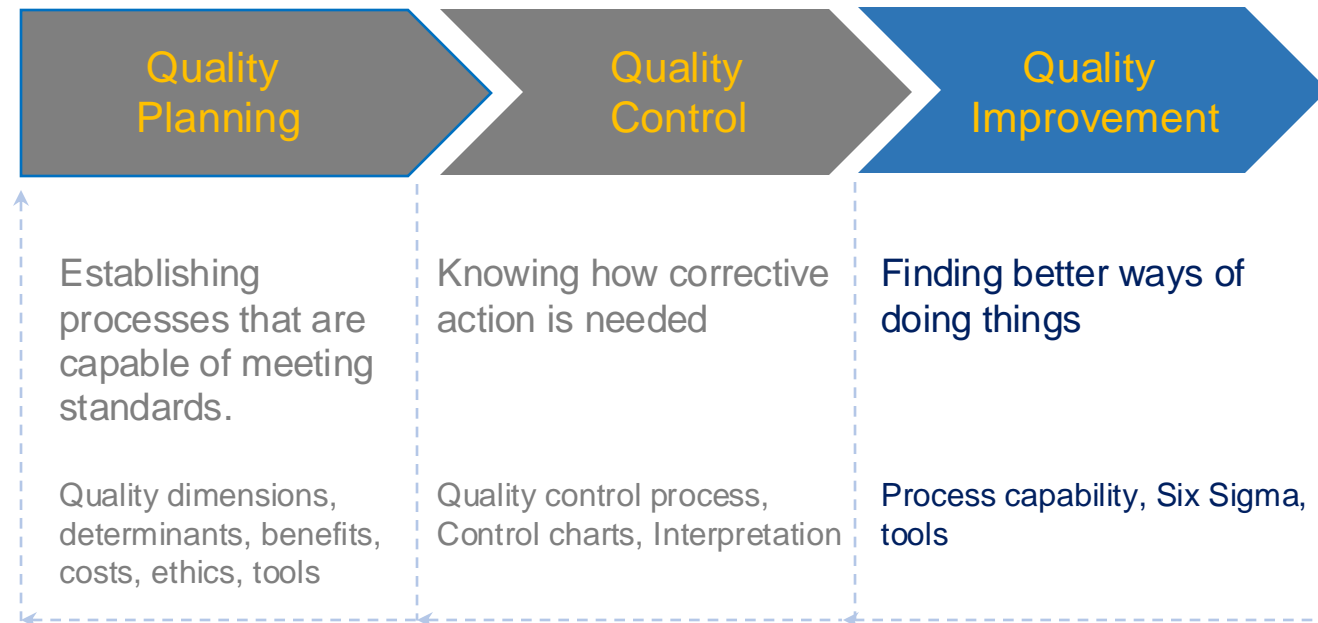
# Course Framework



Change Plan  
Strategic plan



# Quality Management – Trilogy



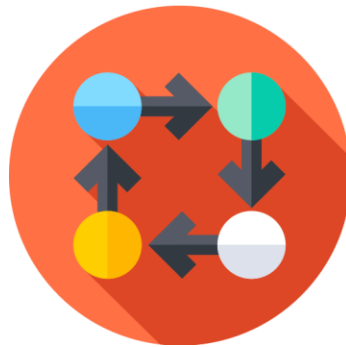
# Quality Control – Questions



**Q1.** What is Quality Control?, why is it important?



**Q2.** What are the main questions in inspection?



**Q3.** What are the main steps of effective control process?



**Q4.** How control charts are used to monitor a process?



**Q5.** How do you interpret the control chart?

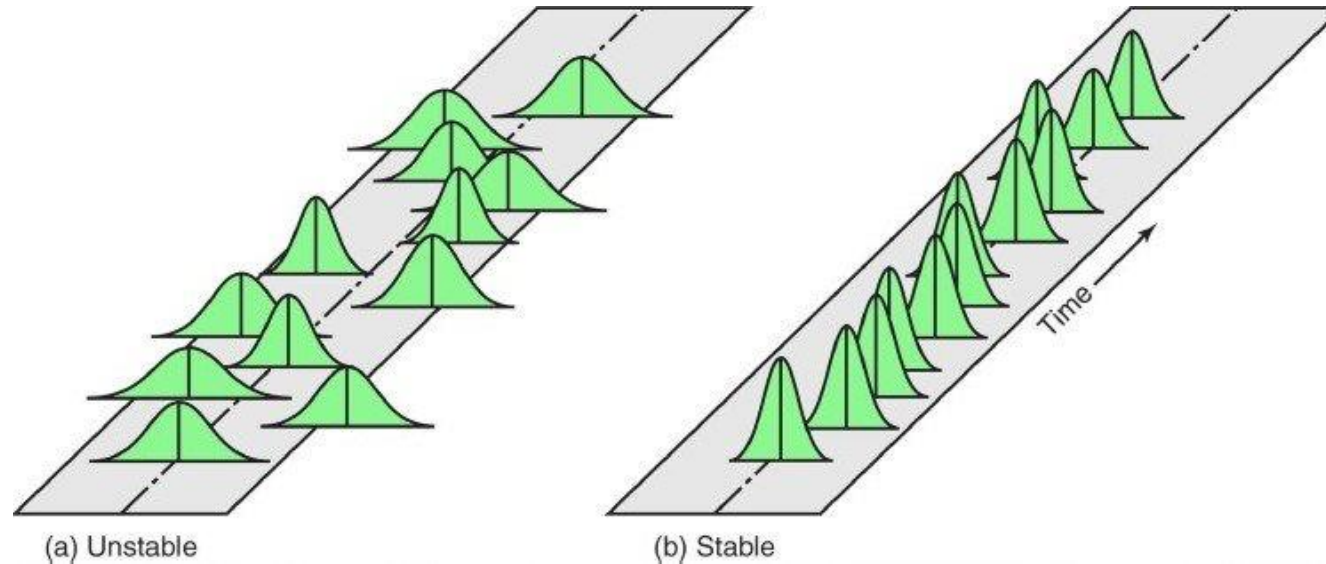


**Q6.** What is process capability?

**Question 1:**

**What is Process Capability?**

# Process Capability – Definition & Necessity



**Definition:** The inherent variability of process output relative to the variation allowed by the design specifications.

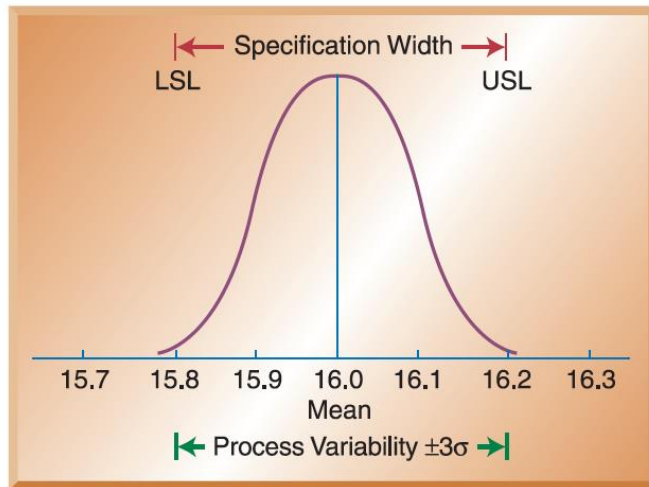
**Why?** An indicator that a process is capable to produce/serve within an acceptable range.

