

Continuous Improvement (CIP)

Module 3 – Process

Quality Improvement

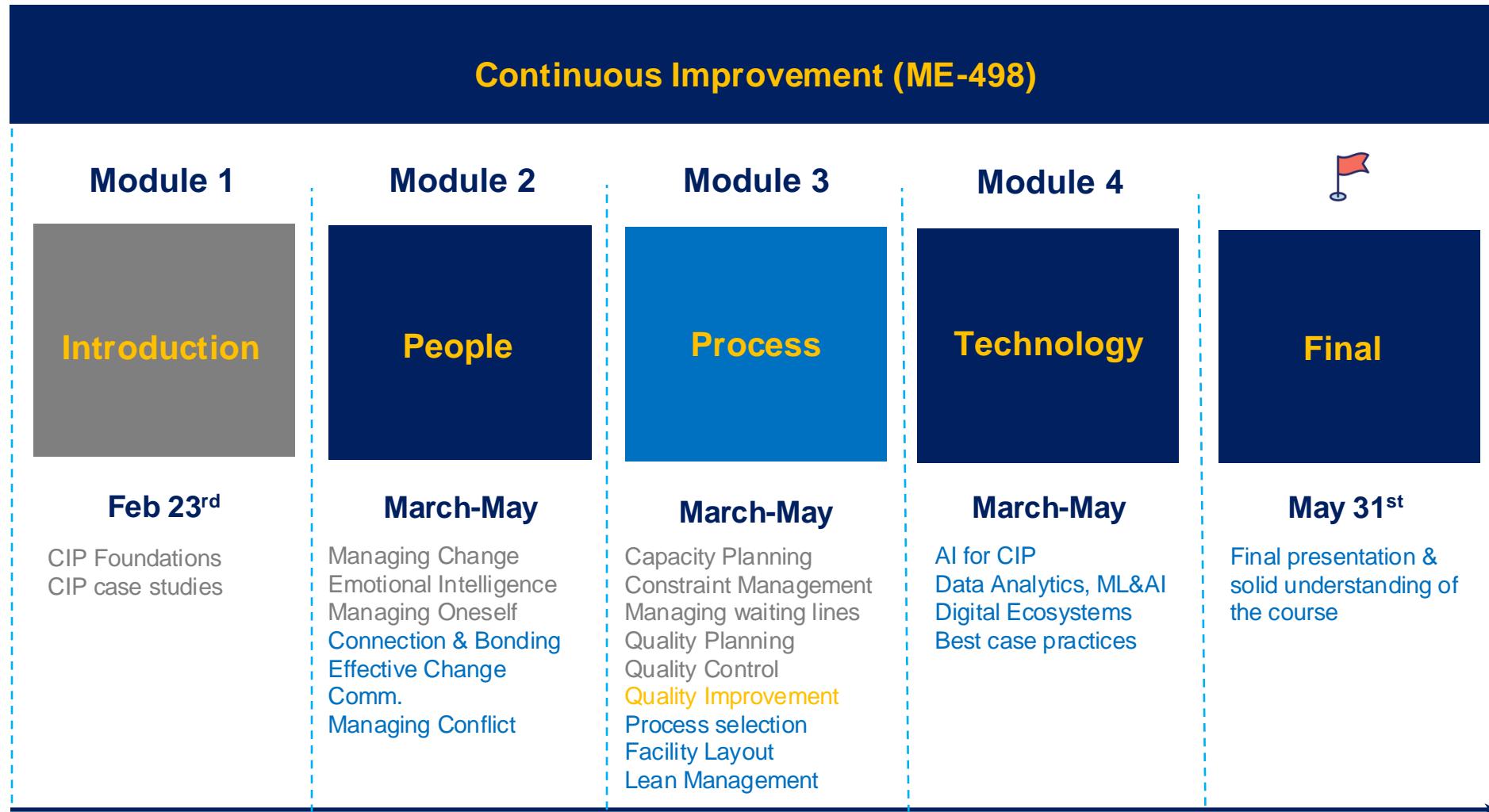
Amin Kaboli

Week 7, Session 1&2, April 4th, 2025

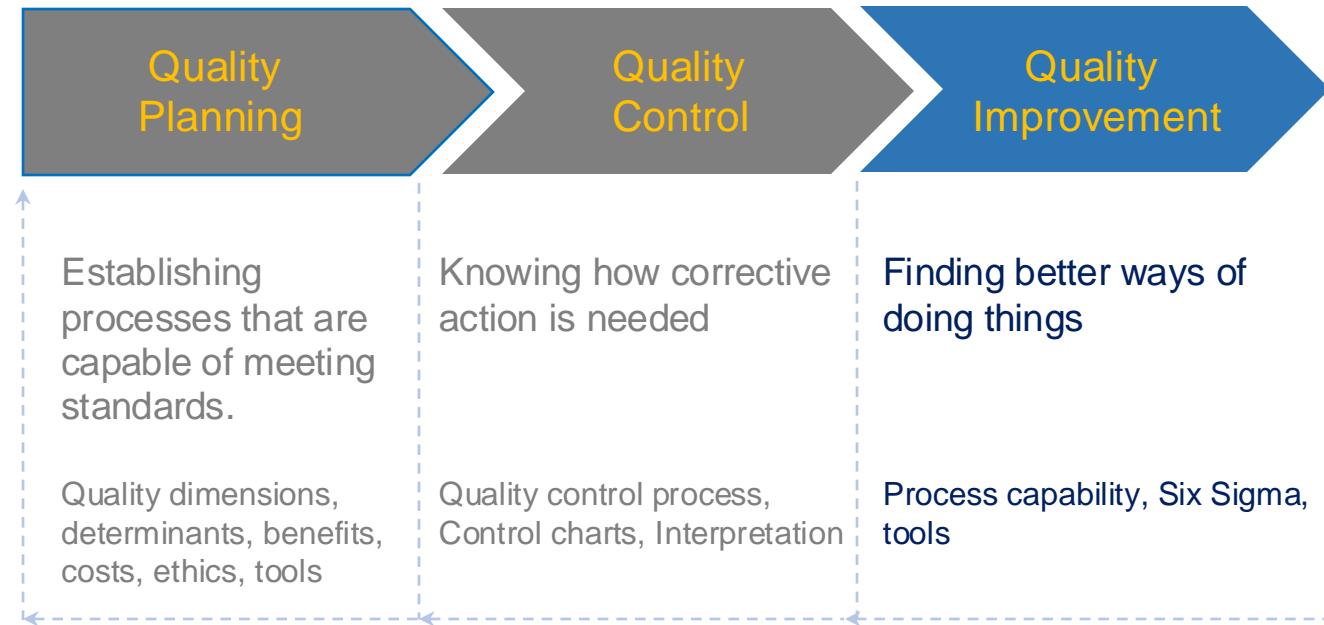
Course Framework



Change Plan
Strategic plan



Quality Management – Trilogy



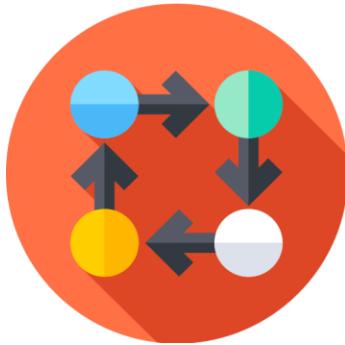
Quality Control – Questions



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



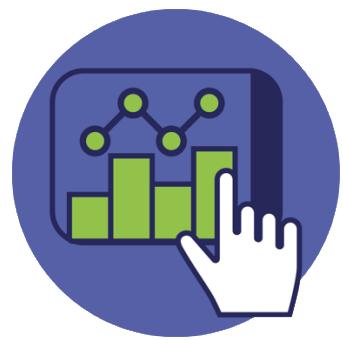
Q2. What are the main questions in inspection?



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?

