

IMPLEMENTING A QUALITY MANAGEMENT SYSTEM  
IN HOTEL COMME CI COMME CA LOCATED  
IN GHANA, WEST AFRICA

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A Project  
Presented  
to the Faculty of  
California State University Dominguez Hills

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In Partial Fulfillment  
of the Requirement for the Degree  
Master of Science  
in  
Quality Assurance

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by  
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This project is dedicated to my good friend Francisca Ganda.

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## ABSTRACT

The global marketplace has known significant changes, forcing hospitality companies to focus on customer needs in this competitive market. Hotel Comme Ci Comme Ca is a small hotel located in Ghana (West Africa), faced with competitive pressure and a loss of customers. The goal of this project is to demonstrate that a small service organization like the hotel in Ghana can implement an effective quality management system (QMS).

Research for the project has included a gap analysis of the current system of the hotel, and based on the research, a QMS has been implemented. The QMS adheres to ISO 9001:2008 standards. As part of the QMS, a quality manual and a supplier quality manual have been created to serve as guides for continuous quality improvement. The outcome of the project has been to banish the idea that small businesses in Africa are not able to sustain a successful quality level.

## CHAPTER 1

### INTRODUCTION

#### Background

Any service organization, large or small, requires a planned quality management system (QMS) that needs to be emphasized and applicable within the entire organization from executive management to the front-line employee. Numerous types of QMSs have been developed, such as Total Quality Management, Six Sigma, and Lean Thinking, and they all have one trait in common. That trait is a strategic planning process (Beinhocker & Kaplan, 2002). Any company that institutes a QMS as the center element in its strategic planning process enables upper management to reach Quality Management (QM) goals that are aligned with the business objectives of the company (Beinhocker & Kaplan, 2002). Because of the unique capability of QM to be aligned with any business plan globally, Hotel Comme Ci Comme Ca (HCCCC), located in Ghana (West Africa), can implement a QMS to lift the organization above the competition and to grow in profit.

HCCCC is located in upper east Ghana in the region of Bolgatanga. It is a small company with 30 employees that has gained its reputation because of the quality of service it provides.

A few years ago, the business was growing, and the hotel was making a profit. There were no other hotels in the area for competition, and consumers were happy with the service provided.

Today, hotels and restaurants with excellent service have invaded the region; therefore, customers are faced with many choices, and local businesses are facing stiff competition. HCCCC has experienced a loss in profit for two consecutive years because of management deficiency and the loss of customers. The goal of this research project is to implement a QMS that can be suitable for this hotel and work in the long-term. The implementation of the QMS is based on ISO 9001:2008 standard requirements, but the intent is not to apply for certification.

Standards are imperative in the global market because they harmonize the international trade. Standards provide particular requirements that are accepted internationally and promote reasonable competition in free-market economies. Standards make trade easier through improved products and services, reliability, and quality and alleviate the maintenance of equipment and reduce costs.

The International Organization for Standardization (ISO) was created in 1946 and started to operate officially on February 23, 1947, with the aim to ease the global coordination and confederation of industrial standards. The BS 5750 Part 1:1987 Quality Systems Standard was first published by the British Standards Institute in 1979. This standard was created to address the need to

improve the quality of products in manufacturing industries. In 1987, however, the BS 5750 standard ended because of many issues caused by its interpretation and problems in service organizations.

The ISO 9000 series of QM standards grew significantly after its publication by the ISO in 1987 (Mouradian, 2002, p. 159). The initial purpose of creating ISO 9000 was mainly to guarantee quality; unfortunately, this did not always happen because ISO 9000 did not focus on customer service. ISO 9001, first published in 2003, was more focused on controlling conformance and reducing variation.

ISO 9000 has been updated three times since its inception (1994, 2000, and 2008), and the focus has turned to the customer, employee involvement, and continuous improvement. The most current version on which organizations are evaluated is ISO 9001:2008; however, the changes made in 2008 are relatively negligible and do not have a significant effect on the actual requirements.

The outcomes of a successful QMS can enable HCCCC to increase its market share, ensuring competitiveness. The quality manual and supplier quality manual in this project have been created to serve as guides to provide HCCCC with increasingly higher levels of quality through continuous process improvement. The quality manual is provided as part of the Quality Management System Implementation in the Appendix on page 46, and the supplier quality manual is on page 72.

## Statement of the Problem

The worldwide economy in the 21<sup>st</sup> century depends foremost on quality products and services. Organizations cannot compete successfully in the global or local market without a wide application of quality concepts, techniques, and tools in all business orientations. The reasons that HCCCC has been underperforming is the lack of quality management, management dysfunction, a high employee turnover rate, the loss of customers, inefficient employee management and training, and a lack of reliable suppliers. These findings are the result of the gap analysis of the current quality system, which has been completed as part of this project (found in the Appendix on page 86). To be competitive in today's market, this company has to plan, develop, and implement a suitable QMS that can aid in the achievement of performance excellence and business success. The key to long-term competition is a good product or excellent quality service, customer satisfaction, employee satisfaction, competitive prices, and on-time delivery.

In developing countries in general and Ghana in particular, organizations realize that implementing a QMS in accordance with ISO standard requirements is the best way to prosper because it allows a hotel like HCCCC to have a reliable system with the focus on process improvement and customer satisfaction. Compared to industrialized countries, few companies in Ghana have implemented the QMS or have received certification from the ISO. Service organizations in Ghana, especially those in the hospitality and food business,

show little interest in implementing a QMS. Business owners feel pessimistic and seem afraid to take the initiative to integrate a QMS in their organizations because they see it as a waste of time, resources, and money. The goal of this research project is to banish these misconceptions by designing and implementing a suitable and comprehensive QMS for HCCCC. The success of the QMS implementation in this hotel can give other small organizations the confidence to adopt and integrate any QM concept.

The hotel owner of HCCCC is not acquainted with the quality concepts; however, she is driven by the idea of offering the best quality service and adding value to her business activities. This project is not just about designing and implementing a QMS; its goal is to make sure the implemented QMS is robust and effective and promotes ongoing improvement. Quality only can be sustained or improved if the hotel management does not lose focus on basic quality principles. Continuous process improvement is important for this hotel because it can help the business to grow, reduce quality costs, retain and gain customers, flourish, and remain competitive.

### Purpose of the Study

The purpose of this study is to design and implement a QMS that can help HCCCC regain the confidence of its customers and avoid the risk of loss in the market share. The implementation of the QMS for HCCCC in Ghana is based on ISO 9001:2008 Quality Management Systems requirements with the aim of creating a functioning management team and environment within the

organization; however, the goal of this project for the hotel is not certification but to establish an effective QMS. The challenge is to develop a model that can change the organizational culture and align the processes with areas that may be at risk of not meeting the requirements of ISO 9001:2008 standards. The new system can execute procedures consistently and regularly to achieve customer satisfaction and continued efficiency improvement to increase stakeholder value. The aim is to use money wisely in order to gain more and not waste money on rework (Peach, 2003). The process of implementing the QMS in this hotel has been developed in the following five stages:

1. **Planning an approach:** In this stage, the concept of quality is presented in front of the management staff. It is essential to educate the entire organization about the basic principles of quality. Dr. W. Edward Deming's 14 points for management are critical for the success of any organization that wants to be successful and competitive; therefore, these points are addressed in Chapter 2.
2. **Design:** In this stage, the hotel performs a gap analysis and, according to the results, designs an effective QMS, based on ISO 9001:2008 standards that are suitable for a service organization.
3. **Documentation:** This stage is known as the documentation phase because HCCCC must pay close attention to developing and maintaining the required documentation needed to demonstrate an effective implementation of its QMS. These documents have been identified during the gap analysis performed in stage two.
4. **Implementation phase:** In this stage, the organization implements all the processes that have been developed in the preceding stages. These processes consist of management functions, resources, service deliveries, and measurement processes that are significant to the effectiveness of the QMS.
5. **Continuous improvement phase:** In this stage, the internal audit has been performed to assess the company's implemented QMS. Based on findings, it is necessary to institute suitable improvement programs

that can ensure the effectiveness of the QMS. The quality manual and supplier quality manual have been created to help the hotel keep its focus on the quality requirements.

### Theoretical Basis for the Project

The research that is carried out as part of this project focuses on a different outlook than other studies relating to the implementation of QMS in Ghana. The implementation of a QMS in this hotel is not for the purpose of obtaining ISO certification; the primary purpose is to change the business procedures and the entire organizational work ethic currently in place. The proposed system can enhance the quality of the service offered and reduce costs.

The articles and case studies that have been reviewed in this study provide a depth of information about QMS methods and concepts and the benefits in implementing a QMS. Nevertheless, none of this literature focuses on the main goal of implementing a QMS in a small service organization in Ghana without seeking the ISO certification. In addition, the finding that many organizations in Ghana do not have a refund policy for poor service or unsatisfied service rendered has not been mentioned in the articles and case studies reviewed. Any organization that aims to implement a successful QMS must have a return or refund policy and must make it known to consumers. The author of this study believes that the practical work accomplished is valuable and can help businesses grow and protect their consumers.



## Limitations of the Project

This project is limited in scope due to the specifically identified need of the organization that is the focus of this project. The methodology utilized in the development of the QMS for HCCCC is based on ISO 9001:2008 requirements in order to move this service organization in Ghana forward but not to prepare it for ISO certification. Because of the unique character and culture of each organization, it is recommended that readers make sure the quality manual and the supplier quality manual created for the project satisfy their needs.

## Definition of Terms

Continuous Improvement: An ongoing effort to evaluate the effectiveness of a current business process in order to meet goals that have been established to satisfy customers.

Customer: The individual or organization that purchases or influences the purchase of a product (Terninko, 1997).

Customer Satisfaction: Customer's perception of the degree to which the customer's requirements have been supplied. Customer satisfaction differs from one customer to another because each customer has individual expectations.

Gemba Walk: A management technique that takes top management out of the office and onto the work floor in order to see how the work is being performed.

Gemba Walk allows top management to know what is going on within the organization and what problems front-line employees are facing in delivering quality service (Terninko, 1997).

ISO 9001 Quality Management System: ISO 9001 delineates requirements for the Quality Management System Standard. ISO 9001 includes the current requirements an organization must conform to in order to become ISO 9001 registered (International Organization Standard [ISO], 2001).

Lean Thinking: A highly advanced technique for managing an organization to improve the productivity, effectiveness, and quality of its products or services.

Procedure: A fixed step-by-step succession of tasks, with definite input and output, that must be followed in the same order to correctly perform a task to achieve a desired result. For example, it can be a procedure to manufacture a product or deliver a quality service.

Process: Sequence of interdependent and related procedures, which at each stage uses one or more resources (e.g., instruments, funds, employee time) to convert inputs (e.g., data, material, parts) into outputs (ISO, 2001).

Quality: Quality has been defined as the totality of characteristics and features of a product or service that carries its ability to satisfy spoken or unspoken needs. It is the continuous process of building and maintaining relationships by evaluating identified needs (ISO, 2001).