## **Question 2:**

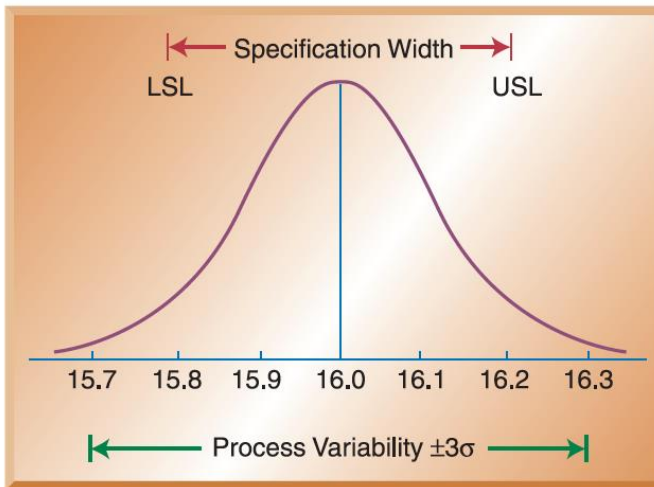
**How to ensure a process is capable?**

# Process Capability – Quality Improvement

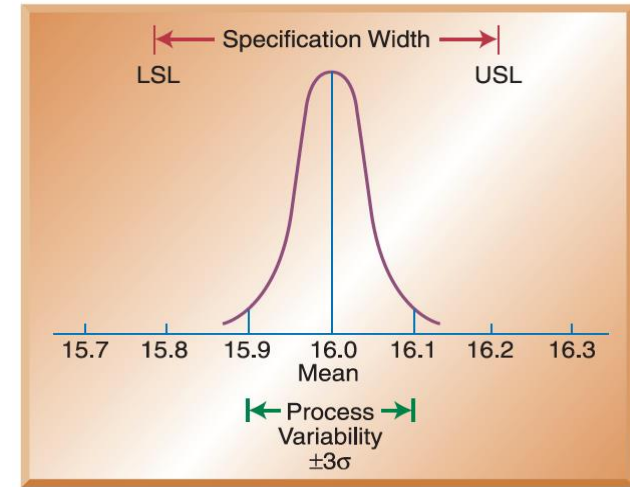
$$C_p = \frac{\text{specification width}}{\text{process width}} = \frac{USL - LSL}{6\sigma}$$



(a) Process variability meets specification width



(b) Process variability outside specification width



(c) Process variability within specification width

**PPM:** parts per million  $100\% - 99.74\% = 0.26$  which for a million parts will be 2600



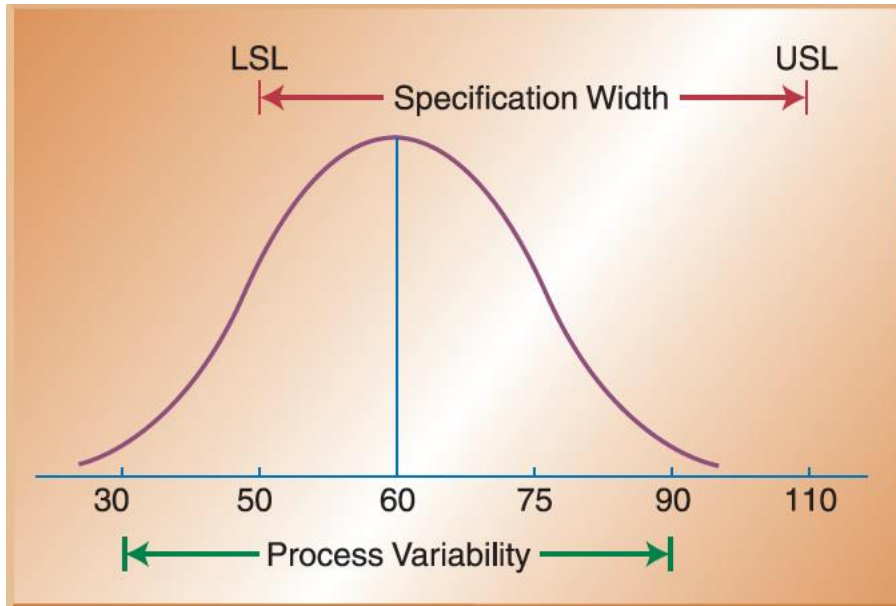
# Assignment 1 – Quality Improvement



Please download the problem set from Moodle

## Exercise 1 – Process Capability $C_p$

# Process Capability – Not Centered



$$C_{pk} = \min\left(\frac{USL - \mu}{3\sigma}, \frac{\mu - LSL}{3\sigma}\right)$$

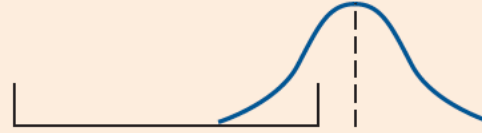
where  $\mu$  = the mean of the process  
 $\sigma$  = the standard deviation of the process

# Meanings of $C_{pk}$ Measures

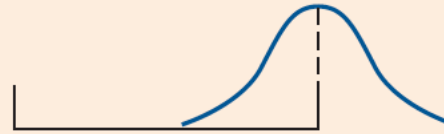
$C_{pk}$  = Less than 0

$C_{pk}$  = Larger than 1

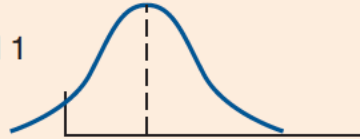
$C_{pk}$  = negative number  
(Process does not meet specifications.)



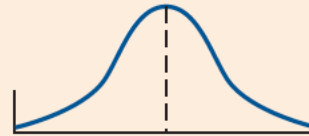
$C_{pk}$  = zero  
(Process does not meet specifications.)



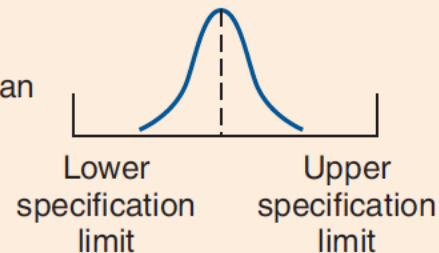
$C_{pk}$  = between 0 and 1  
(Process does not meet specifications.)



$C_{pk}$  = 1  
(Process meets specifications.)



$C_{pk}$  greater than 1  
(Process is better than the specification requires.)



Source: Heizer, J., Render, B., Munson, C., & Sachan, A. (2017). Operations Management: Sustainability and Supply Chain Management, 12/e. Pearson Education.

# Assignment 2 – Quality Improvement



Please download the problem set from Moodle

## Exercise 2 – Process Capability *C<sub>pk</sub>*

**Question 3:**

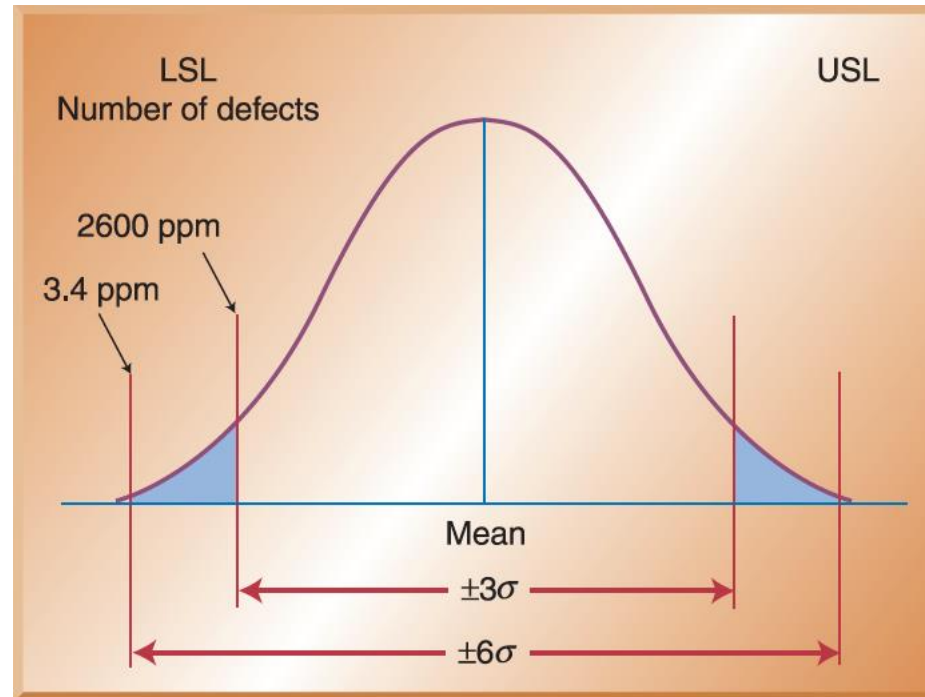
**How to improve quality?**

# Effective Quality Control – Steps

- **Step 1: Define** (what is to be controlled)?
- **Step 2: Measure** (How measurement will be accomplished?)
- **Step 3: Compare** (What level of quality being sought?)
- **Step 4: Evaluate** (What is out of control? How is the variability?)
- **Step 5: Correct** (How corrective actions must be taken?)
- **Step 6: Monitor** (How do you monitor results and ensure corrective actions were effective?)