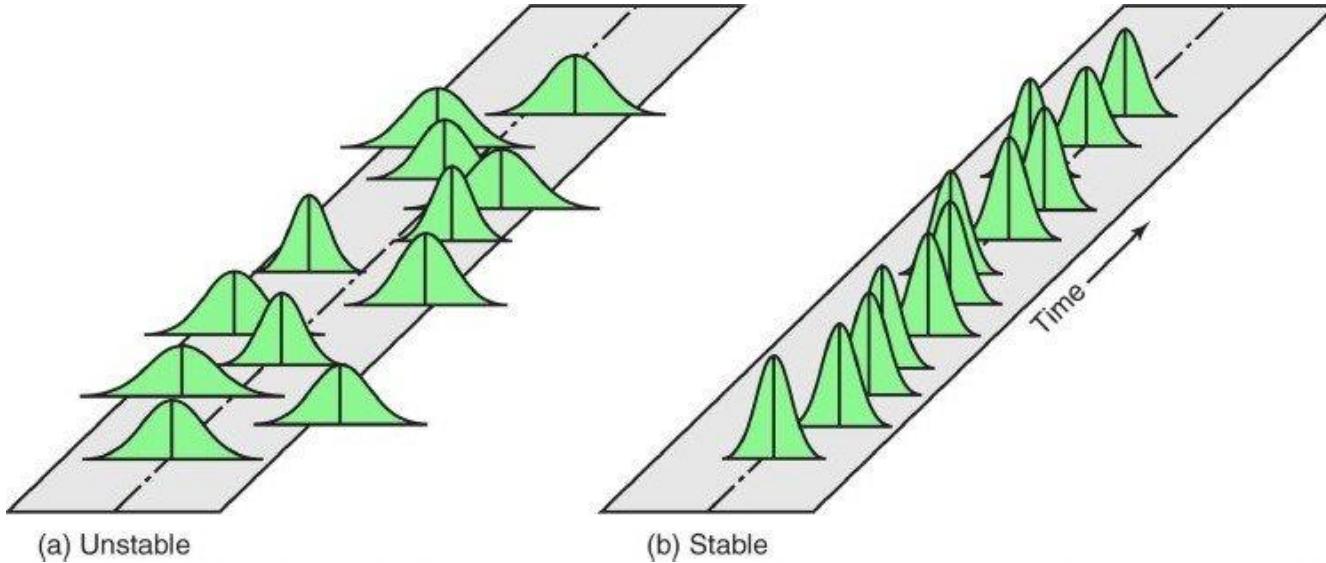


Q6. What is process capability?

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.

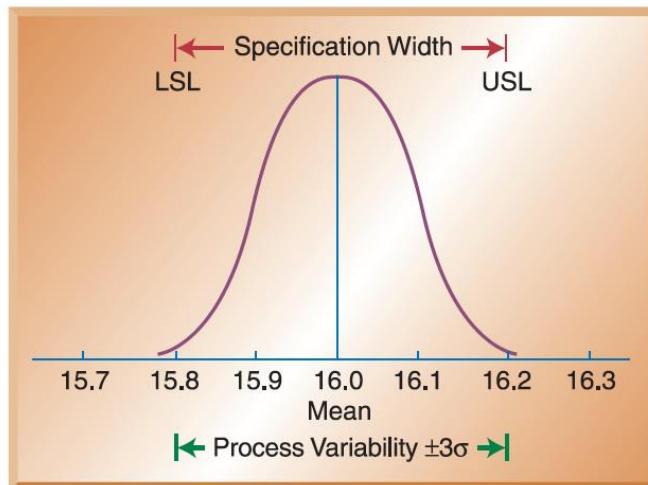
Why? An indicator that a process is capable to produce/serve within an acceptable range.

Question 2:

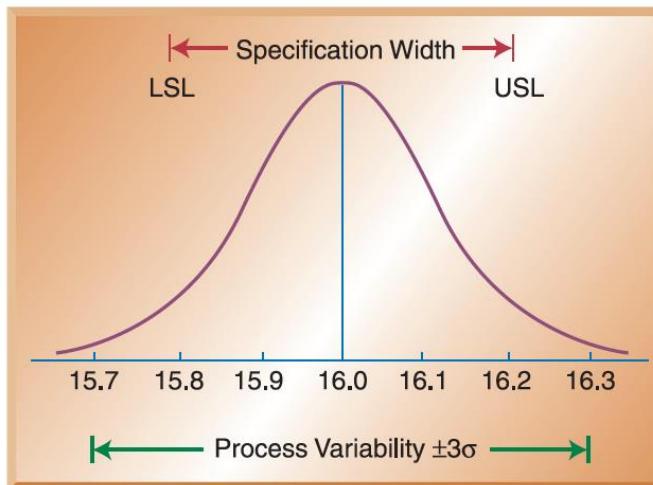
How to ensure a process is capable?

Process Capability – Quality Improvement

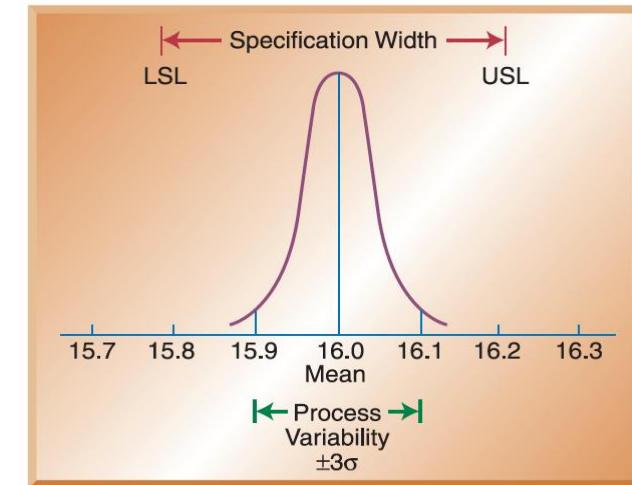
$$C_p = \frac{\text{specification width}}{\text{process width}} = \frac{\text{USL} - \text{LSL}}{6\sigma}$$



(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

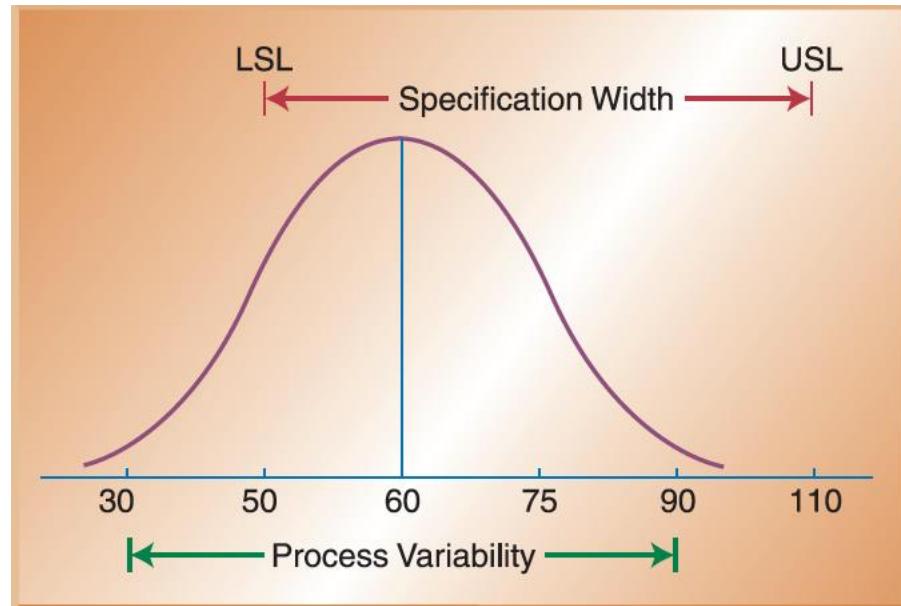
Assignment 1 – Quality Improvement



Please download the problem set from Moodle

Exercise 1 – Process Capability C_p

Process Capability – Not Centered



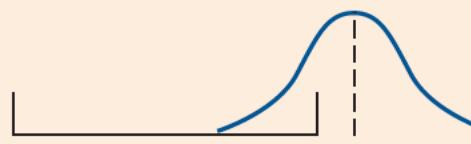
$$C_{pk} = \min\left(\frac{USL - \mu}{3\sigma}, \frac{\mu - LSL}{3\sigma}\right)$$

where μ = the mean of the process
 σ = the standard deviation of the process

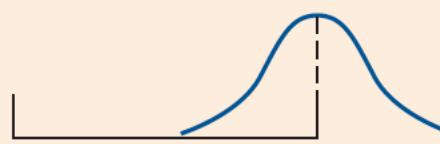
Meanings of C_{pk} Measures

C_{pk} = Less than 0

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



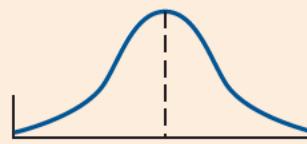
C_{pk} = zero
(Process does not meet specifications.)