Quality Assurance (QA): Part of quality management focuses on providing confidence that quality requirements can be fulfilled. Quality Assurance frameworks consist of evaluating a product or service quality prior to delivery to the customer (ISO, 2001).

Quality Improvement: The actions taken throughout the organization to increase the effectiveness of activities and processes to provide added benefits to both the organization and its customers (ISO, 2001).

Quality Management (QM): A set of activities that organizations use to direct, monitor, and evaluate the quality. These activities include creating a quality policy and setting quality goal and objectives. They also include quality planning, quality control, quality assurance, and quality improvement (ISO, 2001).

Quality Management System (QMS): A set of interrelated elements that organizations use to evaluate and control how quality policies are implemented and quality objectives are met. A system that helps an organization lower or eliminate nonconformance to standards requirements, specifications, and customer expectations with the most cost effective and efficient approach (ISO, 2001).

Quality Manual: A document detailing the QMS requirements of an organization. A typical quality manual includes the company's quality policy and objectives and a detailed description of the quality system requirements.

Quality System: The organizational structures consisting of a series of procedures designed to ensure reliability in different processes and resources for the implementation of QM (ISO, 2001).

Supplier Quality Manual: A set of requirements for guiding suppliers to understand the basis of the quality expectations of the customer. This plan gives

the supplier confidence to deliver a product or service that can satisfy the customer's needs.

Total Quality Management (TQM): A quality management approach that views continuous improvement in all aspects of an organization as a process. It aims to change the organization's culture through ongoing changes in employee conduct, systems, and business practices.

## CHAPTER 2

### LITERATURE REVIEW

Publications, textbooks, case studies, and international standards were reviewed to have a broad picture of the concepts behind the design and the implementation of a QMS. Journal articles reviewed discussed the advantages, benefits, and pitfalls of a QMS in any organization. The best source of current articles related to the researched topic came from the American Society for Quality (ASQ) Website ([www.asq.org/](http://www.asq.org/)). The ASQ, a well-known organization for quality professionals, provided a wide variety of information about new quality technology, concepts, and methods for resolving any issues related to quality. This Internet search, however, could not retrieve any articles or case studies that walked through the processes for developing and implementing a QMS in hospitality organizations. Nevertheless, this topic was researchable, and numerous articles and books were available that related to this project.

#### Quality Management

Quality Management is a set of strategic approaches that focuses on quality and customer satisfaction. For quality to be successful within an organization, everyone must be committed to implementing quality in daily activities (Evans & Lindsay, 2008). In *Managing for Quality and Performance Excellence*, Evans and Lindsay (2008) present the inventive methodologies of QM pioneers, which are found to be necessary for success in this competitive

global marketplace. The authors describe the concept of the ISO 9000 that emphasizes the QMS requirements any organization can rely on to move towards customer satisfaction. Deming, in his book *Out of the Crisis* (1986), outlines fourteen points, known as management principles, which are the guidelines for effective QM within an organization. Deming's fourteen points are as follows:

1. Create and communicate to all employees a statement of the mission and objectives of the company.
2. Adopt the new philosophy.
3. Stop depending on inspections.
4. End the practice of awarding business, based on a price tag alone; instead, try long-term relationships with the suppliers, based on established loyalty and trust.
5. Improve continuously and incessantly.
6. Use training on the job.
7. Implement leadership.
8. Eliminate fear.
9. Break down barriers between departments.
10. Get rid of unclear slogans.
11. Eliminate management by objectives.
12. Remove barriers to pride of workmanship.
13. Implement education and self-improvement.
14. Include everyone in the company to accomplish the transformation.

Speaking to what makes quality management, Evans and Lindsay (2008) assert, "A total quality management must be built on effective managerial practices that leverage an organization's strategic planning, focus on customers, involve and motivate everyone, and control and improve processes continuously" (p 151). In their literature, Evans and Lindsay take the readers through critical steps that are important to develop and implement a successful QMS. This is relevant for this project's research because it helps to understand the fundamental steps of QM. Evans and Lindsay expand on Deming's fourteen points with more focus on meeting or exceeding customers' expectations.

#### Employee Conduct and Customer Satisfaction

In their case study, "Mystery Shopping: In-Depth Measurement of Customer Satisfaction," Hesselink and van der Wiele (2006) observe how mystery shopping relates to customer satisfaction and measurement techniques. Hesselink and van der Wiele, in their study, present the main purposes of mystery shopping as follows:

- To measure the efficiency and the success of training programs (Morrison, 1997)
- To identify employees' conduct during customer service (Results of mystery shopping can help an organization know what is going wrong in order to improve training programs.)

Hesselink and van der Wiele (2006) emphasize the significance of customer service for any successful business, including hotels. Their mystery

shopping method can enable top managers to measure closely if the experience of their customers reflects what the company envisions. This case study presents valuable information about different approaches for measuring customer service and identifying issues that can be used in this project.

### ISO 9001 Quality Management System Requirements

A leading expert in financial and system effectiveness for manufacturing and service organizations, Liebesman in 2005 outlined a management system as a set of consecutive processes that needed to be managed to comply with ISO 9001 standard requirements and internal procedures. In "Mitigate SOX Risk with ISO 9001 and 14001," Liebesman further described the QMS requirements needed to deliver quality service in any organization to promote customer satisfaction.

Leibesman (2005) recognized that the ISO 9001 standard requirements had a generic character and did not set specific standards applications for the QMS because every organization had its own specific needs. The author described in detail each of the ISO 9001 standard requirements to make sure that the implementation of a QMS within an organization could be successful.



## Process Optimization for Service Organizations

In his article, "Process Optimization for Service Organizations Isn't Rocket Science," Scott (2007) addresses service organizations that are for the most part inexperienced about the concept of quality improvement. Scott tries to emphasize to the management in service organizations how the measurement process can help identify room for continuous process improvement. Scott (2007) explains the importance of setting performance goals, which can be measured and managed for improvement. He also points to the use of Deming's Plan-Do-Check-Act (PDCA) cycle by service organizations like HCCCC to design an efficient QMS that can be continuously measured, monitored, and improved.

### The Internal Audit

The internal audit is key to sustaining a QMS in many organizations. Researchers Wasche and Sciortino (2007) highlight the importance of training for employees to provide them with a necessary understanding of audit concepts and procedures. In "Improving the Internal Audit Experience," they note that any organization, large or small, can benefit from an internal audit, but proper training about appropriate auditing procedures must be given prior to initiating the audit. Most QMS standards require the planning and upholding of an internal monitoring process to ensure long-term compliance with the system or standards. According to Wasche and Sciortino (2007), internal audits need to include, but not be limited to, the following procedures:

1. Design process
2. Service delivery process
3. Purchasing process
4. Document control process
5. Record keeping process

### Voice of the Customer

Developing the voice of the customer (VOC) is a system many organizations have put in place to capture customers' needs, according to Goodman and Collier (2007). In "Deliver Great Service by Listening and Adapting," Goodman and Collier (2007) discuss the necessity of the VOC. Listening to and understanding the VOC across all channels enable businesses to reinforce customer loyalty and overall lifetime value. The quality of products and services cannot remain at high levels if corporations do not set their objectives for long-term quality. Key points, raised by Goodman and Collier (2007), are relevant to this research project and have been emphasized during the training class with the HCCCC management. An organization that needs to change customers' perceptions of its product or service must excel in three areas:

1. Provide a convenient VOC.
2. Relate the VOC to the service process.
3. Incorporate a service process that can adapt to individual customer's situations.

Research shows that many organizations today have designed the VOC process; however, some of them still have difficulties building an effective VOC system. Goodman and Collier (2007) present different steps for designing a successful VOC process that translates customers' opinions and feelings into desirable products or service. These steps include:

- Focus on customer loyalty by relating an actionable VOC process to workable solutions.
- Integrate data from several sources and identify corrective and preventive action plans.
- Design a flexible response process using a steady, trained customer service workforce.

The VOC is a critical factor in any business strategy; it gives an organization the chance to listen, learn, and more importantly to take action. An efficient VOC process can help business owners translate customers' requirements into improved service. Knowing customers' wants and needs is the key step toward meeting customers' expectations.

### Customer Satisfaction

Customer satisfaction is the main focus in today's global market. In "The Five Characteristics of Quality Service," Sedlock (2010) describes five characteristics that portray a good delivery in service quality. These characteristics, which address the common needs customers have, independent of any service line, are: tangibles, reliability, empathy, assurance, and timeliness

(TREAT). TREAT attributes are key in developing quality service that promotes customer satisfaction and loyalty, internally or externally.

### Leadership in Management

Research shows that leadership is the core for a successful management system. In *The One Thing that Changes Everything*, Covey (2008) clarifies the unnoticed and undervalued power of trust within an organization. Covey stresses that trust has become the key leadership ability needed to adapt in the new global economy. The author clearly informs readers that breaking communication barriers between the leaders and employees establishes trust. Communication and mutual respect can raise long-term trust in personal and professional lives that can create incomparable success and sustainable prosperity. In addition, high trust in leaders can boost employees' performance, which can be beneficial for business success and profit growth. The success of the QMS depends on good communication and teamwork between employees and leaders.

### Improvement Process

A QMS is sustained through process improvement. In "Change That Sticks: Nine Steps to Make Process Improvement Permanent," Spackman (2009) has detailed nine necessary steps that need to be taken to design a long-lasting process improvement scheme. Spackman feels that the focus of the process needs to be about implementing an improvement plan that suits the company's strategy, culture, workforce, and resources. These steps are the following:

1. Understand and plan for level of maturity.
2. Link process improvement to a strategic plan and establish criteria for success.
3. Allocate appropriate resources.
4. Train employees and change the culture.
5. Implement the plan reasonably.
6. Coordinate efforts throughout the organization.
7. Publicize results.
8. Provide rewards and tie results to bonuses and promotions.
9. Be patient. Have a long-term view.

In *Juran's Quality Handbook*, Juran (1999) states, "Continuous improvement is a necessary consequence of implementing ISO 9001" (pp.11-16). Juran explains that the correlations between the elements of the standard are almost as important as the clauses of the standard. This supplemental support reinforces the premise that a QMS is a set of processes that must be connected in order to survive and thrive. Process improvement methods can achieve challenges if applied properly, and they can have the opposite effect if performed poorly. Spackman (2009) also recognizes the importance of process improvement because it enables the success of any organization, and this success can only happen if viewed in the long term with the strong support of leadership.

Extensive research has been conducted to provide a frame of reference for this project. The literature reviewed on the QMS comes to the same

conclusion that leadership dedication, employee commitment promoted through training, communication, and employee empowerment and teamwork are critical factors for the successful implementation of a QMS in any quality activity proposal. Numerous publications and case studies related to the QMS have been conducted: however, no publication or study has been done on small service businesses in Ghana. This project may be one of the first publications in this specific sector and can be used as a reference for any service organization in Ghana or West Africa that wants to install a QMS.