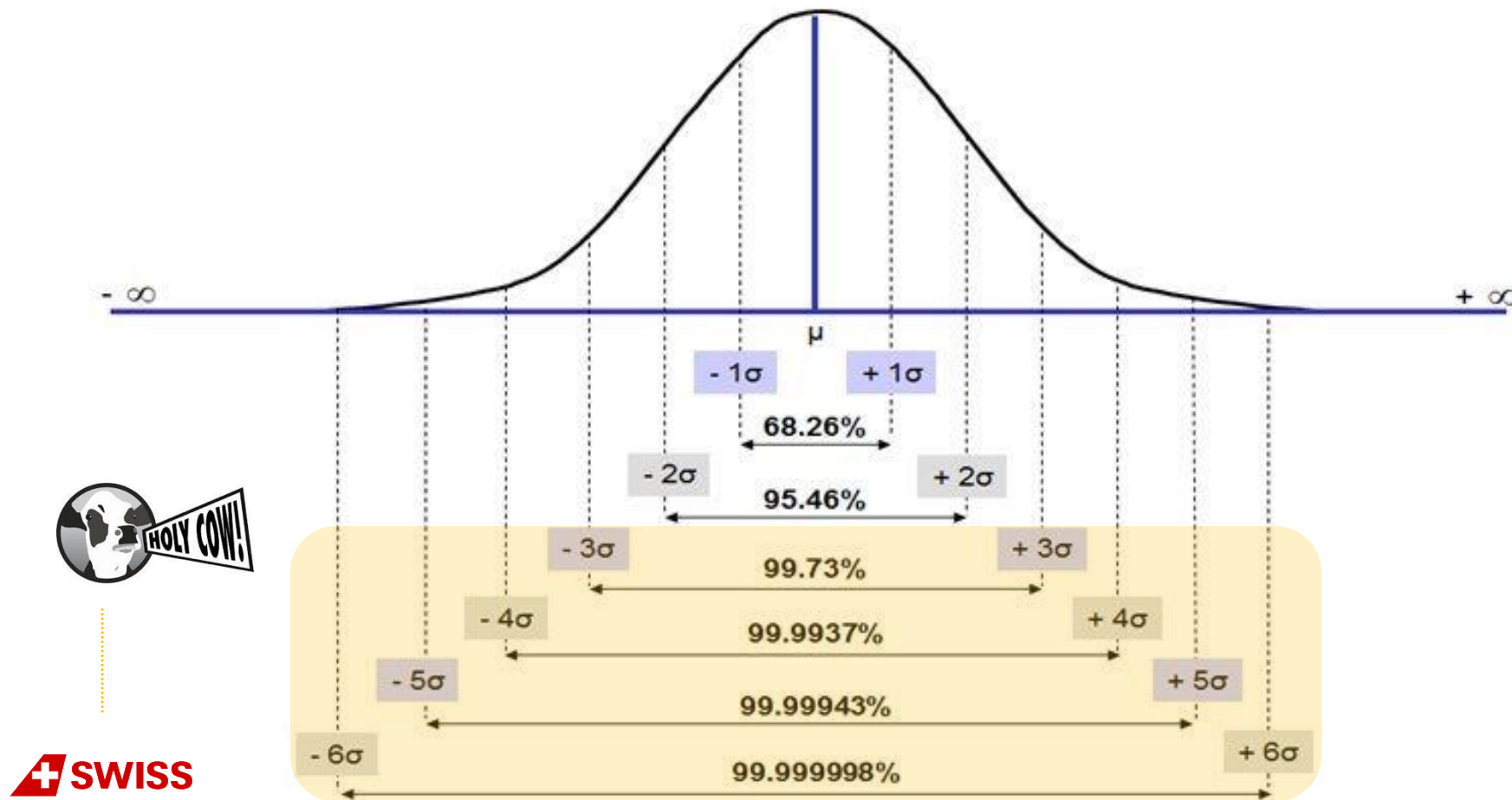
# What is Six Sigma?

- A high level of quality associated with approximately 3-4 defective parts per million.



PPM defective for +/-3 sigma vs +/-6 Sigma quality (not to scale)

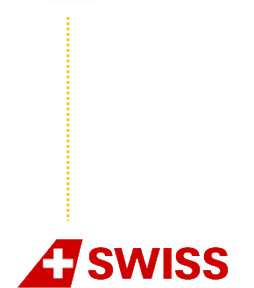
# Successful & Sustainable Operations





# Successful & Sustainable Operations

Sigma	Defects Per Million Operations (DPMO)	Percentage of Successful Operations
1	691'462	30.9%
2	308'538	69.1%
3	66'807	93.3%
4	6'210	99.4%
5	233	99.98%
6	3.4	99.99966%



# Correct – How corrective actions must be taken?

## Quality Problem Solving – Systematic Process Improvement



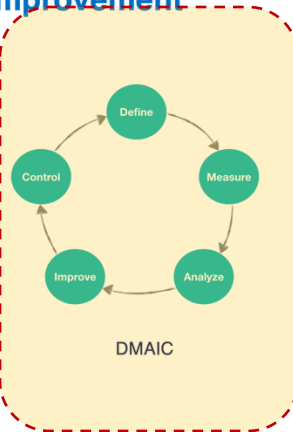
PDCA cycle



Basic steps of problem solving



Process improvement



DMAIC

## Systematic Idea Generation



Brainstorming



Quality circles



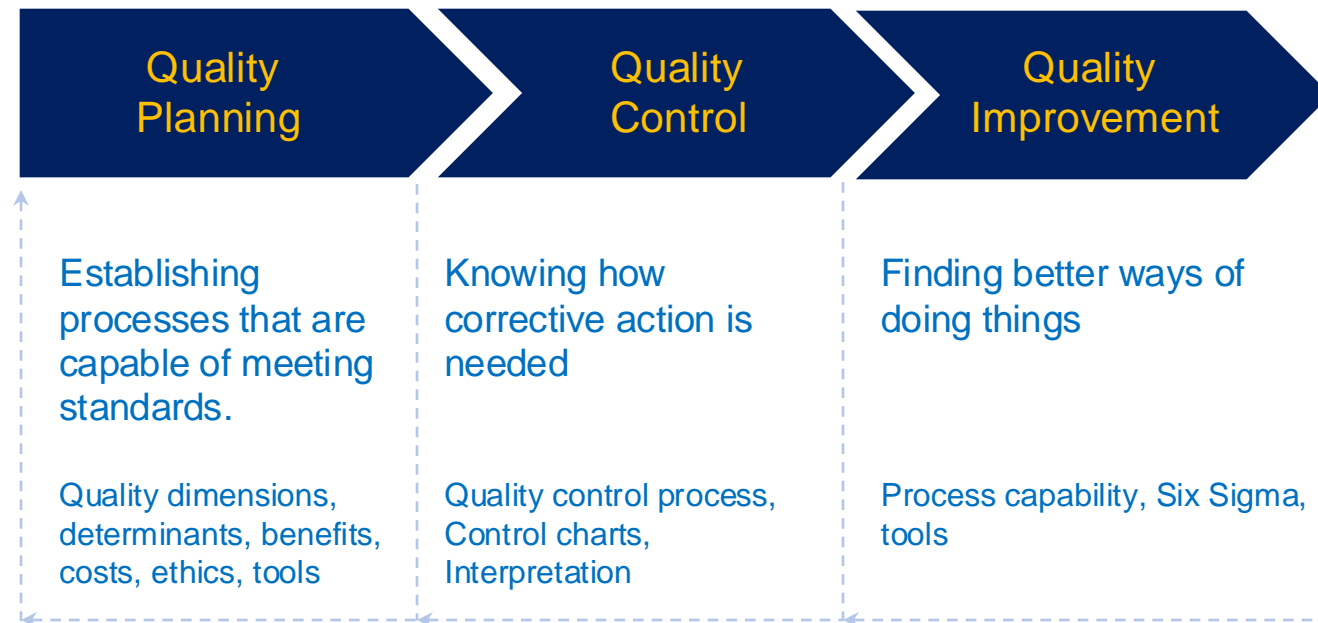
Benchmarking



Design Thinking

Sources:  
The Second Figure from Donna Summers, Quality, 2nd ed., p. 67. Copyright © 2000 Prentice Hall, Inc. Reprinted by permission of Pearson Education, Inc., Upper Saddle River, NJ.  
William J. Stevenson, Operations Management, Page 388-392, McGraw-Hill Education, 12th edition, 2015.