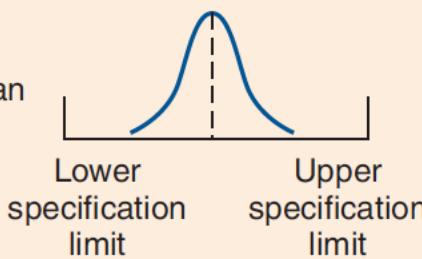
C_{pk} = between 0 and 1
(Process does not meet specifications.)



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



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



C_{pk} = Larger than 1

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 Cpk

Question 3:

How to improve quality?

Effective Quality Control – Steps

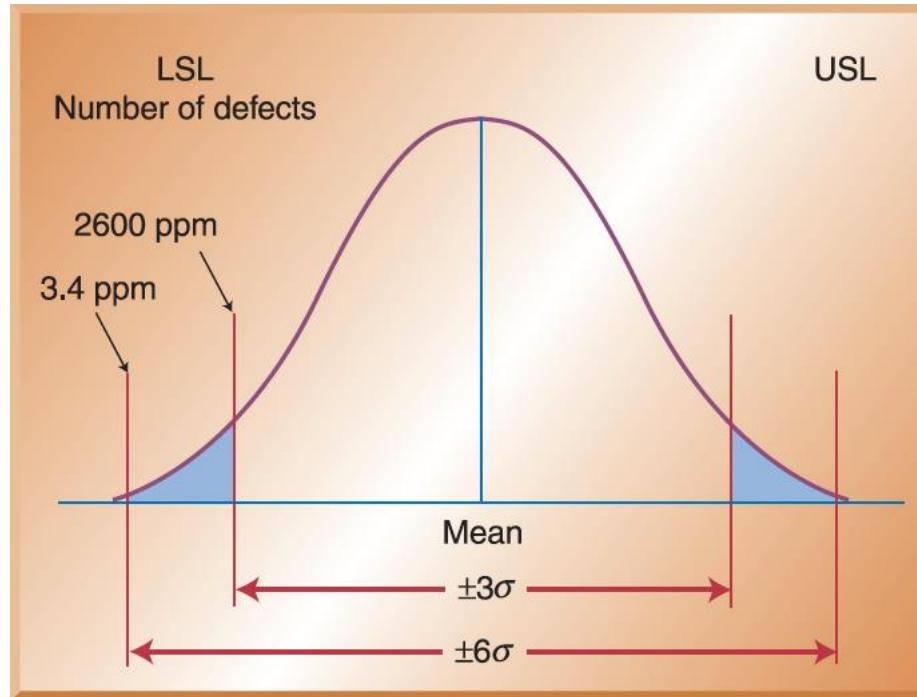
- **Step 1: Define** (what is to be controlled?)
- **Step 2: Measure** (How measurement will be accomplished?)
- **Step 3: Compare** (What level of quality being sought?)
- **Step 4: Evaluate** (What is out of control? How is the variability?)

- **Step 5: Correct** (How corrective actions must be taken?)

- **Step 6: Monitor** (How do you monitor results and ensure corrective actions were effective?)

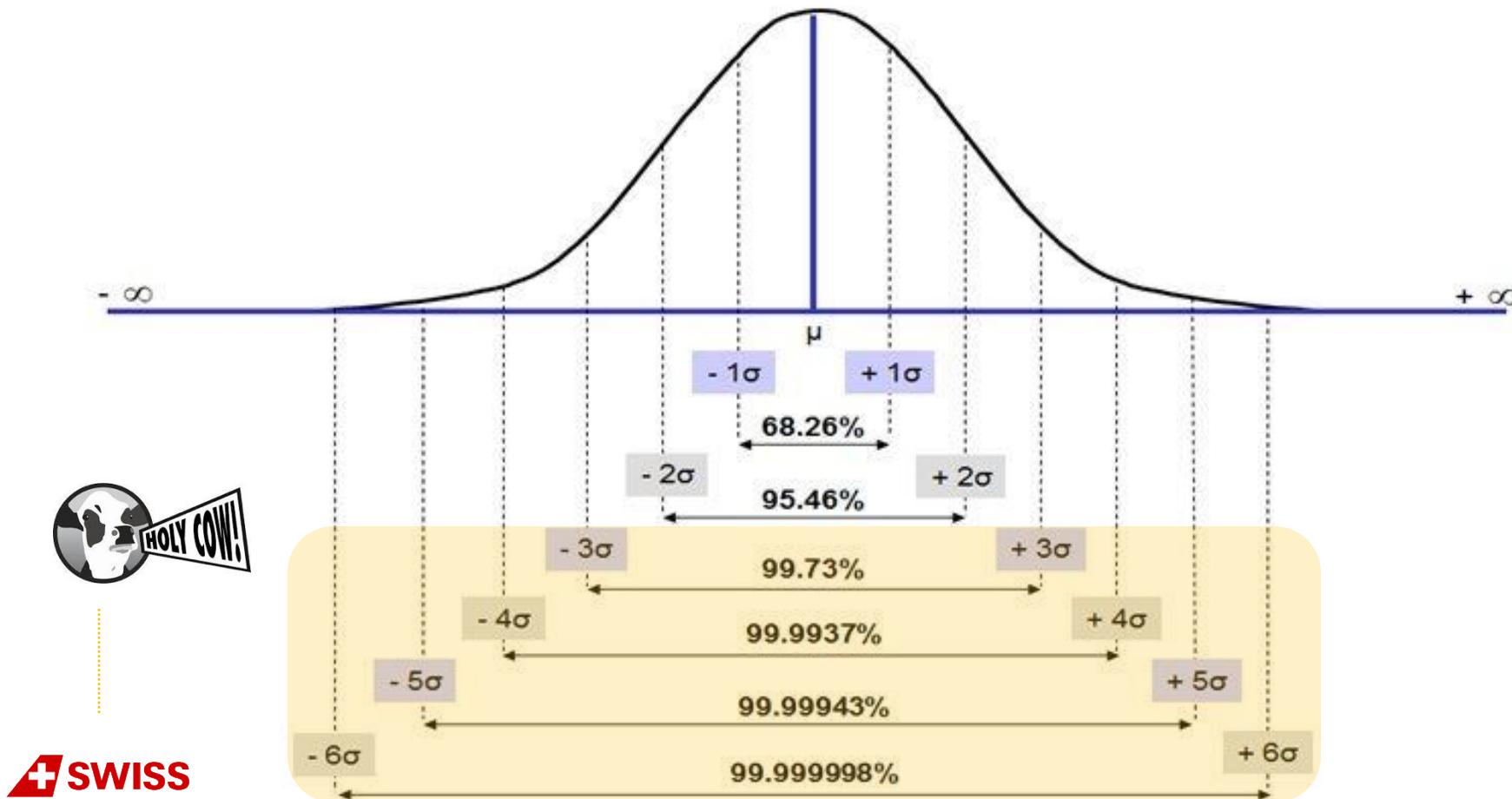
What is Six Sigma?

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



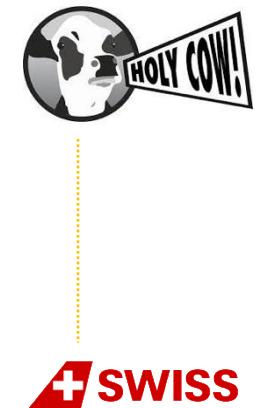
PPM defective for +/-3 sigma vs +/-6 Sigma quality (not to scale)