## CHAPTER 3

### METHODOLOGY

With the goal of implementing an effective QMS for a small hotel in Ghana, a basic methodology for reaching this objective was required. The research began after the owner of the hotel showed an interest in reviewing the company's business processes and started to apply changes that would result in customer satisfaction and profit growth. The methodology for this project was performed, using a review of the literature and utilizing the Plan-Do-Check-Act (PDCA) method. The foundation for this project was based on the Master of Science in Quality Assurance course work and ISO 9001 Quality Management System Standard requirements. The PDCA cycle methodology was used because it provided an efficient approach for implementing and managing changes and solving problems. The use of the PDCA method allowed the project team members to select only ideas that were suitable to address the issues on hand, aiming to propose some guiding principles and strategies for successful QMS implementation.

#### Plan

The planning phase consisted of identifying and analyzing the existing issues within the process. This task was accomplished through a complete assessment of the current business processes, based on the QMS requirements as outlined in the ISO 9001 standard. The gap analysis took considerable time

because of its complexity. The completed gap analysis as depicted in the Appendix of this project on page 87 could be a guide to other service institutions.

The current business practices were examined, and numerous deficiencies were identified. The current business procedures were not documented, meaning that the existing system was not standardized; every employee had a different way to perform the same task. Several problems that affected the success of this hotel and caused a loss in profit were identified. Identified problems focused on management, customer service, suppliers, lack of documentation, and costs due to poor quality.

Management in HCCCC was bureaucratic; managers were locked in their offices during the working hours, and they really did not know what was happening on the hotel floor. There was no communication or relationship between top management and the rest of staff; it was all about hierarchy and power and not about teamwork. The tone used by the management to talk to employees was improper, leading to a high rate of employee turnover.

Customer service was very poor; employees were not trained to deliver service to customers. They were not responsive to customers' needs in a timely manner. Front desk calls were barely answered because no one was there to take them. Room service was an issue because cleaning personnel were not doing their jobs properly. Room settings were not attractive, and customers were not happy with their stay. Meal quality and service were other problems that drew customer complaints. The hotel did not offer a variety of choice when it came to



menus. The waiting time before customers were served was approximately an hour, and customers didn't always get what they ordered. HCCCC had unreliable suppliers. The hotel did not set quality requirements with their suppliers. Delivery times were not set, and goods arrived any time during the day, causing delays in overall operation service deliveries. HCCCC did not have written documentation. The hotel was operating in the traditional way for the location with no work procedure standardization. Costs related to poor quality were very high.

Table 1 shows the amount of dollars and the percent costs per category prior to the QMS implementation.

Table 1

*Poor Quality Cost Before QMS Implementation*

Quality costs category	Amounts in dollars	% Costs per category	Cumulative percentage
Preventive costs	\$900	22.5%	22.5%
Appraisal costs	\$600	15.0%	37.5%
Internal failure costs	\$2,100	52.5%	90.0%
External failure costs	\$400	10.0%	100%
Total costs	\$4,000		

The Pareto chart in Figure 1 shows the cumulative costs due to poor quality within categories. These quality costs were captured to show the management how much money they were spending on resolving quality problems and what impact this could have on the return of investment (ROI).

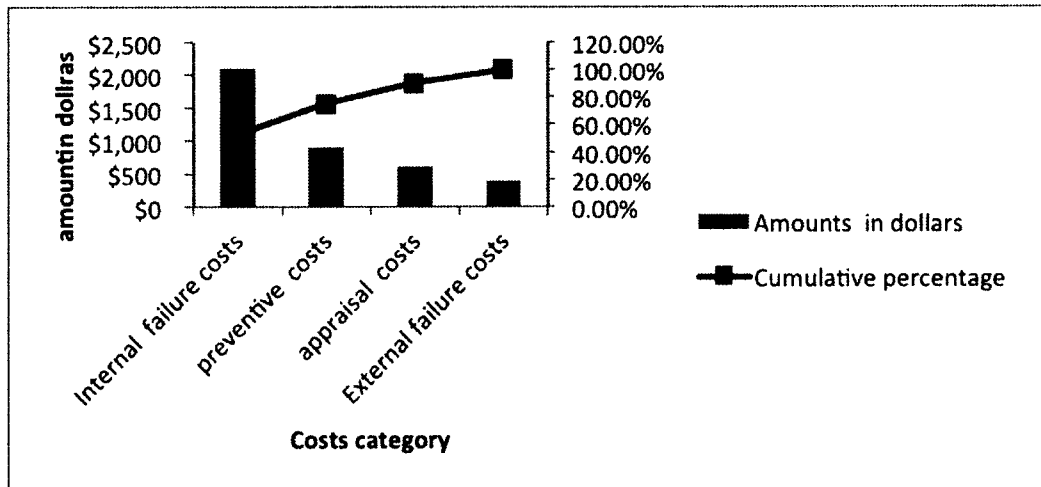


Figure 1. Pareto chart for poor quality costs in four months.

Looking at the Pareto chart, it was clear that the main costs were coming from internal failure costs and preventive costs. This meant the HCCCC was spending more money on repeated service, hiring new personnel, hiring contractors to fix broken equipment, and replacing kitchenware broken by inexperienced employees. It was critical to invest funds in preventive elements by purchasing new equipment, calibrating equipment regularly, training employees, and hiring more personnel. These preventive elements could result in the reduction of internal and external failure costs, which could enable the overall quality cost to decrease.

After the evaluation of the current system, the project team highlighted the lack of a QM program. To address this issue, the quality consultant proposed an effective and well-structured QMS that could resolve problems this hotel was facing.

Prior to beginning the project, meetings with top management were held internally to identify and discuss current practices of the organization. The discussion included the weaknesses of current business practices and the potential benefit of implementing a QMS. Included in this discussion were opinions on how the commitment of top management could influence the success of this implementation. After the presentation that highlighted needs to be addressed and the scope of the project, the management realized that the project would require quality knowledge and experience and agreed to hire a QA professional to pursue the QMS implementation.

#### Do

The Do phase focused on areas within the implementation that would require integration. In this phase, the project team redesigned the entire business process in conformance with QMS requirements. This phase required involving some employees within the organization and working closely with them. It was important that everyone in the organization understood the objectives of this implementation; therefore, teaching and training would be required from the top executive to front-line employees.

Because this was a small organization, the QMS would be carried out at the same time in all departments. The hotel business practices would be developed and implemented; the whole supplier criteria selection would be re-evaluated, and changes would be applied. Customer and employee satisfaction would be measured, and training programs would be designed with the goal of

providing quality service to customers. The implementation of the QMS would be completed as long as needed resources were provided. When obstacles arose, the project team members would use their expertise to overcome them. As previously noted, this hotel was running in a traditional manner with no formal documentation, creating the need to develop a quality manual and supplier quality manual, as outlined in the Appendix.

### Check

The Check phase consisted of conducting the evaluation of the performance of the newly implemented system. Even though the QMS was not implemented for the purpose of obtaining ISO certification, it would be critical to reassess the new business practices. Prior to carrying out this task, an audit training class would be given to some employees within the organization, and an internal audit would be conducted to assess the new system and gauge its conformity to the QMS requirements. An internal audit was recommended because this was the only way an organization would know if its current processes remained in compliance with the QMS requirements. The internal audit results would allow the company to revise some processes at the Do phase to identify areas that would require an improvement focus.

## Act

The Act phase was the process improvement stage in which the corrective and preventive actions would take place in case of any deviation from the ISO standard requirements. At this phase, any nonconformance activities to the QMS requirements standard would be addressed immediately. The project team members would review these imperfections and take corrective action measures to remove the root cause. The preventive action would be planned to avoid the recurrence, and these preventive actions would be focused on preventing nonconformance in the system's practices. Developing a standardized process improvement plan and implementing it across all business processes would be critical. The quality would be assessed to validate its effectiveness. The management would perform the new system review and validate its completion; however, because PDCA was a cycle, it would continue to revolve even if everything worked as planned. The method used in this research study relied on continuous process improvement, and this organization would always find room for improvement in order to increase quality service, which would lead to customer satisfaction and loyalty.

## CHAPTER 4

### RESULTS AND DISCUSSION

#### Results

The hotel examined in this project was a small size organization with 30 employees in total. The hotel had a restaurant that was not restricted to hotel guests. The successful implementation of the QMS was the outcome of good planning and the structured set of processes. The ultimate aim of this project was to create a suitable quality system that was integrated into the organization's daily activities. The hotel's main processes presented in the gap analysis, depicted in the Appendix, were designed after the top management agreed to implement a QMS. These processes were designed within the structure of the PDCA cycle that was aligned with the organizational performance practices.

In cooperation with the top management of the hotel, the QA consultant had identified key processes relevant for the QMS and its implementation in the hotel. In addition, it was critical to design an organizational chart to see the structure of the organization. The project team identified the interaction of the main processes and designed the process map of the QMS to be certain that the hotel operations were effective. These figures can be found in the gap analysis.

The PDCA method had placed an emphasis on evaluation, education, training, communication, and the involvement of top management and employees. In an organization driven by QM, everyone played a part in an

effective QMS (Scott, 2007). Top management showed commitment and played the main role in making sure that the QMS worked as designed. Many changes were made during the implementation, and the most important change in the organization was the introduction of written documents. This hotel introduced procedures, which allowed good maintenance and the handling of documents. The second important change was the design of the organizational chart. This chart, depicted in the quality manual, can be found in the Appendix.

The QMS was implemented in such a way that the system could continue to work within the PDCA cycle as nonstop continuous improvement toward customer satisfaction and loyalty.

### Discussion

Numerous corporations have encountered significant barriers during the time they are designing and implementing the QMS. The primary problems reported have been the lack of top management experience, the lack of a documentation process, the lack of resources and time, the resistance of change in top management and personnel, and the lack of the creation of system ownership (Deming, 1986; Covey, 2008). These impediments are observable in small organizations with problems of finances and human resources being the major ones.

After the primary evaluation of the hotel's system, it was clear that the hotel's configuration was not closed to QMS requirements. The hotel's current practices were assessed. The results of the hotel evaluation pointed to the lack

of documentation and records, dysfunction in the management level, the lack of focus in customer satisfaction, and the deficiencies in customer service delivery. These problems were addressed during the implementation phase, and measures were put in place to avoid their recurrence. As stated earlier, the top management did not have the necessary skills to successfully implement the QMS. For this reason, the management decided to collaborate with an outside quality expert to ensure the proper documentation and a suitable and an effective QMS. The lack of quality concepts and commitment of employees were other barriers for the hotel to overcome. The organization overcame these obstacles by developing explicit objectives for quality implementation and establishing quality initiatives.

The QA consultant gave a presentation about quality concepts and offered a leadership class to top management because the project would fail without management's commitment. All employees received training in the basic principles of quality concepts and QMS requirements as follows:

1. Documentation and records keeping
2. Employee responsibilities in delivering quality service to customers
3. Customer service dimensions: Tangibles, responsiveness, reliability, assurance, and timeliness (TREAT)

The training emphasized the focus on quality in the daily job routine to meet or exceed customers' expectations. Productive time and resources were other critical aspects; it was hard for this organization to retain long-term employees, and for this reason, the organization always found itself training new



employees. This problem was overcome by assessing the satisfaction of employees in regard to their perceptions of leadership and human resource practices. The completed assessment helped the top management to understand better the employees' needs or expectations. Consequently, employee turnover decreased, confidence and work performance of the employees increased, and customer satisfaction improved, strengthening the organization's financial performance.