# Quality Management – Trilogy



## Assignment 7 – Tasks of Quality Improvement

Understand and evaluate your case study's manufacturing/service process capability and offer recommendations as needed.



Reflect, share and collect ideas of your group members and answer the following question in your work;

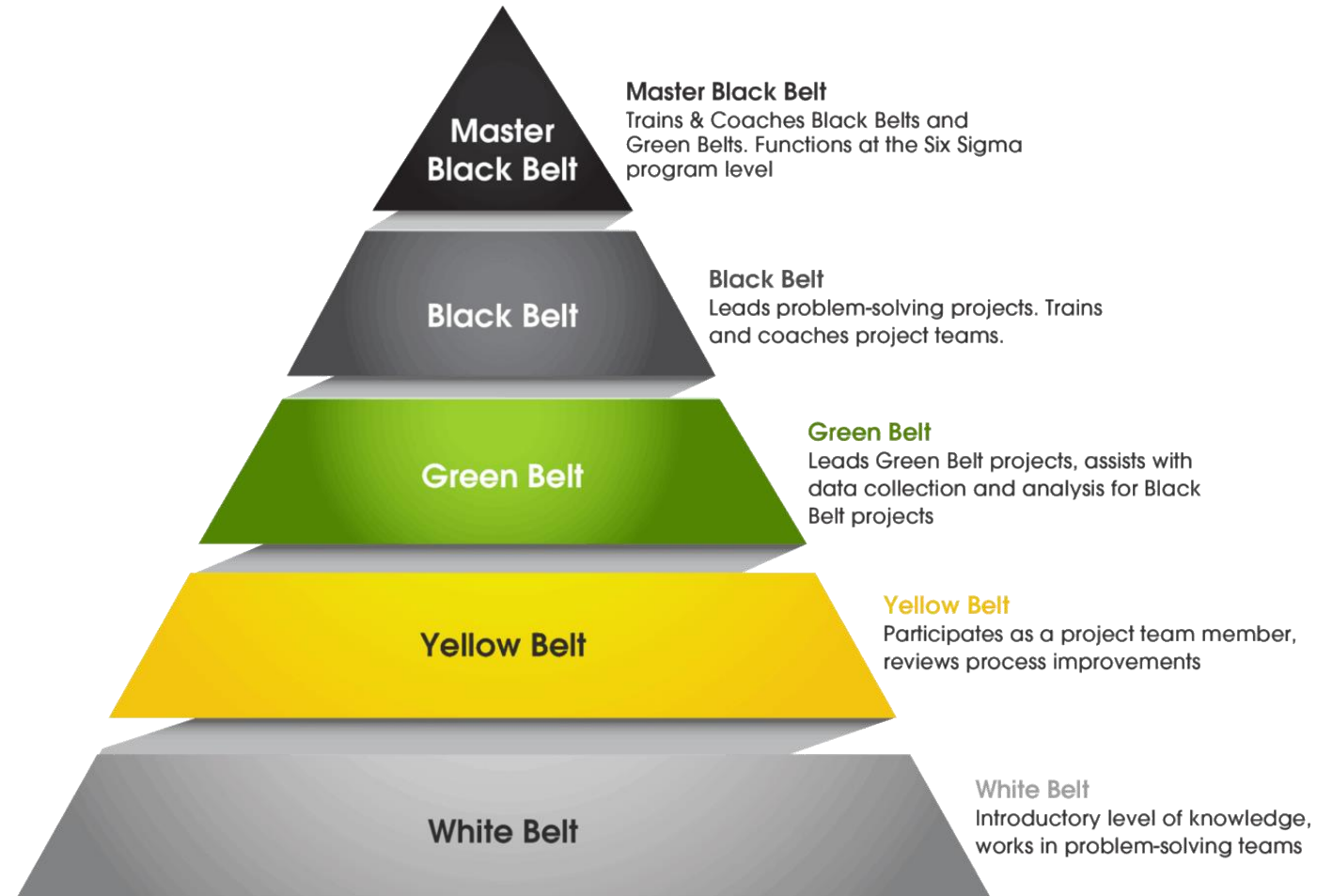
- Is the process that you studied in Assignment 4 and 5, capable? How do you measure it?
- What is the level of successful and sustainable operations for your case study?
- What is your proposal for quality improvement? what other quality tools (other than what you already explained earlier) can be in use to enhance the quality of your case?
- How would you structure your project based on DIMAC steps?

**Note 1:** Refer to page 390-392 of your book chapter, Management of Quality.

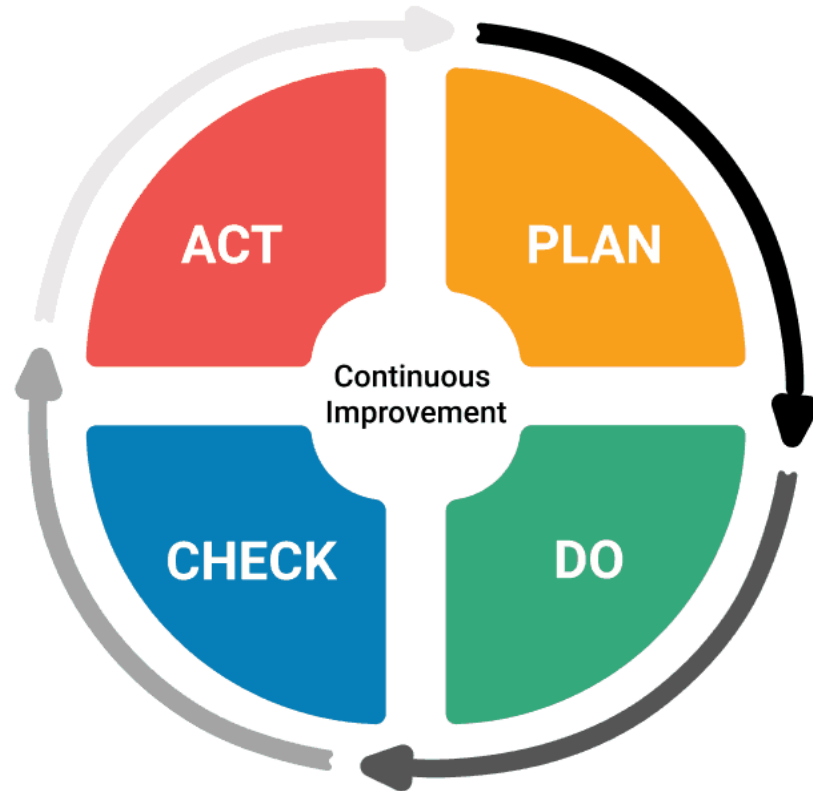
**Note 2:** We don't expect you to re-write or re-present a full-length project, rather a short description of your project, less than half a page, based on DIMAC steps.