Successful & Sustainable Operations

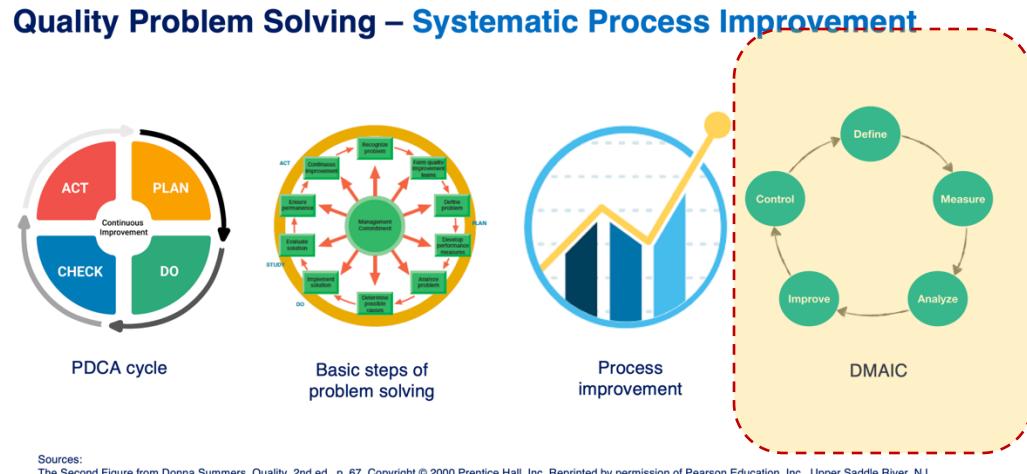


Successful & Sustainable Operations

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%



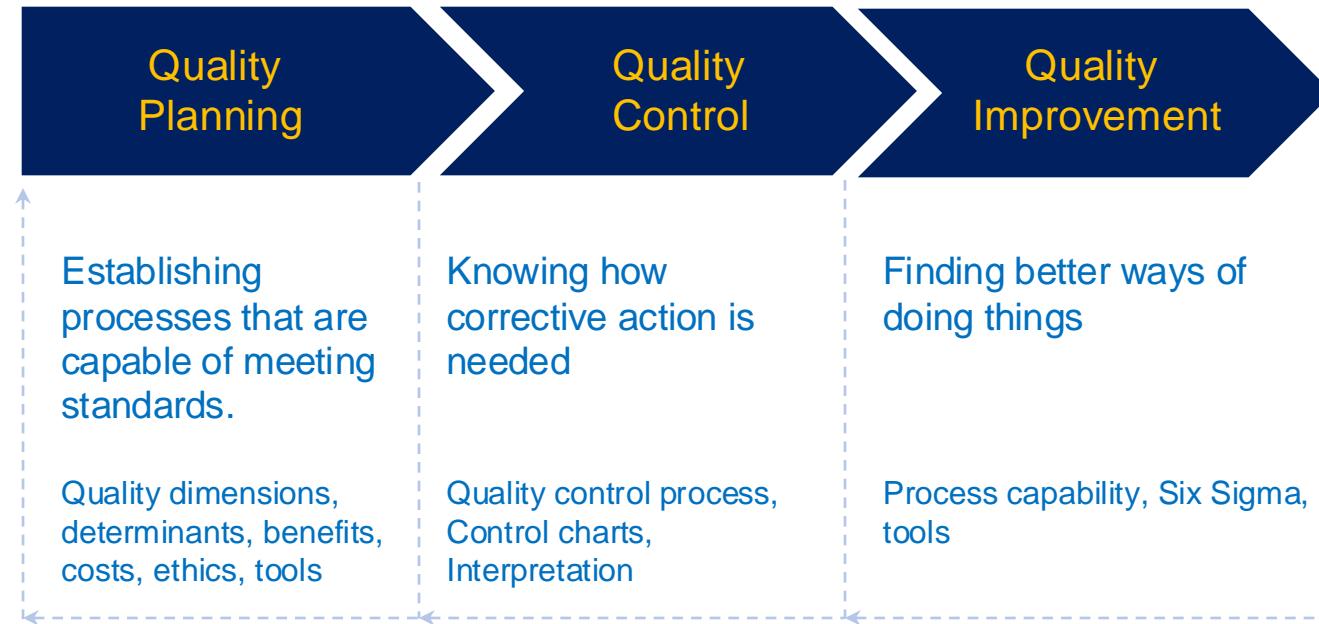
Correct – How corrective actions must be taken?



Systematic Idea Generation



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;

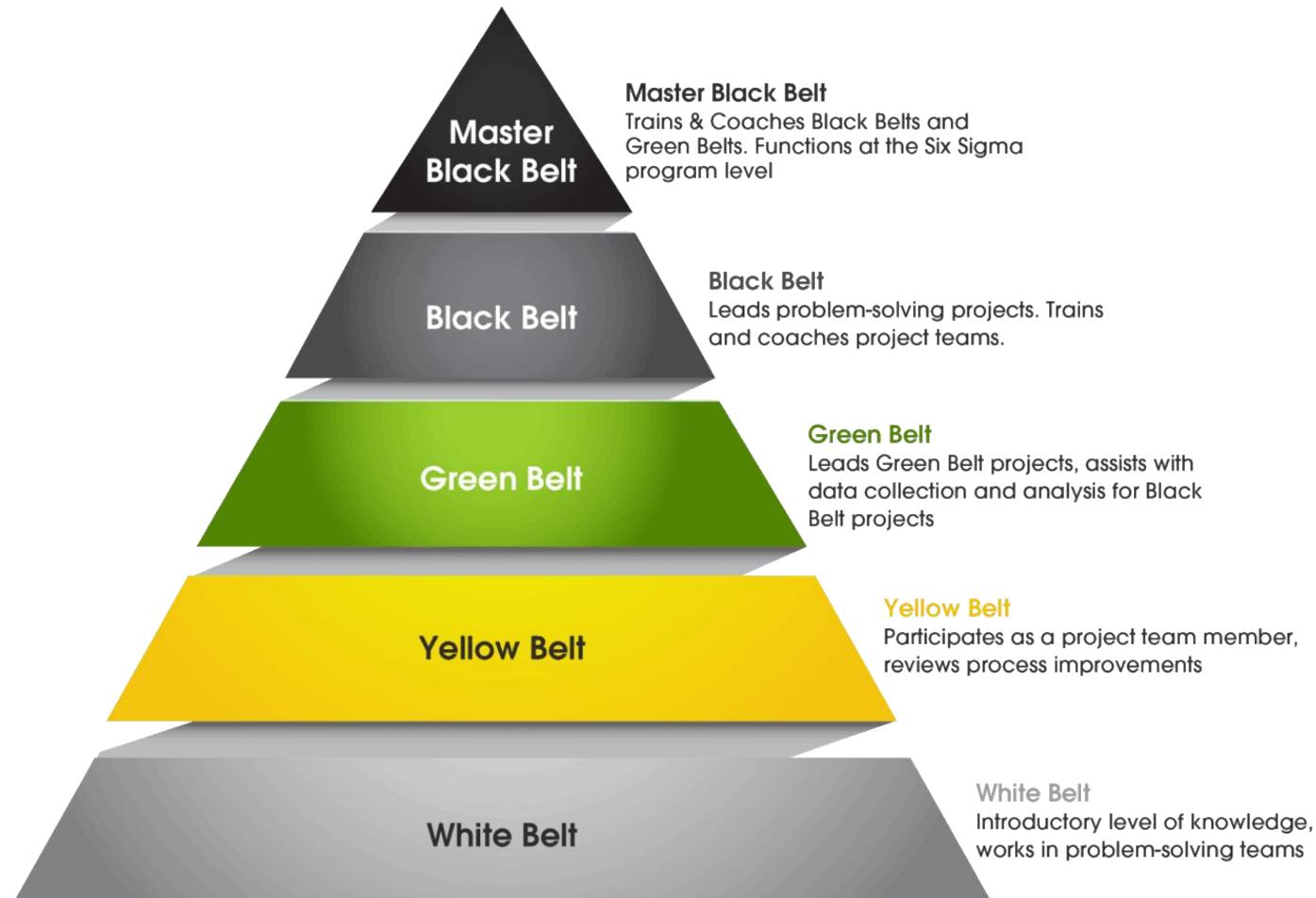
- Is the process that you studied in Assignment 4 and 5, capable? How do you measure it?
- What is the level of successful and sustainable operations for your case study?
- What is your proposal for quality improvement? what other quality tools (other than what you already explained earlier) can be in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