QMS implementation required resources, time, and effort. The planning and the establishment of the process, including the internal audit, took about six months. Because of the small size of the organization, the company was obligated to include QMS activities among the daily and routine responsibilities of its employees; therefore, all personnel were working overtime. Another barrier was the resistance of employees' commitment to the QMS implementation. It was known that without employee buy-in, the QMS implementation would fade. It required commitment and collaboration of the employees within the hotel to make the QMS work effectively. Top management played a big role to ensure that personnel adhered to this implementation by demonstrating positive leadership skills (Evans & Lindsay, 2008), based on good communication and employee empowerment. It was important in this situation that the leadership informed their employees about the benefits of QMS for the organization and for each employee.

The implementation of the QMS permitted this organization to improve its internal communication, retain employees, increase customer satisfaction, improve its image in the market, make a return on the investment, and increase the market share. In addition, the QMS helped this organization to decrease the cost related to quality; the quality of the service increased tremendously as did on-time delivery from suppliers. Seeing these benefits provided a strong incentive for this hotel to carry out its engagement toward quality improvement. The improvement was visible in the entire hotel; customers were starting to express their satisfaction. Expressions on the faces of employees were more inviting, and top management was doing the "Gemba Walk" every Monday to see how tasks were being performed. The hotel started building relationships with customers by integrating them into its business practices through the VOC process; sending birthday cards became the custom to let customers know that the hotel cared about them. Corrective and preventive actions were taken as soon as nonconformity occurred. Customers' involvement in the process was very helpful because customers' complaints and feedback allowed this hotel to continue to improve its service. Table 2 shows how customers' perceptions about the image and the quality service of HCCCC changed.

Table 2

*Customer Satisfaction*

	Very Satisfied	Satisfied	Somewhat Satisfied	Not Satisfied
Checking in process		X		
Room service		X		
Customer service	X			
Room cleanliness		X		
Food quality		X		
Employee conduct		X		
Waiting time		X		
Safety	X			
Premise cleanliness	X			

Quality costs were captured before and after implementation of the QMS. As showed in Table 3, the hotel reduced its quality costs because of the commitment of the front-line employees who understood the concept of “do it right the first time.” These quality costs were captured from the time the implementation started to the end of the project. Compared to the quality costs illustrated in Figure1 before the implementation, it was obvious that the improvement was tremendous. The internal failure cost before the implementation in four months was \$2,100, and looking at Table 3, the internal failure cost in four months was \$100. This was evidence to show how the quality of the service had increased in this hotel. The preventive costs were the highest costs due to the funds invested in new equipment and maintenance of the hotel premises.

Table 3

*Quality Costs After QMS Implementation*

Quality costs category	Amounts in dollars	% per costs category	Cumulative percentage
Preventive costs	\$300	57.14%	57.14%
Appraisal costs	\$100	19%	76%
Internal failure costs	\$100	19%	95.14%
External failure costs	\$25	4.76%	100%
<i>Total costs = \$525</i>			

Figure 2 has been created using the data illustrated in Table 3. The pie chart shows the actual percentage of the costs in each category and translates the improvement in the entire hotel and the reduction of costs caused before by poor quality work.

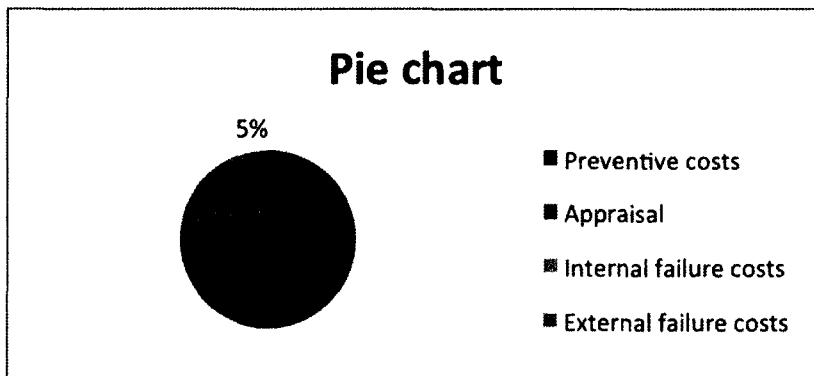


Figure 2. Pie chart of reduced quality costs after QMS implementation.

## CHAPTER 5

SUMMARY, CONCLUSIONS,  
AND RECOMMENDATIONS

The implementation of the QMS is a robust task that requires an approach of strategy, time, resources, and experience. The study encompasses the application of quality tools and techniques in the implementation of a QMS. The project starts with a comprehensive structure for the planning and design of an effective QMS. The PDCA cycle method promotes continuous process improvement that has made the hotel a competitive business through customer satisfaction and loyalty.

The project as carried out has allowed the organization to regain its image in the market, have a growth in profit, and change the perception that small service organizations really do not need to implement a QMS in their business practices. In addition, the success of this project is proof that even developing countries with limited financial resources and human capacity can operate according to ISO standard requirements. The implementation of the QMS is a process that requires the commitment of top management first, followed by the commitment and involvement of employees.

The accomplishment of this project was difficult because top management did not possess any knowledge about the ISO standard requirements or quality concepts. The project identified many deficiencies in current business practices that were addressed in the project plan. The organization was operating in a

traditional manner with no formal documentation and no work standardization.

The QMS implementation started from scratch with education in quality concepts, tools, and techniques and training from top management to the room-service employees. The project provided manuals to support the organization as it continued to practice in conformance with QMS requirements. The project defined roles and responsibilities while designing a map of interrelated processes and an organizational chart.

Implementing a QMS within an organization is a critical task that calls for major investments of time, money, and effort from the entire organization. The need for the resources associated with obstacles and resistance to change is significant. Without top management's commitment and employee awareness and involvement, an effective and successful QMS implementation is impossible. As with any QMS implementation, this project has faced numerous impediments such as lack of knowledge of ISO 9001 requirements, commitment of employees, human resources, and time. Nevertheless, these obstacles have been overcome with the strong support of top management by breaking all communication barriers and empowering and motivating the employees. The success of this project lies in the commitment and involvement of the entire organization.

Today, many companies implement QMS to attain ISO certification and fail to sustain quality activities within their organizations. This project emphasizes

the need to add value and focus on customer and employee satisfaction because these key factors are at the heart of any successful business.

The greatest advantage in this study has been the understanding of the power that ISO 9001 has in improving customer orientation and business competitiveness.

It is recommended that the organization continue to monitor and promote deployment of the QMS by monitoring key processes and verifying conformance to QMS documentation. This hotel must offer mandatory training for all employees and develop quizzes to make sure that the quality training is effective; all employees need to be able to adhere to the proper practice and application of QMS documentation and service delivery. In addition, it is crucial that the hotel conducts an internal audit every four months to ensure that the business processes remain in conformance with QMS requirements, following the audits with management review meetings. Holding meetings after the internal audit is necessary because it can help top management identify comprehensive improvement opportunities and work together to find best practices. Top management must take this opportunity to share ideas for enhancement when operational and strategic objectives are not being met.

The VOC program is another key process that is highly recommended because it enables the organization to identify its customers' needs and wishes. This program is a critical factor in any business strategy; it gives an opportunity for organizations to listen, to learn, and more importantly to take action. Asking

customers for their feedback is significant because it gives the opportunity for organizations to determine their relationship with customers and to help enhance their operational processes.

The entire project has been successful, and everyone has played a part in that success. The organization has established ongoing responsibilities for everyone within the company. The benefit of this study is defining methods to improve business practices continuously and seeing the impact of the VOC in business competitiveness. The project is beneficial for any organization that wants to instill QMS in its business practices. This research project is helpful for non-experienced QA professionals because it enables them to see the complexity of implementing QMS and the barriers and obstacles to face and overcome. A QMS process is all about continuing to learn and continuous improvement.



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## APPENDIX

**APPENDIX**

**QUALITY MANAGEMENT SYSTEM IMPLEMENTATION**

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HOTEL COMME CI COMME CA LOCATED IN GHANA	QUALITY MANUAL	Section 4 through 8
	QUALITY MANAGEMENT SYSTEM	
	Effective date	
	Prepared by                      Date	Revision 0
Approved by                      Date		

## 1.0 Company Vision and Mission

### 1.1 Vision

Hospitality is all about good accommodations for the guest, and HCCCC in Ghana offers an exceptional service culture. The philosophy of HCCCC is to treat each customer with an excellent service manner every time personnel are in contact with customers. The overall hotel personnel provide a critical role in delivering an unforgettable guest experience.

### 1.2 Mission

The hotel mission is to provide customers with a safe and excellent hospitality service that adds value to the organization, while assuring profit growth and inspiration to employees.

## 2.0 Scope and Quality Manual Introduction

### 2.1 Scope

The quality manual describes the policies, procedures, and requirements of the QMS. The quality manual delineates the policies,

procedures, and requirements of the QMS. The quality system is configured to meet the terms of the requirements described in ISO 9001.

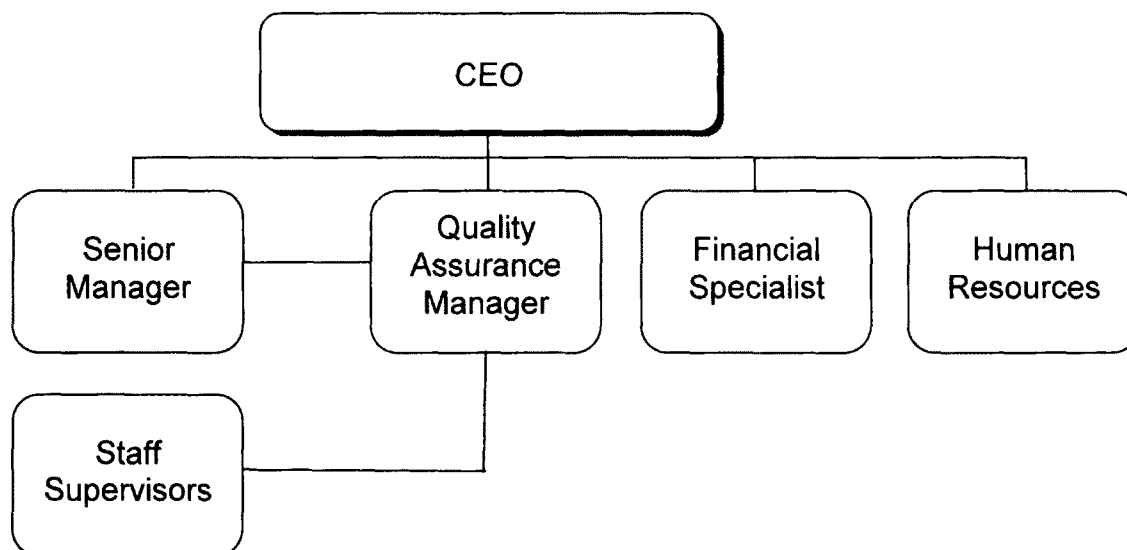
This quality manual defines the hotel's QMS that ensures quality throughout the entire delivery of service. It is structured around quality standards ISO 9001 to which HCCCC adheres.