**Reminder:**  
**Quality tools?**

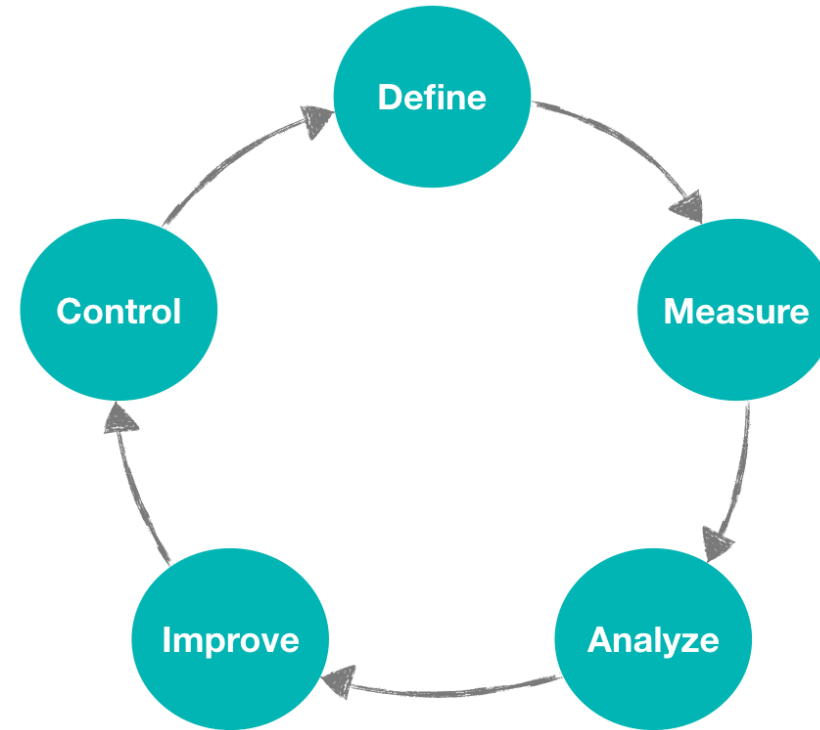
# Six Sigma Mastery Level



## Reminder: Problem Solving – PDCA & DMAIC



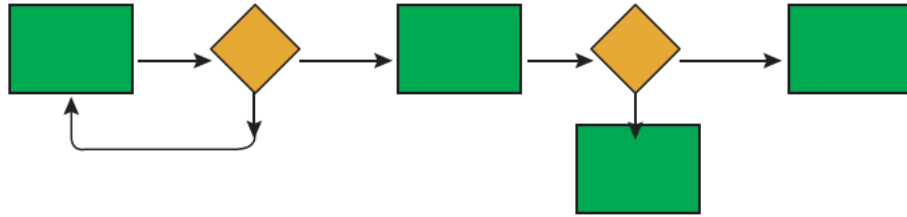
PDCA cycle



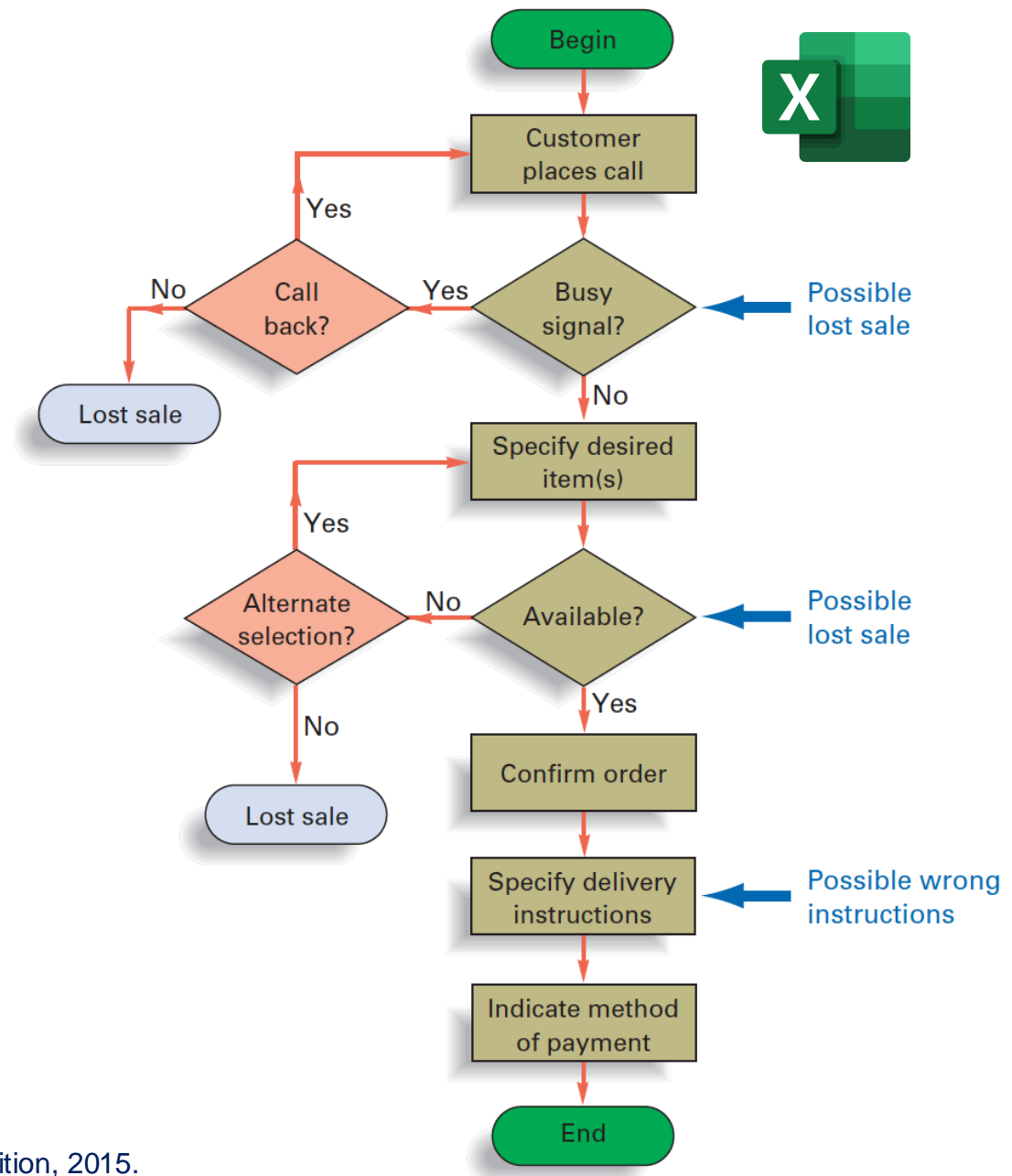
DMAIC

# Quality tools (1) – Flowcharts

- Definition:** A diagram of the steps in a process.



**Example:** Phone call and product delivery



Source: William J. Stevenson, Operations Management, McMcGraw-Hill Education, 12th edition, 2015.

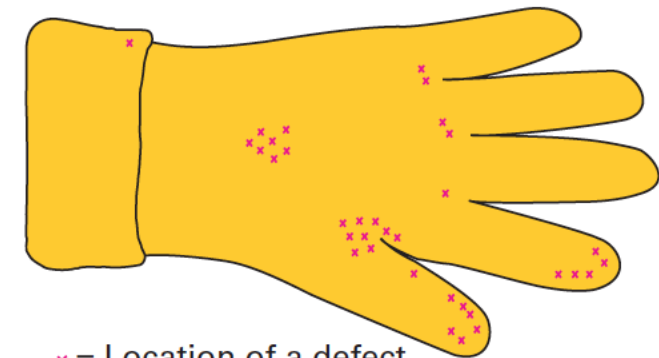


## Quality tools (2) – Check Sheet

- **Definition:** A tool for recording and organizing data to identify a problem.

Day	Time	Type of Defect					Total
		Missing label	Off-center	Smeared print	Loose or folded	Other	
M	8–9	IIII	II				6
	9–10		III				3
	10–11	I	III	I			5
	11–12		I		I	I (Torn)	3
	1–2		I				1
	2–3		II	III	I		6
	3–4		II	IIII			8
Total		5	14	10	2	1	32