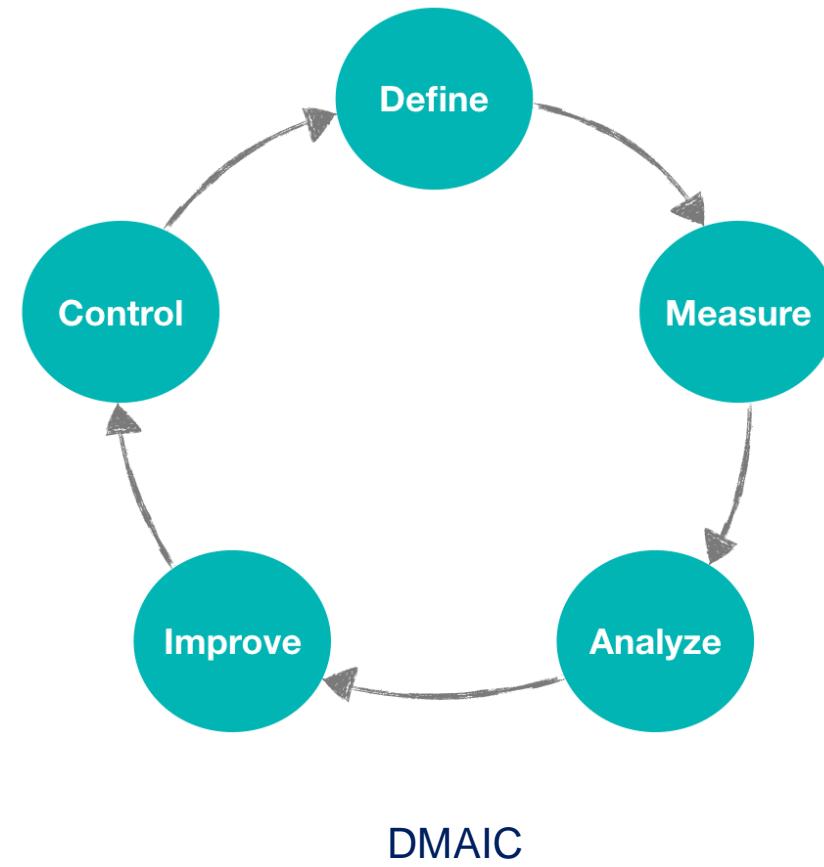
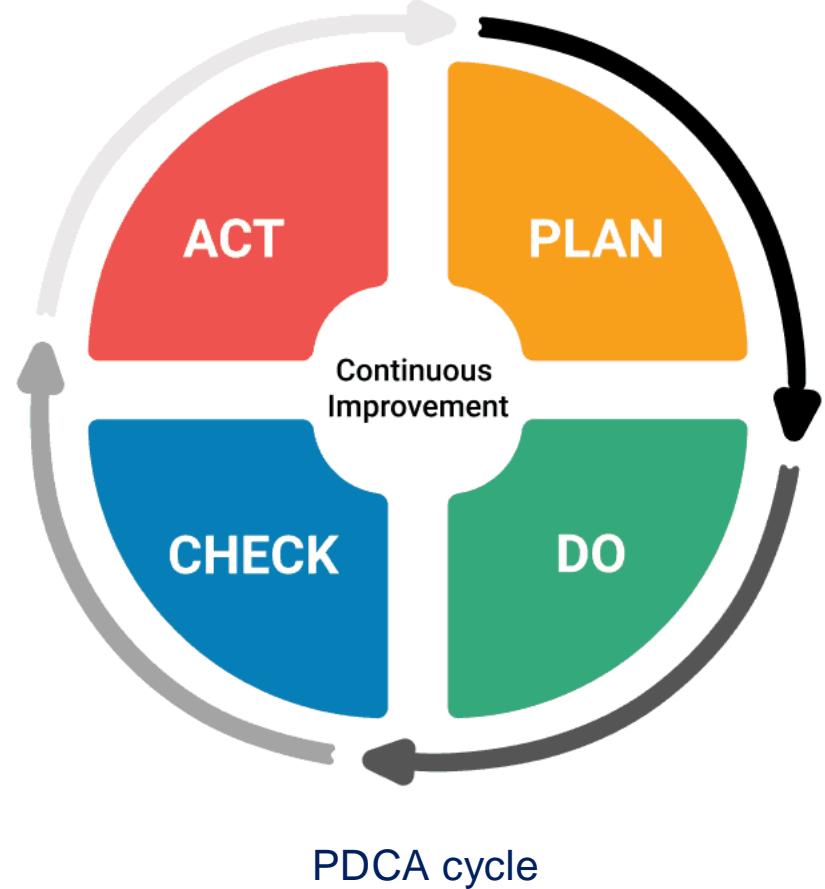
Note 2: We don't expect you to re-write or re-present a full-length project, rather a short description of your project, less than half a page, based on DIMAC steps.

Reminder:
Quality tools?

Six Sigma Mastery Level



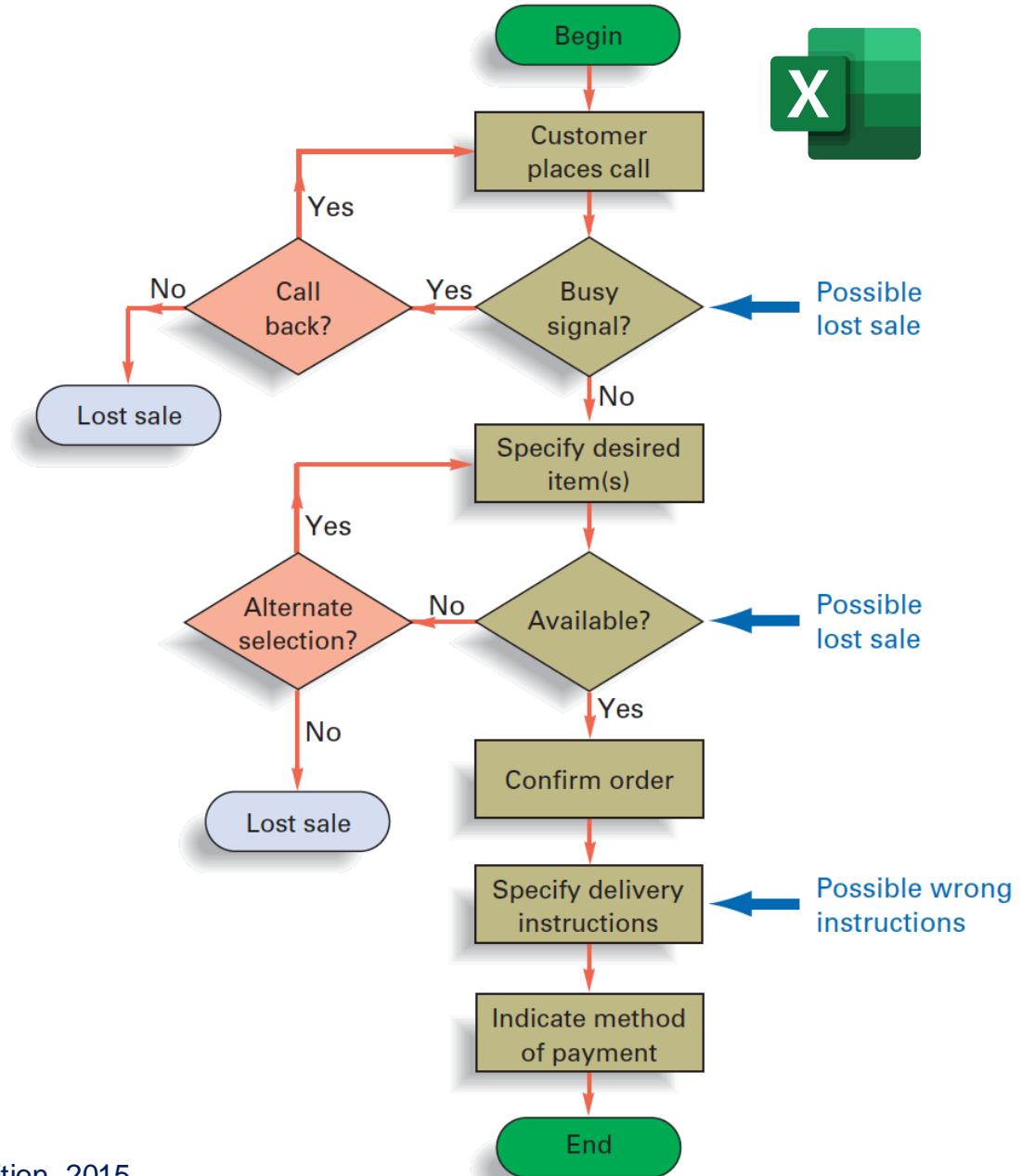
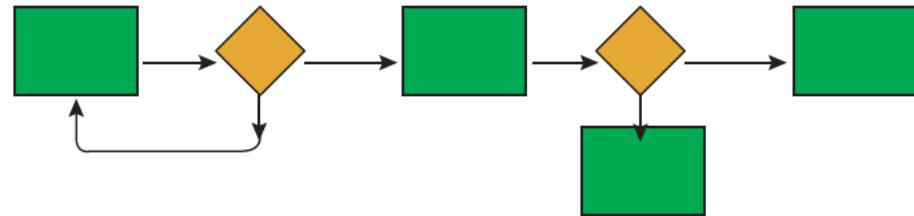
Reminder: Problem Solving – PDCA & DMAIC