## 2.2 Quality Manual Introduction

HCCCC in Ghana has developed and implemented a QMS to document its best business practices to meet the wants, needs, and expectations of the customers and to improve the hotel management in general. The QMS of HCCCC meets some clauses of ISO 9001 requirements. The manual is divided into four sections that are connected to the QMS of ISO 9001. This manual delineates the QMS and outlines the interconnection and responsibilities of the personnel within the organization. In addition, the quality manual describes processes for all the activities included in the QMS in order to ensure conformity to respective ISO 9001 standards requirements.

The quality manual is used within the hotel to lead employees through the ISO 9001 standards requirements that have to be met and maintained. The purpose of the manual is to ensure customer satisfaction and continuous improvement. Also, the quality manual provides the necessary directives to create an empowered workforce.

### 3.0 ORGANIZATION CHART



### 4.0 Quality Management System

#### 4.1 General requirements

HCCCC in Ghana has established, documented, and implemented a QMS based on ISO 9001 requirements. The system is sustained and continually improved in accordance with the quality policy, quality objectives, audit results, analysis of data, corrective and preventive action, and management review. To design and implement the QMS, HCCCC has:

- Identified the processes needed for the QMS and their application in the hotel operation's practices.
- Identified the sequence and interrelation of the processes.
- Ensured the availability of resources and information needed to accomplish assigned tasks.

- Established systems to measure analyze and monitor processes.

#### 4.1.1 Permissible exclusions and non-applicable requirements

This organization does not manufacture products; therefore, the following sections of the ISO 9001 standards are not applicable to HCCCC because it is a service organization that offers hospitality to customers:

- Control of production (permissible exception)—no product realization
- Validation of processes for product and service provision (permissible exception)—no product realization involved
- Identification and traceability (permissible exception)—no product part to identify and trace
- Customer property (Permissible exception)—organization does not use customer property
- Control of monitoring and measuring devices (exception)—not applicable in the hospitality service

## 4.2 General Documentation Requirements

### 4.2.1 General

Quality management systems documentation consists of four (4) levels of documents:

- Level 1 is the quality manual designed by the QA manager of the hotel, assisted by the outside quality consultant. This manual includes policies describing the approach and responsibility for meeting the requirements of ISO 9001.
- Level 2 includes the processes, developed by the project team, that describe who performs the activities that affect quality and when those activities are carried out.
- Level 3 is the supplier quality plan, created by the quality manager, assisted by the outside quality expert. This document describes all of the quality requirements, set by HCCCC in Ghana, that suppliers have to meet.
- Level 4 includes the completed records that verify if the work expected is accomplished in order to make sure that service quality is performed. These quality records are the following:
  1. Quality manual classified as level 1 of documentation
  2. Supplier quality classified as level 3 of documentation.

These documents describe all of the business practices within this organization, which are monitored, changed, or reviewed by the QA manager of the hotel. In addition, these documents are to be well maintained and available to all the personnel when needed.

#### 4.2.2 Control of Documents

Hotel CCCC in Ghana has created and maintained documented processes in order to control all the documents that are related to the requirements of QMS. The QA manager is responsible for coordination to ensure that documents are accurate and the revision category is correct. The QA manager is responsible to review and update documents as necessary to ensure that documents remain readable and easy for an internal auditor to understand.

#### 4.2.3 Control of Records

A record is a document that presents results achieved or the some of activities performed. Records are to remain clear and easily retrievable when needed.

### 5.0 Management Responsibility

#### 5.1 Management Commitment

The management of HCCCC is dedicated to implementing the QMS and continually improving its efficiency toward customer satisfaction. The QA manager has the authority and responsibility to ensure that the QMS is conforming to the requirements of ISO 9001. Management is responsible to set up and to sustain the quality system in order to maintain the quality policy. Management shall continue to give directives and show devotion to the improvement of the QMS by

communicating the necessity of meeting customers' requirements and establishing quality objectives and a quality policy. Top management must conduct yearly management reviews.

## 5.2 Customer Focus

HCCCC in Ghana makes every effort to identify the ongoing needs of its customers in order to meet their requirements or exceed their expectations. Top management must ensure that customers' complaints are handled in timely manner. The voice of the customer (VOC) system must be designed with the goal of capturing customers' feelings or opinions and translating them into service development and delivery.

## 5.3 Quality Policy

Hotel CCCC in Ghana is devoted to accomplishing its quality policy through the implementation and improvement of a quality system with the aim to meet customers' requirements on a regular basis. The personnel are committed to meeting customers' expectations with good quality and on-time delivery. The main objectives of HCCCC are the following:

- High quality hospitality services
- Total customer satisfaction
- Continuous improvement of the hotel's food and beverage service
- Ensuring safety and monitoring activities
- Providing on-time deliveries
- Enacting preventive actions to avoid recurrence

- Listening to the VOC

## 5.4 Planning

### 5.4.1. Quality Objectives

The management ensures that the quality objectives needed to meet the requirements for service delivery are established within the organization. The following quality objectives are measurable and used to assess the efficiency of the QMS in support of the quality policy:

- Maintain 90 percent or higher error free services to hotel customers.
- Maintain 90 percent or higher on-time delivery to hotel customers.
- Meet or exceed customer satisfaction and expectations.

### 5.4.2. Quality Management System Planning

The QMS planning is carried out to meet the general requirements of the QMS and the quality objectives. Quality planning in HCCCC includes a whole aspect of operations with a focal point on the following:

- Identifying processes and their application needed for the QMS
- Determining the sequence and correlation of these processes
- Determining criteria and method needed to ensure that the operation and control of these processes are effective



- Ensuring the availability of resources and information needed to support the operation

To carry out these processes, the hotel needs resources and expertise to achieve the required quality.

## 5.5 Responsibilities, Authority, and Communication

### 5.5.1 Responsibility and Authority

The personnel of HCCCC are responsible for implementing and maintaining the quality systems and processes within their respective areas of the operation. HCCCC makes sure that all employees have enough autonomy and authority to perform their required responsibilities. The grid below illustrates responsibility at management and operational levels.

Management Level	
Hotel CEO	Responsible for the entire hotel management and reassures that the QMS is effectively implemented and maintained at all levels of the organization.
Senior Manager	Responsible for planning, developing and sustaining the QMS. Ensuring that quality service is provided to all the guests.
QA Manager	Responsible for all quality assurance activities and projects. Review and control documentation for ensuring compliance to QMS requirements.
Operational Level	
Staff Supervisors	Ensuring adherence to quality processes and monitoring employees' training programs.
Hotel Associates	Must abide to all quality requirements They must support the fully implementation of the QMS processes to ensure ongoing improvement for meeting or exceeding customer needs and wants.

### 5.5.2 Management Representative

The QA manager is the quality representative who is responsible to manage and supervise the quality activities of the hotel. The QA manager has the responsibility and authority to establish, implement, and maintain the quality system to meet the proper ISO requirements. The QA manager is responsible for reporting the effectiveness of the quality system to the senior manager and the CEO. The senior manager is to use the information received by the QA manager to work on improvement plans. The QA manager is responsible for the selection and evaluation of suppliers. The QA manager is the person that monitors the performance of suppliers and customer complaints.

### 5.5.3. Internal Communication

Suitable processes are instituted within the organization to communicate the effectiveness of the QMS to all employees. The QA manager is responsible for reassuring that the effectiveness of the QMS is comprehended and communicated within the entire organization.

## 5.6 Management Review

### 5.6.1 General

Every month, the top management performs a review and assessment of the QMS to determine its effectiveness. Reviews

performed are based on the report of the internal audits, customers' opinions, nonconformities, and adequate corrective actions. The objective of the review is to identify whether the QMS is being implemented with success or to identify deficiencies in the system in order to suggest possible improvements. In addition, the CEO and the QA manager attend quarterly management review meetings. The CEO is responsible for scheduling and conducting the reviews.

#### 5.6.2 Review Input

Review inputs have been identified as part of the action plan established for the management review. These inputs include: information on audit findings, views of the customers, process performance and service conformity, and the preventive and corrective actions plan.

#### 5.6.3 Review Output

The review output portion of the management review meeting is a report of information, presented during the meeting, and consists of decisions and actions related to improvement in the effectiveness of the QMS and its processes, services related to requirements of customers, and resources needed.

## 6.0 Resource Management

### 6.1 Provision of Resources

HCCCC is dedicated to providing sufficient resources for implementing, sustaining, and continually enhancing the effectiveness of the QMS in order to meet the requirements of its customers.

### 6.2 Human Resources

#### 6.2.1. General Requirements

All personnel that manage, perform, and verify work that affects quality are responsible for implementing the quality system. It states in the quality policy that the organization is to provide sufficient resources and assign activities related to quality to trained personnel. These activities include verification of products received by the suppliers, monitoring the service process, and conducting internal audits. An additional base is provided through the following practices:

- Ongoing employee training and development
- Evaluating the effectiveness of actions taken
- Clearly defining and supporting responsibility and authority
- Empowering employees to make decisions and to take initiatives
- Recognizing and rewarding
- Facilitating open communication

- Reviewing needs of employees and management
- Creating an environment to promote innovation
- Ensuring effective teamwork through supervision and training

#### 6.2.2 Competence, Training, and Awareness

HCCCC has designed training programs needed to deliver the best service to their customers. HCCCC provides mandatory training and evaluates the effectiveness of the training. Any tasks or customer requirements that need specific expertise, training, or qualifications are to be addressed; the resources are to be provided to carry out the tasks; and the documented records are to be kept for review when needed. When planning for training and development, consider the following:

- Leadership and management skills
- Current and experience level
- Tacit and explicit knowledge
- Planning and improvement tools
- Teambuilding
- Problem-solving
- Communication skills

In addition, HCCCC uses communication and feedback to encourage employees to accomplish quality objectives. The

organization uses recognition and reward to motivate employees to make continuous improvements and encourage innovation. Quality awareness is emphasized throughout the company. The QA manager is responsible for coordinating, monitoring, and auditing the system. The quality system is to be assessed regularly to determine its effectiveness through the internal audit and is to be reviewed by the management.

### 6.3 Work Environment

The management puts in place an infrastructure that facilitates conformity to service requirements in compliance with all applicable laws and regulations. The hotel maintains a safe and healthy work environment relative to hazardous materials and the disposal of wastewater.

#### 6.3.1. Cleanliness of Premises

HCCCC premises remain clean at all times, and cleanliness is consistent with service delivery process needs.