An example of check sheet

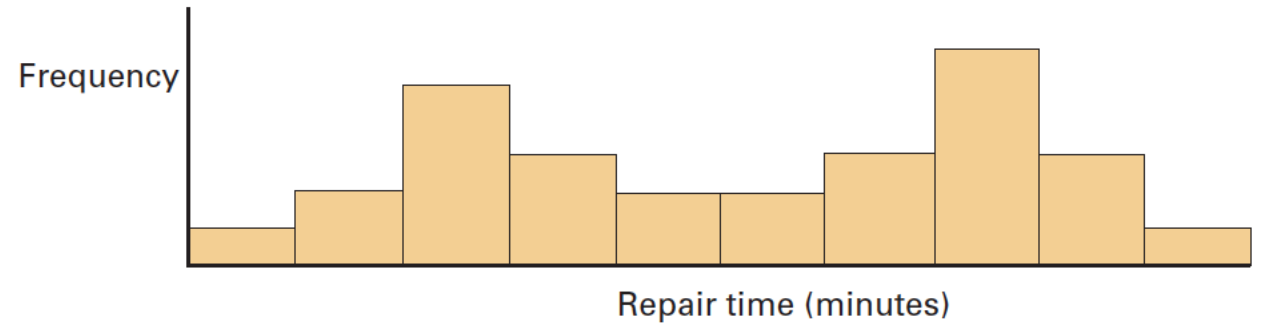
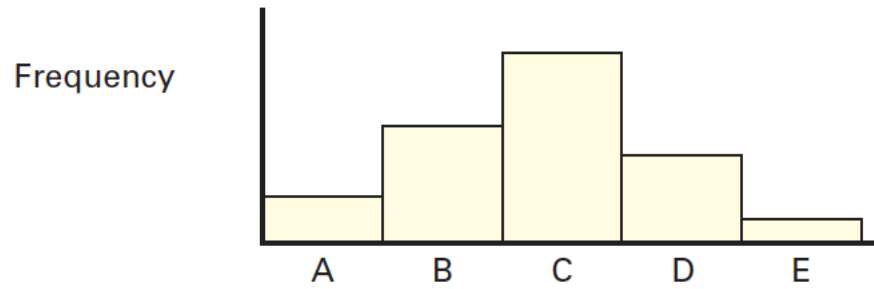


A special-purpose check sheet

Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

# Quality tools (3) – Histogram

- **Definition:** A chart for an empirical frequency distribution.

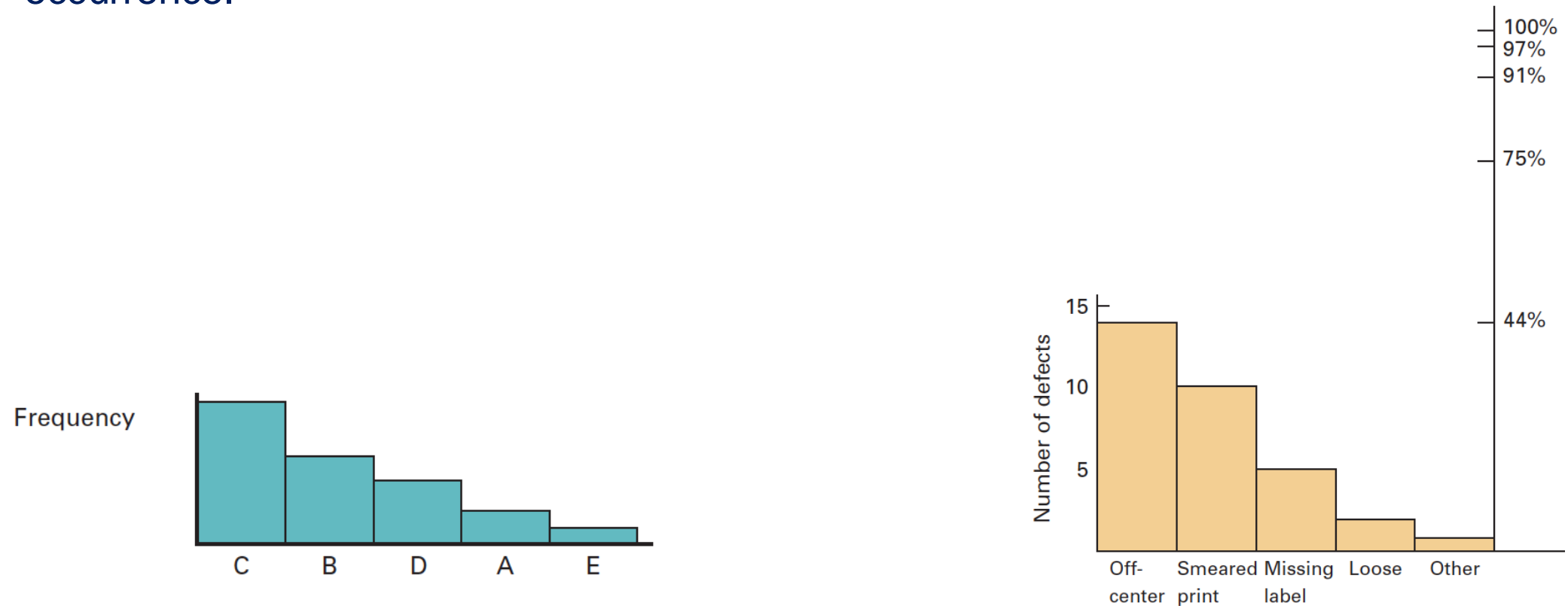


Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

# Quality tools (4) – Pareto Chart



- Definition:** A diagram that arranges categories from the highest to lowest frequency of occurrence.

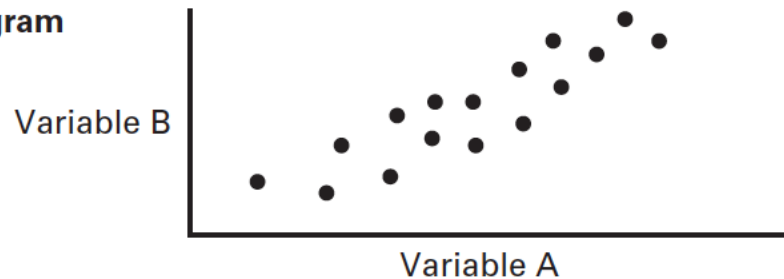


Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

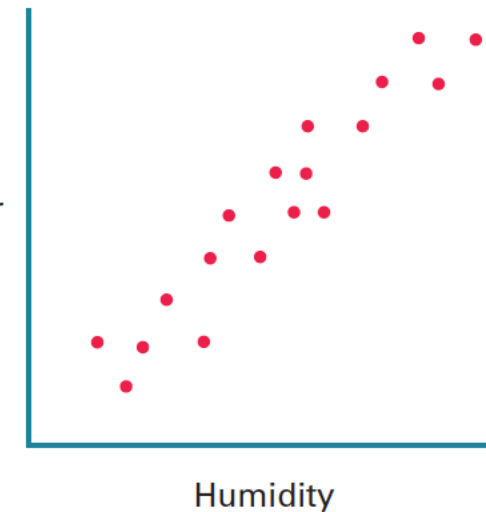
# Quality tools (5) – Scatter Diagram

- **Definition:** A graph that shows the degree and direction of relationship between two variables.

Scatter diagram



Number of errors per hour



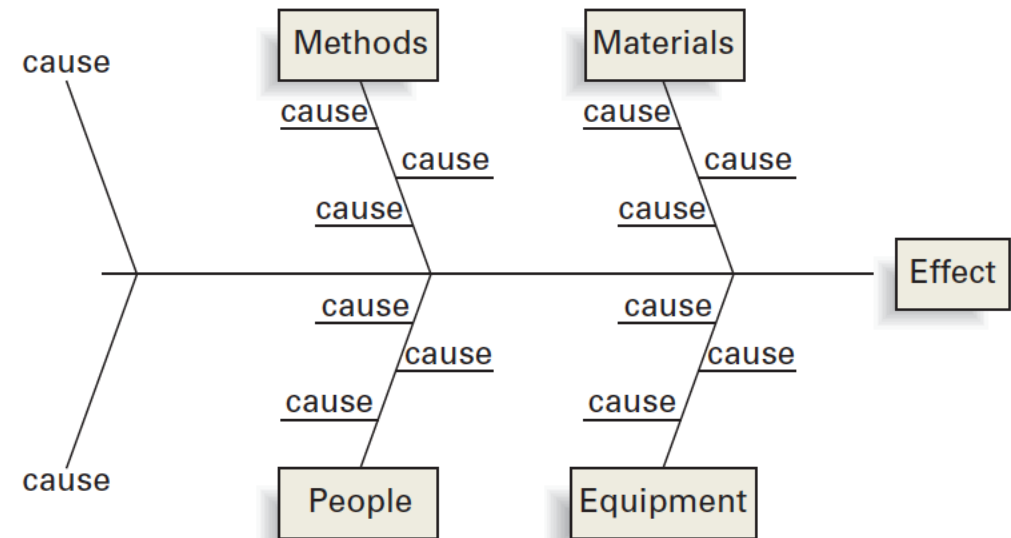
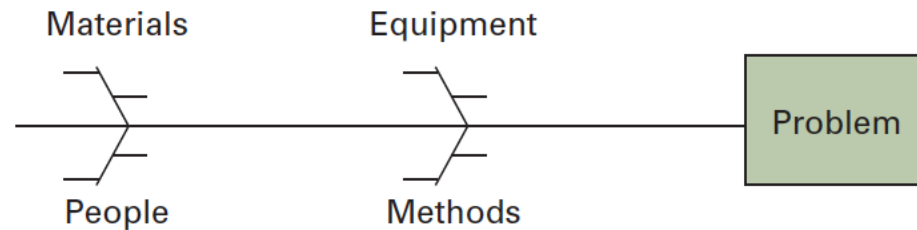
Source: William J. Stevenson, Operations Management, McMcGraw-Hill Education, 12th edition, 2015.