Quality tools (1) – Flowcharts



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



Example: Phone call and product delivery

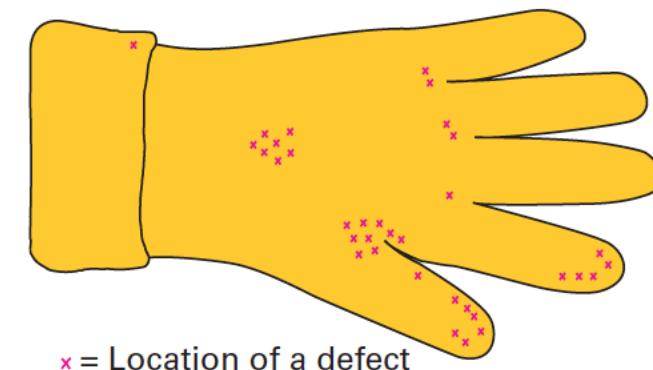
Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

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						6
	9-10						3
	10-11						5
	11-12					(Torn)	3
	1-2						1
	2-3						6
	3-4						8
Total		5	14	10	2	1	32

An example of check sheet

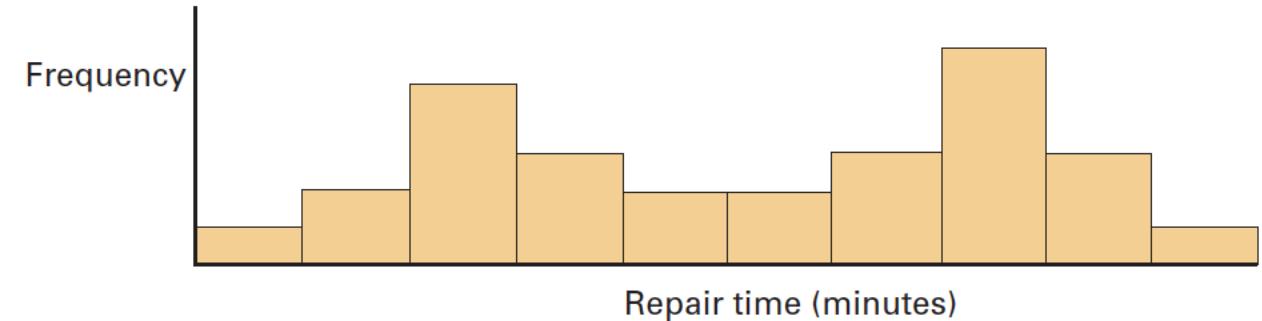
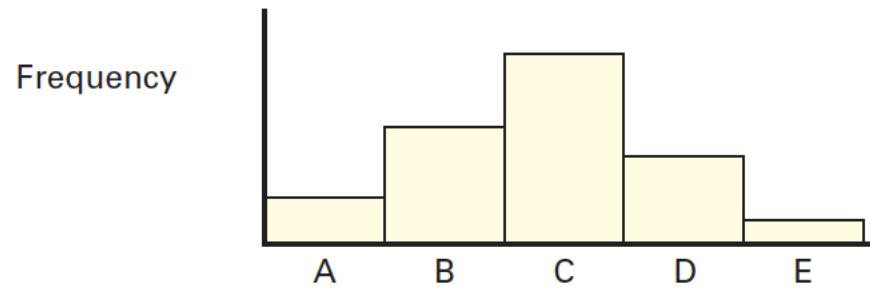


A special-purpose check sheet

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

Quality tools (3) – Histogram

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

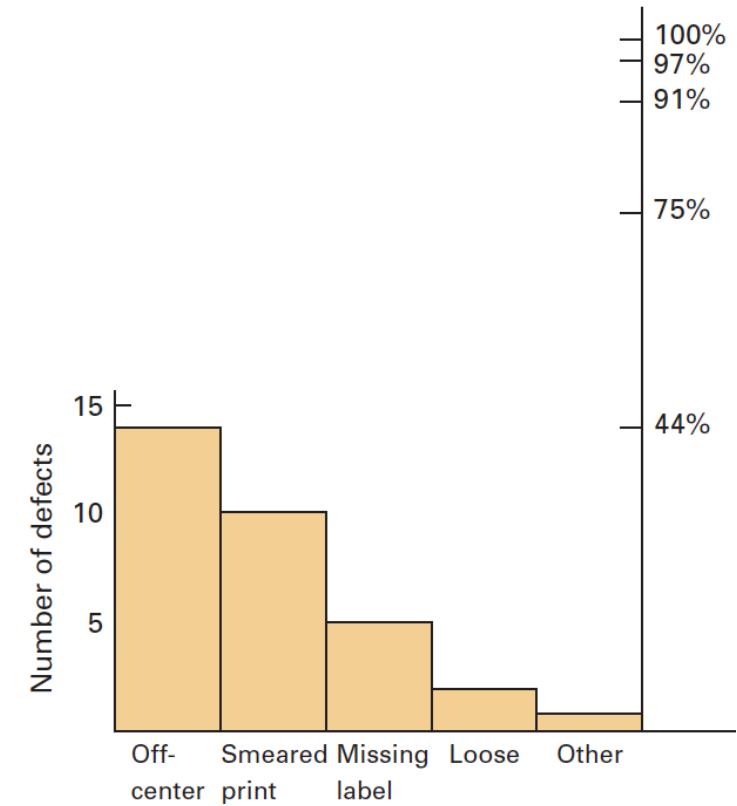
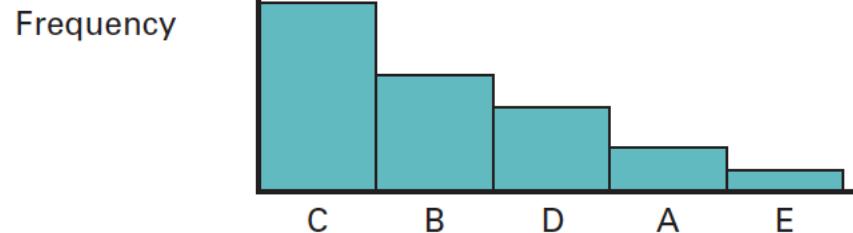


Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

Quality tools (4) – Pareto Chart



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

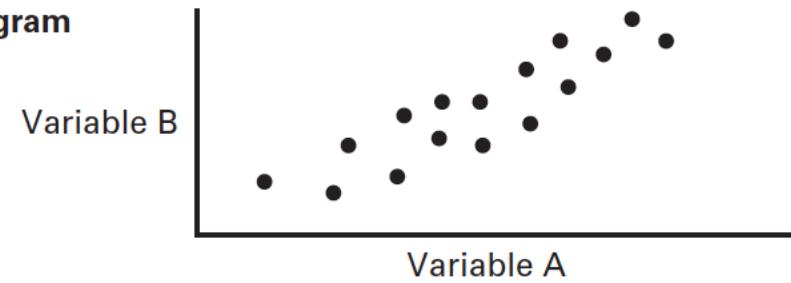


Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

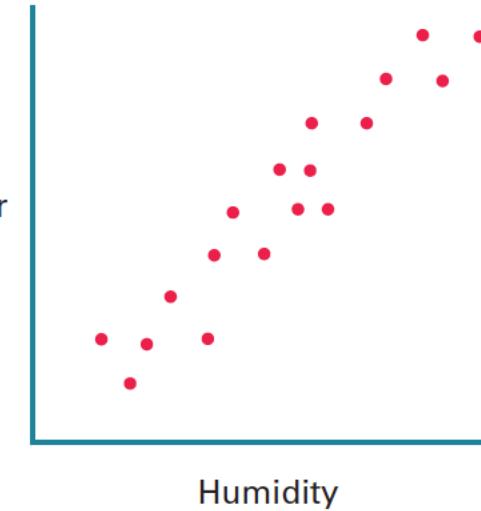
Quality tools (5) – Scatter Diagram

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

Scatter diagram



Number of errors per hour

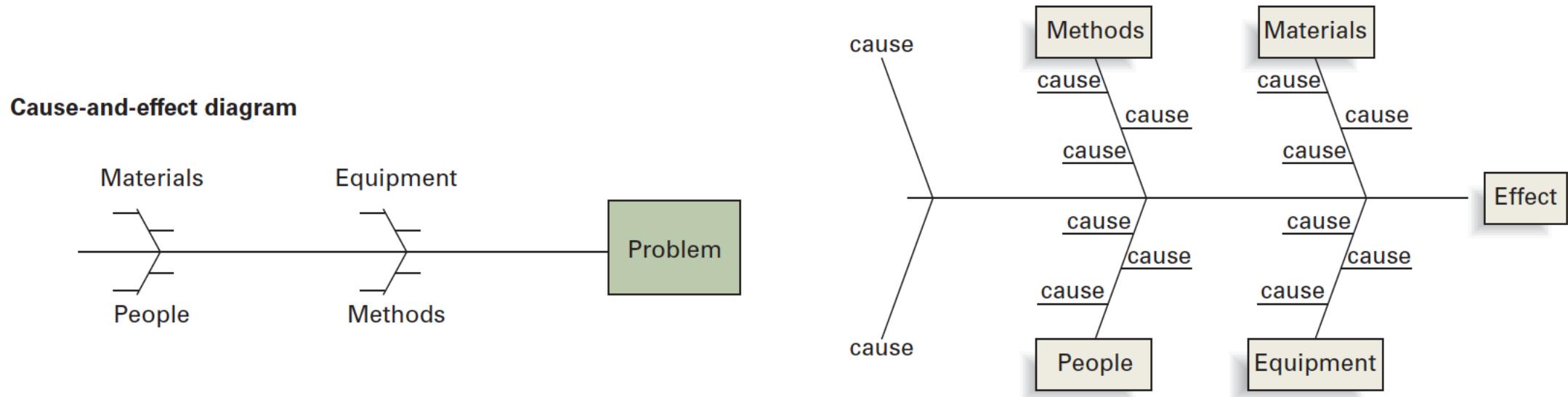


Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

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



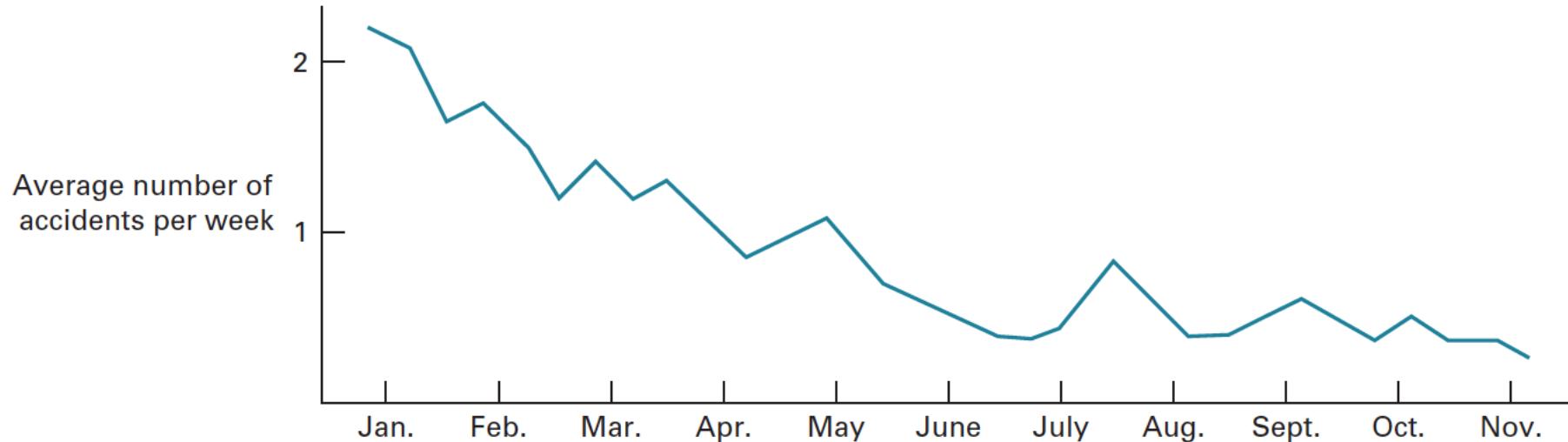
- **Definition:** A diagram used to organize a search for the cause(s) of a problem, also known as a fishbone diagram.



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

Quality tools (7) – Run Chart

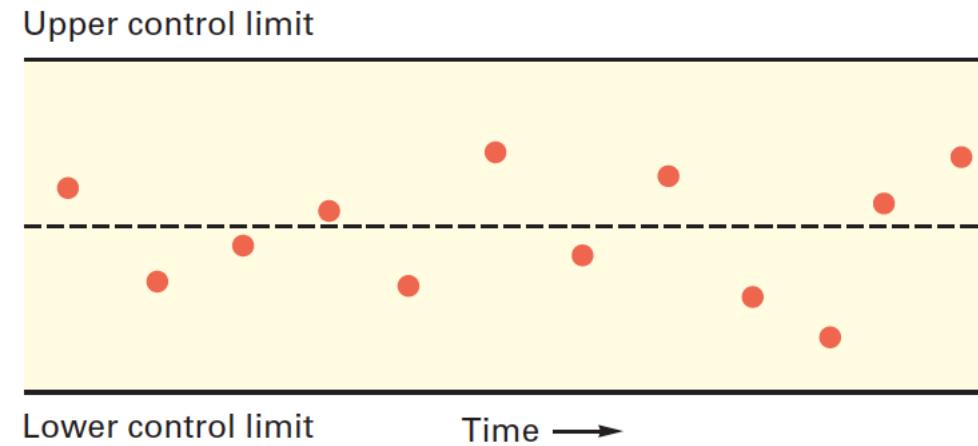
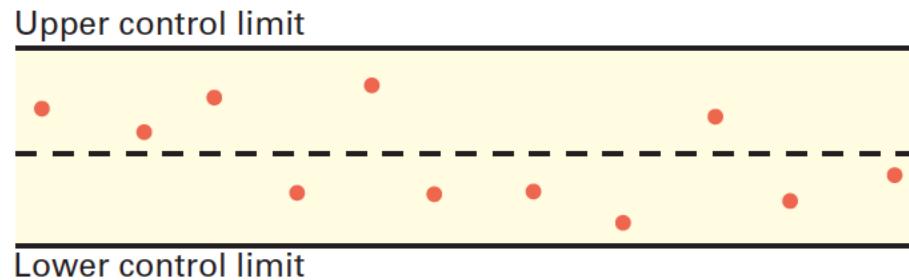
- **Definition:** A tool for tracking results over a period of time.



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).



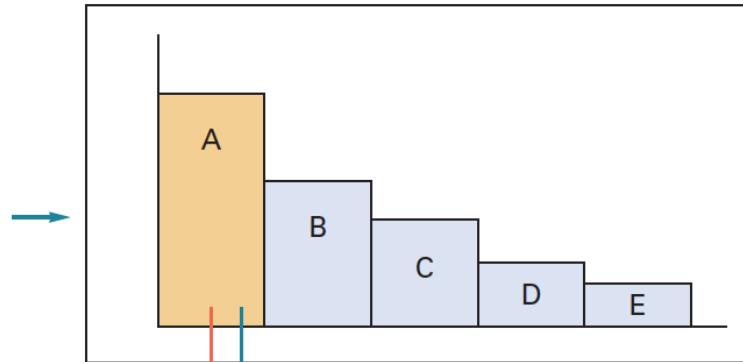
Source: William J. Stevenson, Operations Management, McGraw-Hill Education, 12th edition, 2015.