## 7.0 Service Realization

### 7.1 Planning of Service Realization

Planning may involve consultation with internal and external parties to define and establish process flow and determine input requirements.

The hotel identifies critical characteristics of service and processes through design control and process control procedures, work standards, and work instructions. Processes are controlled through the sporadic

review of process metrics and quality objectives to ensure consistency within operating plans. The management ensures that service processes meet the needs and expectations of customers. Any change introduced into a process is validated after making sure that it meets QMS requirements. Process changes are recorded, analyzed, and monitored according to documented procedures.

## 7.2 Customer-related Processes

### 7.2.1 Determination of Requirements Related to the Service

HCCCC is to determine what requirements and needs must be addressed in order to meet or exceed customers' expectations, leading to customer satisfaction. The needs that are unspoken by the customer but identified as basic needs are to be considered as relevant requirements in customer service delivery.

### 7.2.2 Customer communication

Communication with customers is critical to customer satisfaction. The organization has set up a VOC system where customers can voice their opinions, perceptions, and feelings about service delivery. This communication channel with customers helps the organization to identify customers' needs and expectations and respond to customers' complaints in a prompt manner.

### 7.3 Design and Development

The design and development of services may involve consultation with internal and external parties to define and establish process flow and to determine input requirements. Interaction of the service delivery's main processes and the processes map are depicted in the gap analysis. Top management is to ensure that communication is effective and the assignment of responsibility during this stage of the development is clearly defined.

### 7.4 Purchasing

#### 7.4.1 Purchasing Process

HCCCC ensures that purchased products conform to purchasing requirements. These products must satisfy the organization's needs and requirements. HCCCC evaluates suppliers and selects those that satisfy the purchasing requirements. Quality and delivery performance of suppliers is monitored. The suppliers' performance is evaluated based on the following criteria:

- On-time deliveries
- Corrective action requests
- Audits
- Pricing
- Nonconforming material



- Customer requirements

#### 7.4.2 Purchasing Information

Required purchasing information is provided by HCCCC through documentation like purchase orders or bills for materials. The information is reviewed and approved for adequacy prior to being communicated to the suppliers.

#### 7.4.3 Verification of Purchased Product

HCCCC is to audit supplier processes for Supplier Quality Excellence requirements, local work instruction, or the quality plan. Supplier Quality Excellence seeks to verify whether the supplier's processes can consistently produce good quality products.

### 7.5 Production and Service Provision

#### 7.5.1 Service Provision

The organization has implemented methods that support the achievement of compliance requirements. Customers are in the loop concerning service delivery, and corrective actions are immediate after nonconformance to requirements is identified. Improving service effectiveness and efficiency of the service includes the following, as necessary:

- Training of employees
- Communicating and recording information
- Improving infrastructure

- Preventing problems
- Monitoring conditions for implementing the service requirements.

7.5.2 Validation of Processes Service Provision (exception)  
(see 4.1.1)

7.5.3 Identification and traceability (exception) (see 4.1.1)

7.5.4 Customer property (exception) (see 4.1.1)

7.5.5 Preservation of products

All products received from suppliers are properly handled to prevent damage and deterioration prior to use. HCCCC has a documented inventory management system that continuously monitors inventory and maintains minimum inventory levels.

7.6 Control of monitoring and measuring devices (exception) (see 4.1.1)

## 8.0 Measurements, Analysis, and Improvement

### 8.1 General

HCCCC manages information and data for performance measurement in support of its QMS. It observes trends related to costing, customer satisfaction surveys, quality and reliability, results of audits, and employee satisfaction surveys. The results of these measurements are evaluated and presented to the management who reviews them and develops an improvement plan toward achieving service requirements and quality objectives.

## 8.2 Monitoring and Measurement

### 8.2.1 Customer Satisfaction

The organization evaluates customer satisfaction through the VOC system that is set up to gather customer perceptions, feelings, and complaints. Customer feedback is evaluated in order to determine whether the needs and expectations of customers have been met or exceeded.

### 8.2.2. Internal Quality Audit

Internal auditing of HCCCC operations, processes, and records is a key component of the quality system. The internal quality audit is scheduled, performed, reported, and followed up based on the requirements of the QMS. The internal audit covers the entire QMS and its processes, and it is scheduled every four months. Internal audits determine if the QMS conforms to the requirements of ISO 9001 and the effectiveness and sustainability of the QMS. Audit planning considers the importance and status of the processes and areas that need to be audited. Audit results are forwarded to management; this ensures that corrective action is taken immediately to eliminate nonconformities that are identified. Follow-up activities are conducted to verify that corrective action is effectively implemented. Records of internal audits are maintained, and results are reviewed as part of the management review.

### 8.2.3. Monitoring and Measurement of Processes

HCCCC has implemented procedures that include methods for monitoring QMS processes. These methods support the ongoing ability of QMS processes to meet quality objectives. When the expected results are not obtained, corrective action is taken to ensure conformity in the service.

### 8.3 Control of Nonconforming Service

When services are nonconforming to valid procedures, specifications, or requirements of customers, a root cause analysis needs to be carried out with corrective action to follow immediately. The preventive action is to be focused on retraining employees. If the nonconformance is identified after delivery of the service, the customer changes waiver can be applicable or a rework in the sense of repeating the service.

### 8.4 Analysis of Data

HCCCC collects, analyses, and reports data through internal audits to demonstrate the effectiveness of the QMS. The reported data and internal audit results enable management to implement corrective and preventive action. Data analysis provides information relating to customer satisfaction, conformity to service requirements, preventive action, and suppliers.

## 8.5 Improvement

### 8.5.1. Continuous Improvement

The continuous improvement process is an organizational method to increase the effectiveness of the QMS, using the quality policy, quality objectives, internal audit results, analysis of data, corrective and preventive actions, and management review. The management review results and actions are used to implement improvement if needed. Top management has the responsibility to support the value of continuous improvement and to encourage the entire organization to take full responsibility for the successful implementation.

### 8.5.2. Corrective Action

HCCCC takes initiatives to eliminate the causes of discrepancies or nonconformities and to prevent reoccurrence. Corrective actions include analysis of the root cause of nonconformities, review of the nonconformities and customer complaints, elimination of the root cause to avoid recurrence, and record and review of the corrective actions taken for implementation and effectiveness.

### 8.5.3. Preventive Action

As part of a continuous improvement HCCCC process, preventive action is taken to eliminate the causes of nonconformities and to prevent problems of recurrence. The management reviews the findings and takes suitable action to address affected areas. A documented procedure has been established to define the following requirements:

- Identifying potential nonconformities and their causes,
- Analyzing and evaluating the need for action to prevent recurrence,
- Planning and implementing action needed,
- Recording the results of preventive actions, and
- Reviewing preventive action taken.

## ATTACHMENTS

ATTACHMENT 1  
SUPPLIER QUALITY PLAN



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## SUPPLIER QUALITY PLAN

### Introduction

HCCC in Ghana is a hospitality organization that offers best quality service at competitive prices. The HCCCC takes pride in its service and looks to suppliers as partners. This relationship supports the hotel in maintaining both quality and value to the customer. Customers are becoming more demanding, looking for continuous improvement, and demanding the best quality at affordable prices. It is vital to work in partnership with the suppliers in order to meet these goals. Suppliers must build strong relationships with the company to deliver best quality products; therefore, all suppliers providing product and service to HCCCC must understand quality requirements and expectations set by the hotel.

### Purpose of the Plan

HCCCC decided to change its business practices in order to respond to customers' demands. The hotel has determined that to fulfill the needs and wants of customers, it needs to set quality principles and requirements for the quality of service delivery. The supplier is to abide with HCCCC's quality requirements and policy to ensure compliance with these requirements. HCCCC is committed to improving its service quality continuously. The top management is confident that with the supplier's quality requirements, the hotel can survive in today's competitive market. The quality plan is created to serve as a guide to help

valuable suppliers achieve product and service enhancement. With the assistance of suppliers' assistance, the hotel can assure continuous improvement in service and product quality. This plan is created to help suppliers understand the basic quality expectation of HCCCC. It establishes quality requirements for all suppliers and sub-suppliers. Unless stated explicitly in writing, all terms and conditions in this plan apply to all purchase orders from HCCCC. The key components of the Supplier Quality Plan follow.

### Supplier Quality Plan Components

#### I.0 Legal Compliance and Business Integrity

The Supplier must conform to laws and regulations in the country of operation. In addition, the supplier must not be involved in criminal activity that includes: bribery, child labor, or the exchange for privileged treatment.

##### 1.1 Health and Safety

The product must come from a safe and healthy work environment that protects employees, including: safety procedures, preventative maintenance, and protective equipment. Practices must be in conformity with the country's laws and regulations.

##### 1.2 Environment and Sustainability

Environmental preservation is vital to HCCCC's business practices, and the company is committed to supporting a sustainable process and production operation. Suppliers must conform to all environmental

regulations and laws of the country where they operate and must operate in a way that conserves natural resources.

### 1.3 Food Safety and Quality

HCCCC is committed to providing best-quality service; therefore, the approved supplier must deliver products in compliance with food-safety quality standards set by HCCCC and by applicable national laws and regulations.

## 2.0 Purchasing Process

### 2.1 Purchasing Information

Required purchasing information is provided by HCCCC through records such as purchase orders. The information is reviewed and approved for accuracy before being communicated to the supplier.

### 2.2 Verification of Processes

HCCCC is to audit the supplier's processes and work instructions. Supplier Quality Excellence must verify if the supplier's processes always produce products with good quality.

### 2.3 Verification at Supplier's Premises

Supplier Quality Excellence may perform any required verification at the supplier's premises. Supplier Quality Excellence processes must delineate the methods for verification of their suppliers' release methods to ensure that the products are conforming to HCCCC's quality requirement specifications.

## 2.4 Quality Records

Prior to supplier's approval, the supplier must keep all quality system records for a minimum of 5 years.

## 2.5 Material Traceability

The supplier is required to create a lot traceability system that tracks batch numbers to the finished product.

## 2.6 Supplier Selection and Approval

HCCCC uses a cross-functional process to select and approve the supplier. HCCCC is committed to purchasing goods and services from suppliers who are quality leaders in their respective fields. It is HCCCC's expectation that suppliers develop and sustain vigorous processes to provide high quality products and services. Suppliers must work in partnership with HCCCC to identify different possibilities to improve continually the quality of the goods and services they supply. To this end, HCCCC recommends the following:

- Suppliers have to formalize a risk mitigation strategy for HCCCC's goods and collaborate with the hotel to proactively address the risks that have been identified.
- HCCCC must have access to financial and operational data of the suppliers for financial analysis to ensure that infrastructure and financial security exists in the future to support HCCCC's operations.
- HCCCC has the right to audit its suppliers to make sure that suppliers' quality systems adhere to HCCCC compliance.
- Completed Supplier Profile form must be provided by HCCCC.

- Non-Disclosure Agreement must be signed.
- Request for Quote must be submitted (Quote based on HCCCC requirements).