# Quality tools (6) – Cause-and-Effect Diagram



- Definition:** A diagram used to organize a search for the cause(s) of a problem, also known as a fishbone diagram.

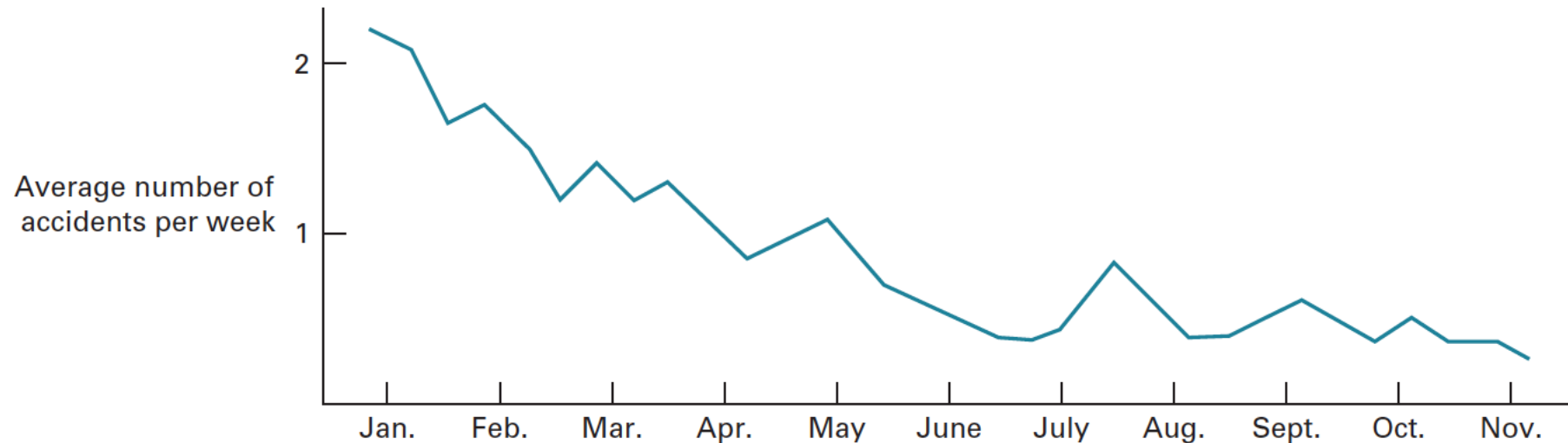
Cause-and-effect diagram



Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

# Quality tools (7) – Run Chart

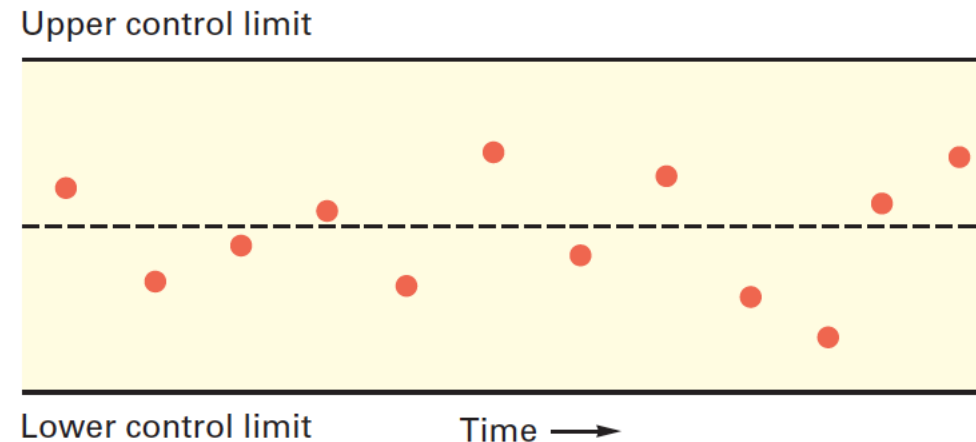
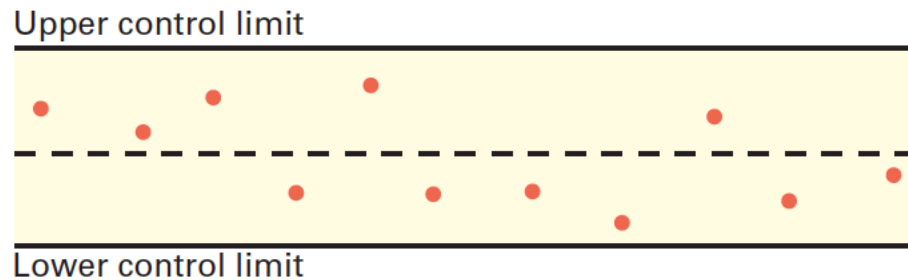
- **Definition:** A tool for tracking results over a period of time.



Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

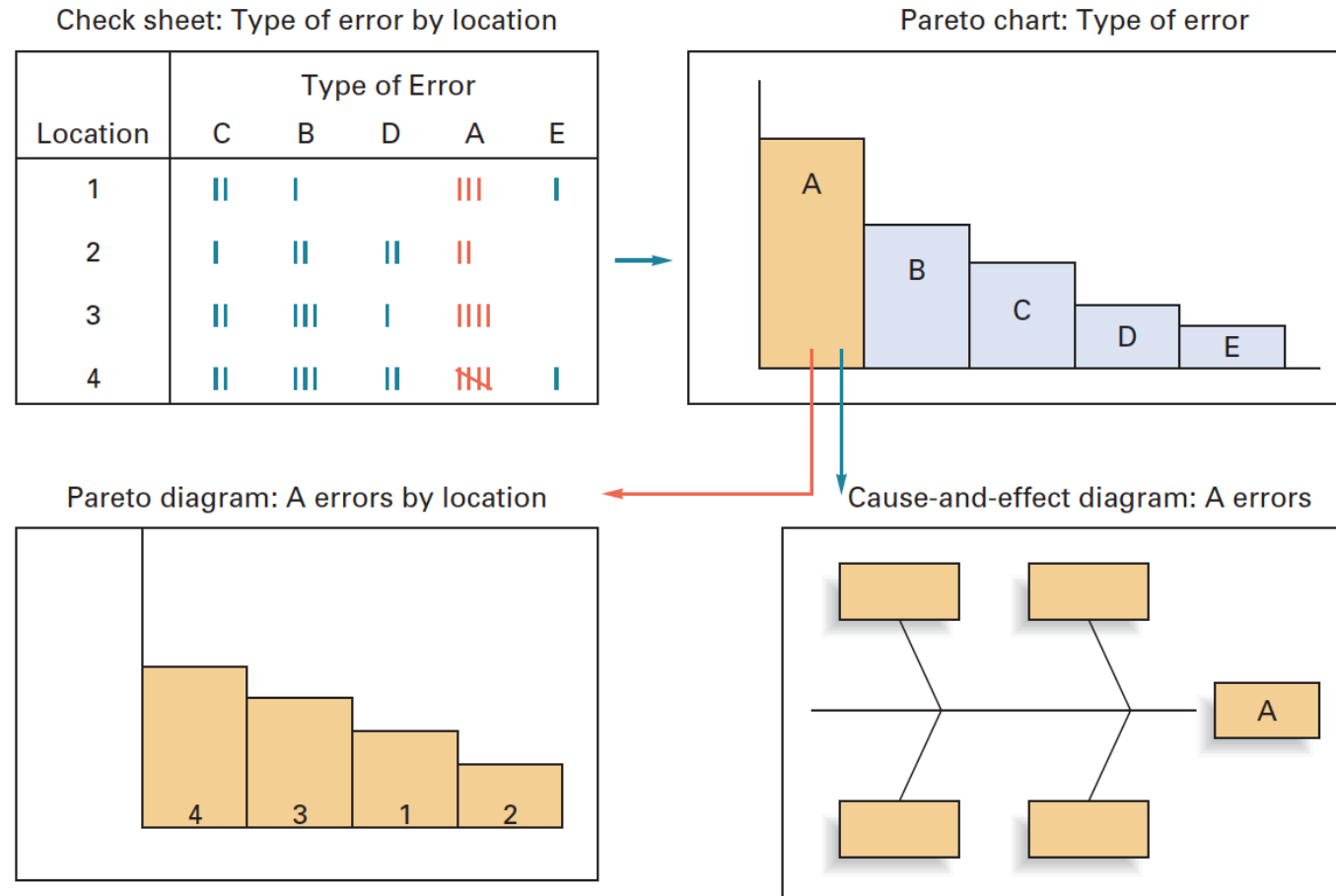
# Quality tools (8) – Control Chart

- **Definition:** A statistical chart of time-ordered values of a sample statistic (e.g., sample means).



Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

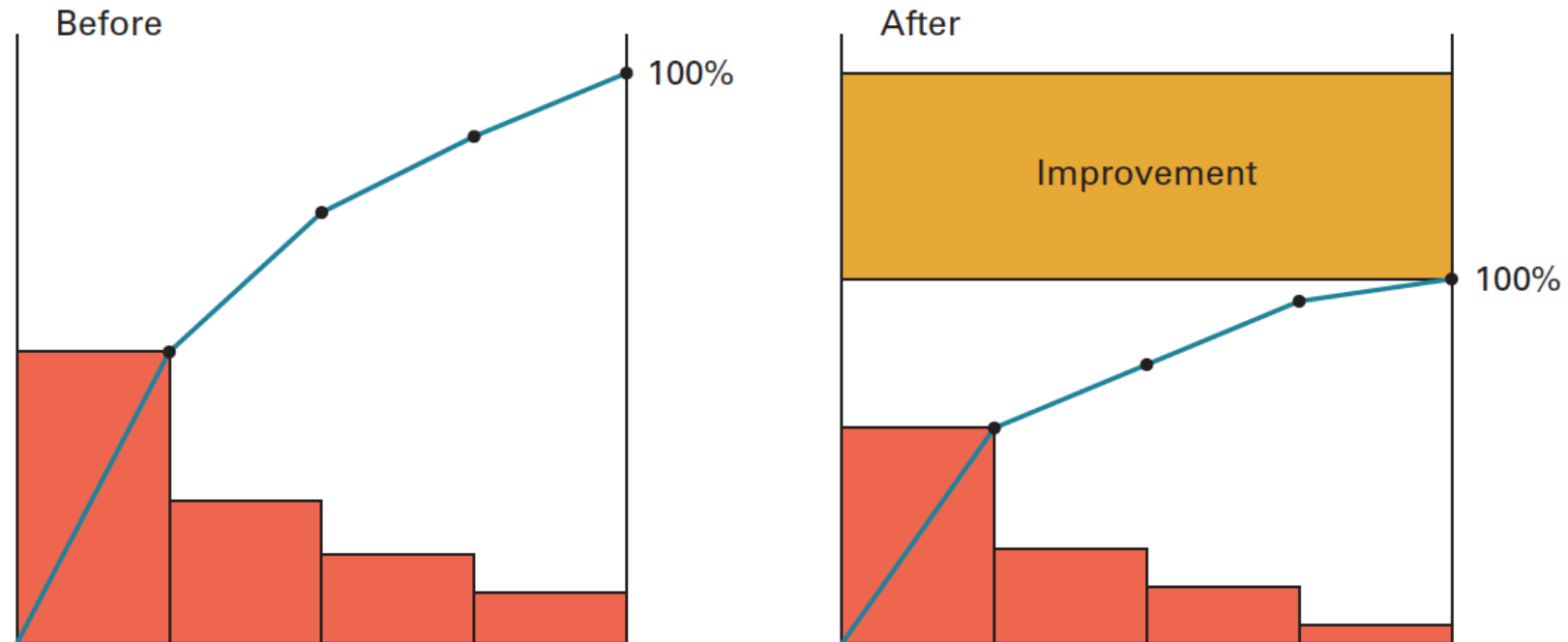
# Quality tools – Using Tools to Improve Processes (I)



Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.



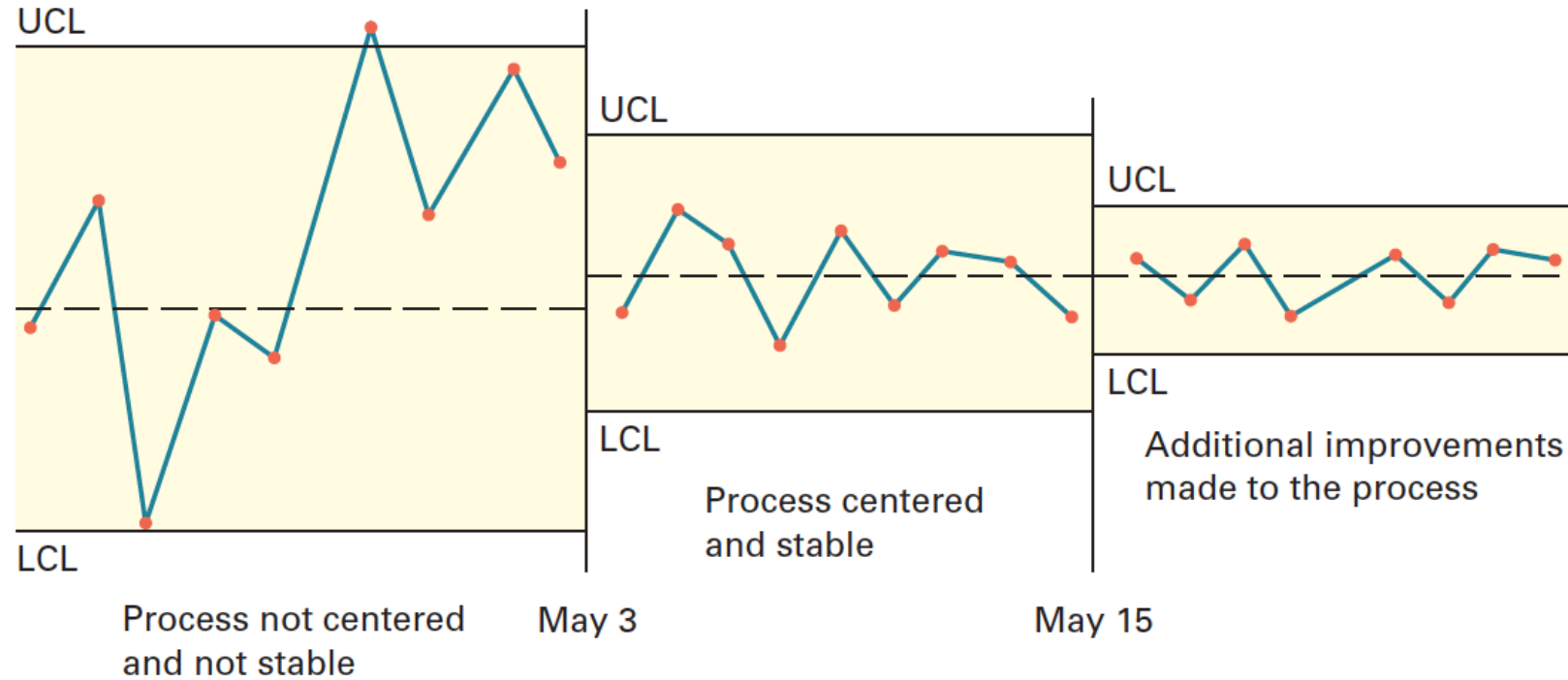
# Quality tools – Using Tools to Improve Processes (II)



Using Pareto charts to track improvements

Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

# Quality tools – Using Tools to Improve Processes (II)



Using control chart to track improvements

Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.