Quality tools – Using Tools to Improve Processes (I)

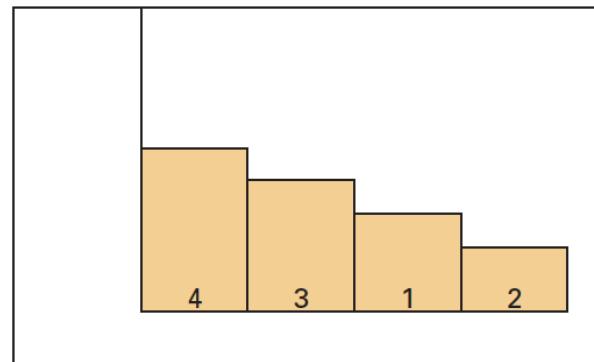
Check sheet: Type of error by location

Location	Type of Error				
	C	B	D	A	E
1					
2					
3					
4					

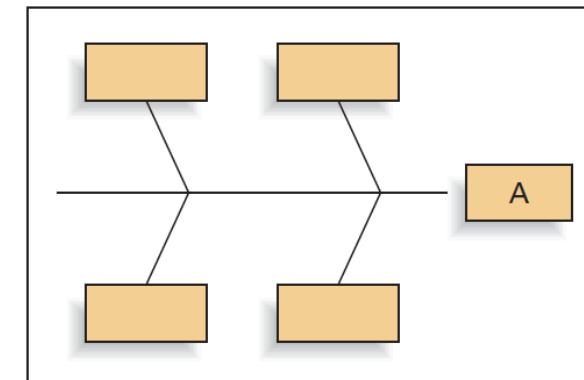
Pareto chart: Type of error



Pareto diagram: A errors by location

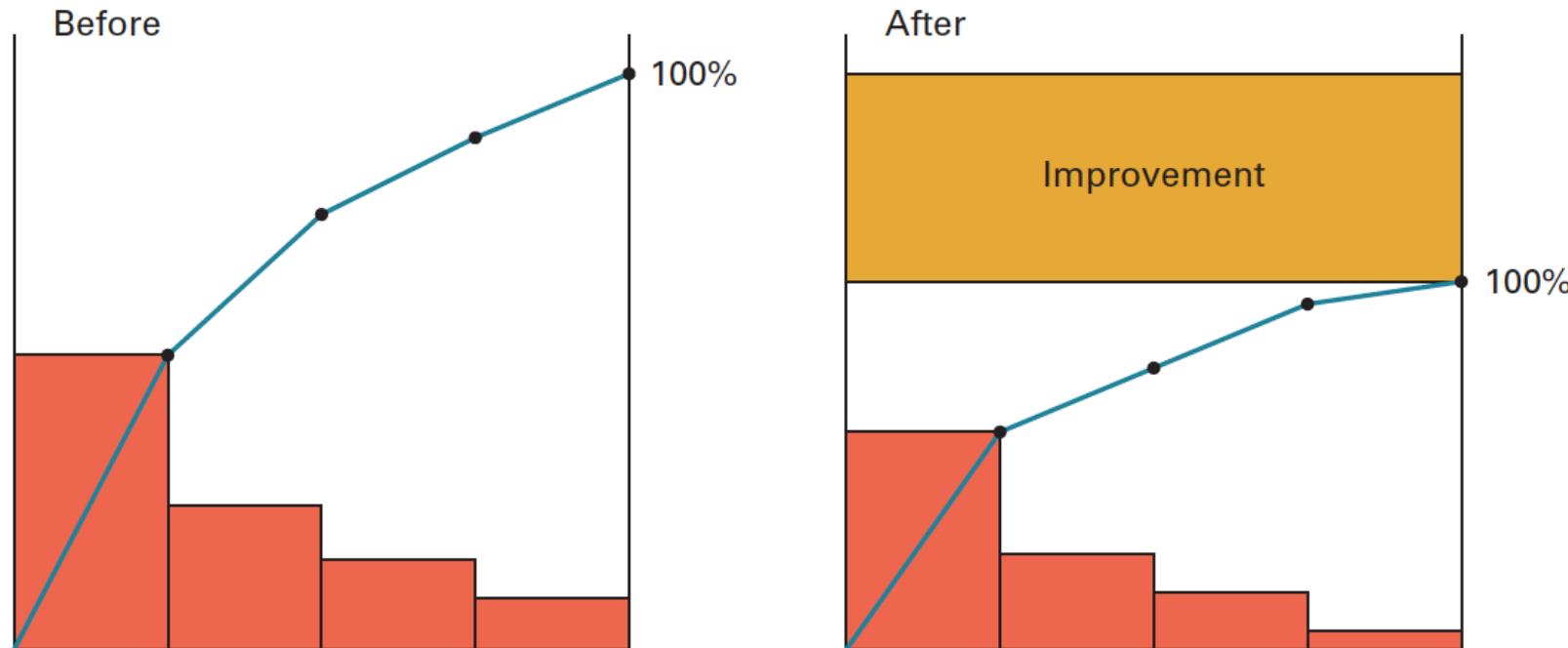


Cause-and-effect diagram: A errors



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

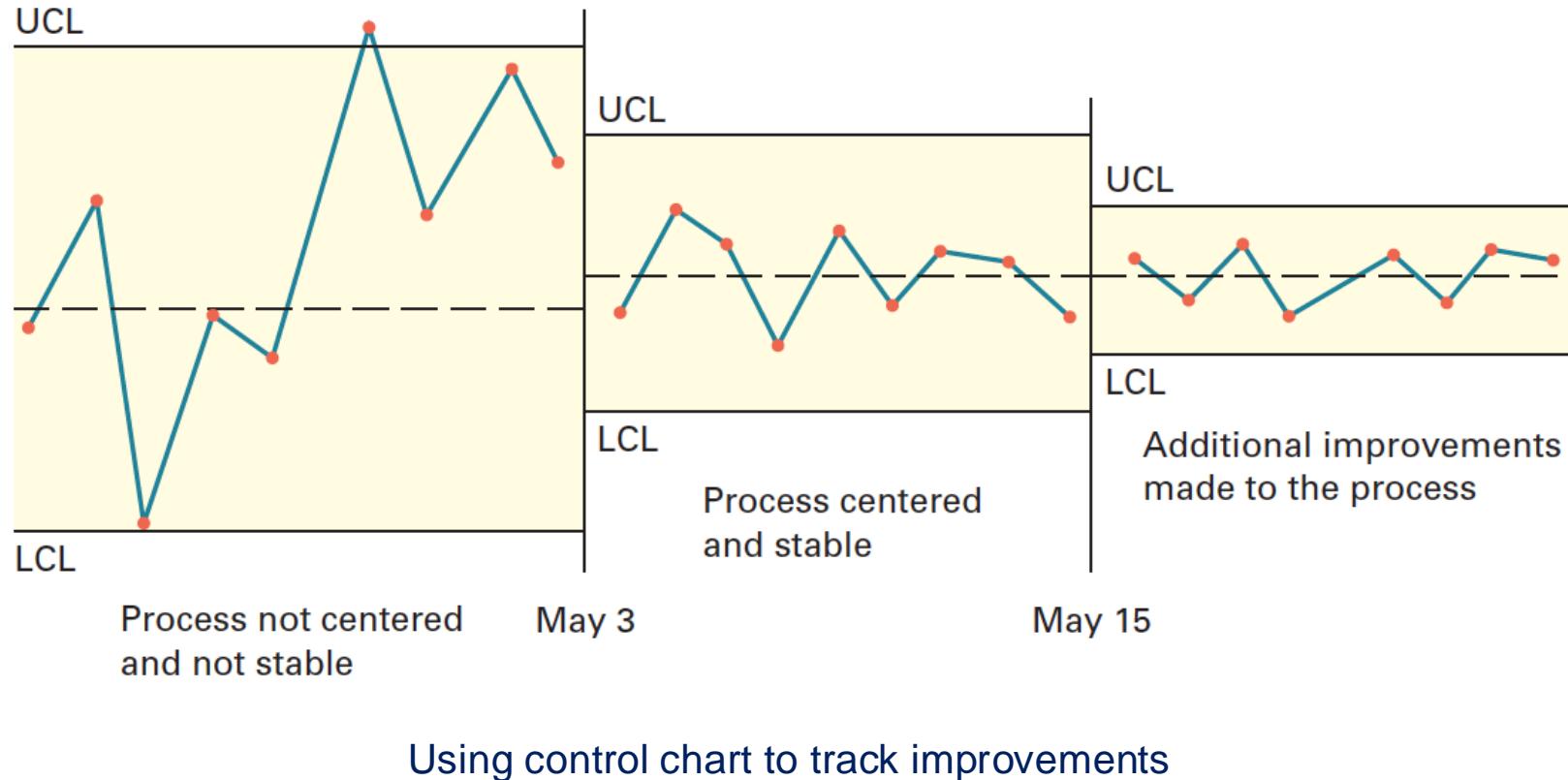
Quality tools – Using Tools to Improve Processes (II)



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)



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