## 2.7 Material Compliance

HCCCC requires suppliers to understand and validate the composition or ingredients of their products. HCCCC reserves the right to request raw material confirmation of the suppliers' purchased products any time.

## 2.8 Packaging and Labeling

The supplier is expected to meet the packaging, labeling, and shipping requirements as specified by HCCCC. The country of origin needs to be labeled on the product, based on HCCCC procedures and the shipping laws in-transit and receiving countries.

## 2.9 On-time Delivery

HCCCC's goal for all suppliers is 100 percent of on-time deliveries. HCCCC provides guidelines regarding planning information and purchase commitments to enable suppliers to meet this expectation. Late or early delivery penalties are applicable except during natural disasters like hurricanes or earthquakes. A supplier's delivery performance is monitored, and proper corrective actions can be taken whenever the supplier fails to meet delivery requirements.

## 2.10 Subcontractor Management

The supplier is not allowed to involve any subcontractor without written authorization of HCCCC. It is the responsibility of the supplier to control the quality of all subcontractors' practices in compliance with HCCCC's quality requirements. All documents and audit reports must be well maintained by the suppliers and available at anytime when required by HCCCC for evaluation.

## 3.0 Quality System Requirements

All requirements must be met to clarify the key elements that are important for a successful quality system. Each supplier must use procedures that meet specific needs. The use of the ISO 9001 standards in creating and following procedures is recommended.

### 3.1 Quality Planning

The supplier's system should be documented in the quality manual in order to control product quality. The quality manual should enclose detailed procedures used to control the quality of the product. Sporadic reviews should be performed to update quality objectives and plans. The supplier should perform process failure mode effects analysis (FMEA), when required, before launching the production.

### 3.2 Supplier Organization and Personnel Qualifications

Employees responsible for quality control within the supplying company need to be identified and have the ability to ensure that product



quality continues to be maintained, according to the quality standards.

Materials and resources needed for personnel training are to be available.

### 3.3 Measurement and Test Equipment

All measuring and test equipment need to be calibrated and deemed accurate prior to use. Control records must be maintained, showing the date and results of the last inspection and the date for the next scheduled inspection.

### 3.4 Control of Purchased Materials, Equipment, and Services

A control measure, which assures that purchased materials or equipment purchased directly by the supplier or through a lower-tier sub-supplier comply with the procurement requirement, must be established and documented in accordance with contract requirements.

## 4.0 Management of Change

HCCCC requires suppliers to inform the hotel of all changes to get approval before proceeding with those changes. Any changes that occur without prior approval can negatively affect HCCCC's business. Suppliers are required to notify HCCCC in writing with a Supplier Change Request no less than 60 days before changes are to occur. The request must be made to the purchasing contact at HCCCC's business premises. The supplier is required to submit and provide evidence that the product affected by the change is meeting requirements set by HCCCC.

#### 4.1 Supplier Change Request (SCR)

HCCCC provides a form called the Supplier Change Request Form (SCR), which must be entirely filled out and sent to the supplier's purchasing representatives. A SCR cannot be used for a change occurring in less than 60 days.

#### 4.2 Nonconformance to Specifications

The supplier must immediately define the extent of the problem and take rapid action to fix the issue and avoid shipment in case of any nonconforming product. If any shipments of products with potential quality problems have been shipped out, the supplier must immediately notify HCCCC's quality manager. The quality manager can then identify the defective product, and corrective action must be applied to avoid having the problem in future shipments. Notifications to HCCCC by the supplier of a nonconforming condition and corrective action must be sent to the quality manager. Any contact or communication must be confirmed in writing to the quality manager. If the supplier is waiting for particular information from HCCCC, that supplier must hold the product involved from further processing and shipment.

#### 4.3 Corrective Action

HCCCC's suppliers must maintain and apply effective corrective and preventive action, whenever process or product nonconformances are identified. When suppliers' nonconforming products are identified on

HCCCC's premises, a Supplier Corrective Action Request may be completed. The time when a corrective action is to be implemented is the responsibility of HCCCC. HCCCC's corrective action request process is as follows:

- Nonconformance identified by HCCCC.
- HCCCC issues a request for corrective action to the supplier.
- Supplier replies to HCCCC within 72 hours.
- Supplier provides a root cause and corrective action plan response within 15 business days.
- Supplier provides evidence of successful corrective actions within 26 business days.

## 5.0 Monitoring and Improvement

### 5.1 Supplier Scorecard and Performance Evaluation

HCCCC monitors suppliers using a supplier scorecard. HCCCC's quality teams look for ways to grow the business and to track supplier improvement, using the output of the supplier scorecard. HCCCC's supplier scorecard is comprised of six major elements: quality, payment terms, productivity, delivery, service, and support.

### 5.2 Continuous Improvement

HCCCC needs to plan and maintain continuous improvement programs focused on improving quality, delivery, cost, and service performance. Reviews are to be conducted to assess the progress and

results of improvement procedures. The supplier's continuous improvement is measured by the supplier's performance. The supplier's management must take the responsibility for continuing improvement. In addition, the supplier's management has to ensure that employees are trained to implement QA methods and techniques for mistake proofing.

### 5.3 Supplier Development

Supplier development inventiveness should be focused on the following: improving process control, quality systems, product quality, supplier delivery, reducing costs, reducing the lead-time, improving productivity, and increasing capacity and training.

ATTACHMENT 2

GAP ANALYSIS

## GAP ANALYSIS

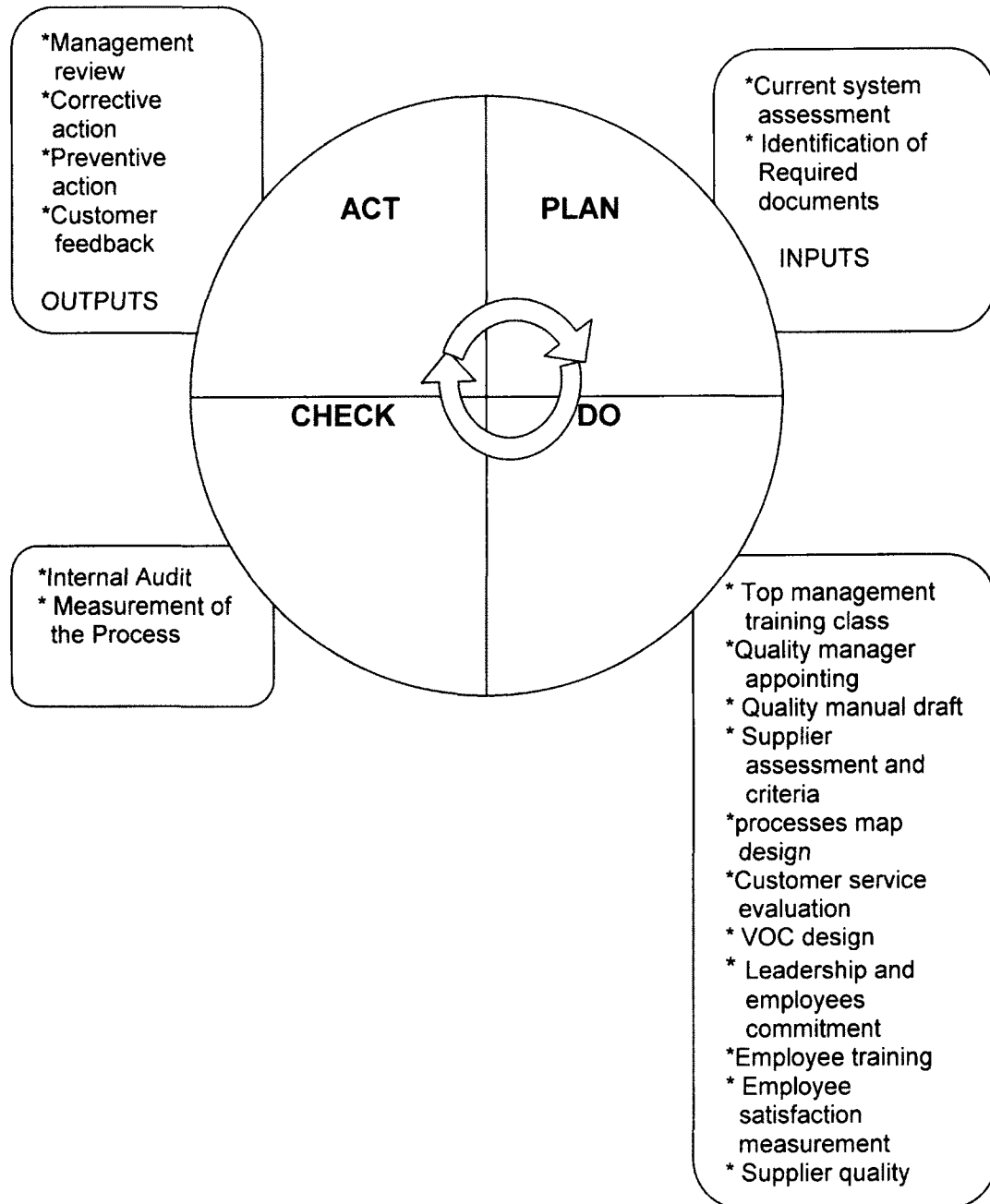
### Introduction

The gap analysis is a tool that helps organizations compare current performance with potential performance. At its center are two questions: “Where are we?” and “Where do we want to be?”

Before carrying out any implementation activity, it is critical to conduct a current system evaluation in order to know what areas need to be addressed and how to implement changes to reach quality goals. The aim of this project is to design a QMS that can be sustained and improved on a regular basis to increase customer satisfaction. The Deming cycle of Plan-Do-Check-Act (PDCA), as presented in the model below, is the methodology to be used during the entire project, starting with the gap analysis. Although the implementation of the QMS is in accordance with ISO 9001, the gap analysis checklist has been developed, based on hotel requirements, resources, and suitability. The checklist is shown in the chart following the PDCA chart. In this part of the project, the gap analysis of present business practices and the QMS implementation takes place. The issues to be addressed are due to the findings of the gap analysis prior to carrying out this project.

The PDCA Cycle was used in this project because it helped to be methodical in identifying problems and implementing solutions. These steps were

followed every time to help achieve the highest quality solution. The QMS implementation model outlined in the figure below was used.



## Plan Phase

## Gap Analysis Checklist

Questions	Answers	Action to be taken
Does the hotel have a quality management program in place?	NO	The project team will develop and implement a suitable QMS that will be measured and monitored in order to deliver a quality service to customers.
Are the hotel's quality policy and quality objectives stated?	YES, but not documented	Need to state clearly and concisely quality policy and quality objectives in the quality manual and communicate them to all the personnel.
Does the hotel have a quality manual?	NO	Need to write a Quality Manual where all the QMS requirements suitable for the organization will be detailed. This document shall be controlled and available to all the personnel.
Does the hotel have processes map procedures?	NO	It is important to design map procedures to present the interaction of different processes from customer requirements to service delivery.
Does the hotel have the work instruction manual and the record manual?	NO	Work instruction manual will be created in which all quality personnel tasks and responsibilities will be put in writing and review all the time in case of adjustments.
Does the management understand the quality concepts?	Not quite	A class needs to be offered in order to educate top management about quality principles and basis tools. Dr. Deming's 14 points will be detailed.
Does the hotel have documented Suppliers' selection and evaluation criteria?	NO	Supplier quality manual needs to be drafted by the quality assurance manager and approved by senior manager.
Has the top management appointed a quality manager?	NO	The CEO must designate a quality assurance manager.
Is the customer's service delivery evaluated?	NO	Identification and evaluation of customer service through mystery shopper.
Are training programs designed prior to quality service delivery?	NO	Training should be provided with the emphasis on the TREAT model.



Questions	Answers	Action to be taken.
Are employees' performances evaluated?	NO	Need to evaluate employee performance in order to identify employee competency and to determine if more training is needed.
Are employees' satisfaction assessment conducted?	NO	An anonymous employee satisfaction survey needs to be carried out in order to identify employee needs and wants prior to decrease employee turnover rate.
Does the hotel have a refund policy?	NO	Refund policy needs to be established to increase the hotel's image and customer satisfaction.

Based on the findings after the assessment of the current system, it was obvious that this hotel had no quality system program in place, and the QMS implementation had to start from the scratch. Because of the small size of the organization, the timeline set for the full implementation was five months.

#### Do Phase

After the analysis and evaluation of the current system, top management decided to work with a quality expert to ensure that the QMS was implemented successfully. Before carrying out this activity, the CEO appointed the QA manager to be responsible for all activities related to quality. The CEO, the senior manager, the QA manager, and the staff supervisors were trained by an outside quality expert acting as a project manager. The training class emphasized management principles, based on Deming's 14 points, as follows:

1. Create constancy of purpose toward improvement of product and service, with the aim to become competitive and to stay in business and to provide jobs (Deming, 1986).
  - a) Plan for quality in long term.

- b) Resist short-term solutions.
  - c) Picture and get ready for future challenges and always have the goal of improving.
2. Adopt the new philosophy (Deming, 1986).
- a) Embrace quality throughout the organization.
  - b) Put needs of the customers first.
  - c) Be prepared for a big change in the way business should be driven. It's all about directing people not just managing.
3. Cease dependence on inspection to achieve quality (Deming, 1986).
- a) Inspections are expensive and not reliable, and they don't enhance quality.
  - b) Don't just uncover what people do incorrectly but eliminate the "wrong" of the whole.
  - c) Use statistical control techniques and physical inspections to attest that the process is working.
4. End the practice of awarding business on the basis of the price tag. Instead, minimize total cost. Move towards a single supplier for any one item, on a long-term relationship of loyalty and trust (Deming, 1986).
- a) Work in partnership with your suppliers.
  - b) Encourage the suppliers to improve the quality of their work.
  - c) Use quality statistics to be certain that suppliers meet quality requirements. Improve constantly and forever the system of production and service, improve quality and productivity, and thus constantly decrease costs.

5. Continuously improve systems and processes (Deming, 1986).  
(Emphasize training and education so everyone can do their jobs.)
6. Institute training on the job (Deming, 1986).
  - a) Train employees for consistency to help reduce variation.
  - b) Help employees understand their responsibilities.
  - c) Encourage workers to learn from each other and encourage teamwork for success.
7. Implement leadership (Deming, 1986).
  - a) Expect supervisors and managers to understand their staff and the procedures they use.
  - b) Emphasize the importance of a communicative management and change behavioral leadership.
  - c) Find ways to reach the organization's full potential and don't simply focus on meeting targets and quotas.
8. Drive out fear, so that everyone may work effectively for the company (Deming, 1986).
  - a) Allow people to give their best and make sure that they're not afraid to voice their ideas, concerns, and feelings.
  - b) Let everyone know that the goal is to achieve high quality by doing things right and avoid blaming people when mistakes occur.
  - c) Make employees feel valued and encourage them to look for better ways to do things.
  - d) Use open and honest communication to remove fear from the organization.
9. Break down barriers between departments. People in research, design, sales, and production must work as a team to foresee problems of production in use that may be encountered with the product or service (Deming, 1986).

- a) Build a common vision.
  - b) Use cross-functional teamwork to build understanding and reduce conflict.
  - c) Focus on group effort and synchronization.
10. Eliminate slogans, exhortations, and targets for the workforce asking for zero defects and new levels of productivity. Such exhortations only create adversarial relationships, as the bulk of the causes of low quality and low productivity belong to the system and thus lie beyond the power of the workforce (Deming, 1986).
- a) Let people know exactly what the organization wants; don't make them guess.
  - b) Delineate expectations and then praise people for doing a good job.
11. Eliminate management by objective. Eliminate management by numbers, numerical goals (Deming, 1986).
- a) Look at how the process is carried out, not just numerical targets.
  - b) Provide resources and support so that service-delivery levels and quality are high and doable.
  - c) Measure the process and not the people behind the process.
12. Remove barriers to pride of workmanship (Deming, 1986).
- a) Allow everyone to take pride in their work.
  - b) Treat employees the same and don't allow them to compete with each other for financial end or other rewards. Over time, the quality system will obviously raise the level of everyone's performance to an evenly high level.
13. Institute a vigorous program of education and self-improvement (Deming, 1986).

- a) Improve the current skills of workers.
- b) Encourage people to learn new skills to prepare for future changes and challenges.
- c) Build skills to make the labor force more flexible to change in order to find and achieve enhancements.

14. Put everybody in the company to work to accomplish the transformation. The transformation is everybody's job (Deming, 1986).

- a) Improve the entire organization by having each employee take a step toward quality.
- b) Analyze each small step and comprehend how it fits into the bigger picture.

The use of effective change management values to introduce the new philosophy and ideas, based on Deming's 14 points, set the tone for HCCCC's QMS implementation. The implementation and accomplishment of these points gave an indication that the hotel wanted to stay in business and also intended to protect shareholders and jobs.

The "Do" phase started with the draft of required documents. The hotel did not have a formal documentation of their business practices; it was important to create controlled documents in which all processes and requirements were in writing. These documents were to be controlled and reviewed regularly to check their conformity with the operations flow.

#### Documents and Procedures

HCCCC documents and procedures were divided into four levels:

- Quality Manual (Level 1): Statement of the hotel's quality policy and quality objectives written by the QA manager and reviewed and

approved by the senior manager. The quality manual included all the QMS requirements suitable for the organization. This document was to be controlled and available to all the personnel.

- Quality Procedures (Level 2): Described who was to perform the activities that affected quality and when these activities were to be performed. The senior manager of the hotel defined activities (who, what, and when).
- Supplier Quality Plan (Level 3): The quality manager, assisted by the outside quality expert, determined suppliers' selection criteria and quality requirements to which suppliers had to abide.
- Quality Records (Level 4): To support quality system by retaining all supporting documents. The completed records indicated processes, work instructions, and procedures to be followed. These documents described the complete business practices of the hotel and were well maintained and available to all the personnel when needed; the HCCCC in Ghana could not function correctly without having them available in writing for users.

### Supplier Assessment and Criteria

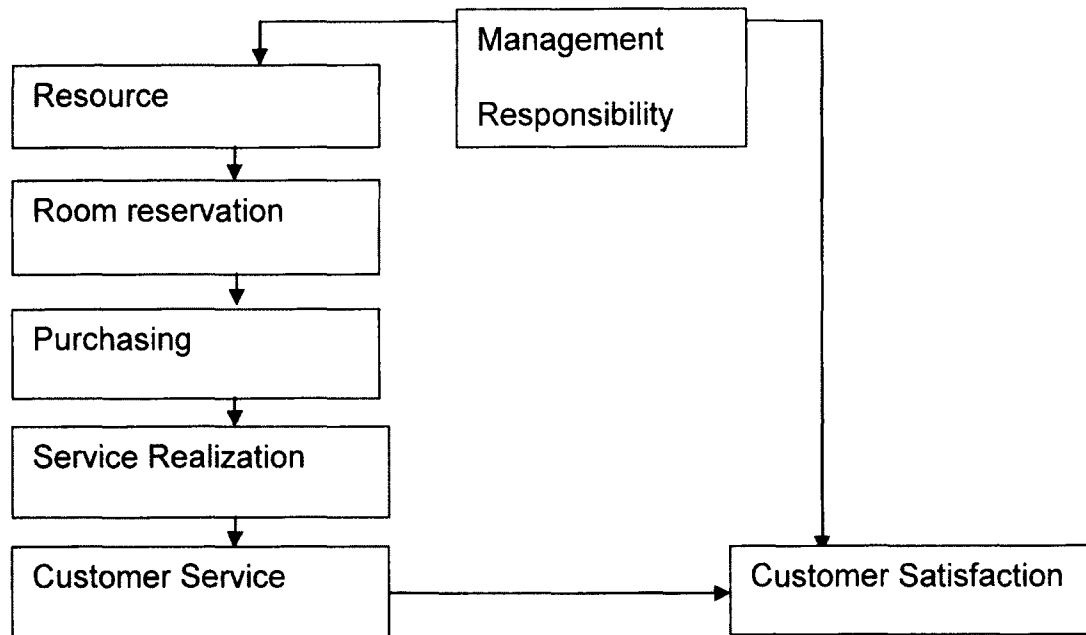
The quality supplier assessment was conducted for the first time. It was noticed that this hotel had numerous suppliers without documented records. The supplier quality plan was created to serve as a guide for both HCCCC and the suppliers. After the suppliers' assessment, the ones who did not meet minimum requirements set by the quality standards were disqualified. The top management decided to have few suppliers and opted to integrate their suppliers into the activities of the hotel business. Managers and suppliers began working in partnerships to make sure that the suppliers understood their business and their quality policy and objectives. The goal was to deliver best-quality products through robust and effective quality systems and process control. HCCCC

emphasized on-time delivery; 100 percent on-time delivery was HCCCC's goal for all suppliers. Appropriate planning information and purchase commitments to enable suppliers to meet this expectation were provided by HCCCC and contained in HCCCC's purchasing orders. Suppliers' delivery performance was monitored; proper corrective actions were taken in the event of failure to meet these delivery requirements. See the supplier's quality plan in Attachment 1 for more details.

#### Interaction Map of Hotel Main Processes

The project team identified seven (7) QMS processes and presented the interaction and sequences of these processes and their application within the organization, as shown below.

### Interaction of Hotel Main Processes



### Process Map

The project team identified the inputs and outputs that linked the interactions of the processes together and the norms to which these processes were to conform to the standard. The grid below provides a visual illustration of the process map.



Input	Outputs	Acceptance norms	Monitoring and process control	Performance
<p><i>Purchasing</i></p> <p>Specifications and characteristics of products. Labeling and packaging materials. List of selected suppliers</p>	<p>Receiving of goods, labeling materials, and packaging materials</p>	<p>Purchased products according to agreed terms</p>	<p>Inspection of purchased goods. Evaluation and suppliers' score rate</p>	<p>List of qualified suppliers. List of disqualified product for each purchased supply. Number of excellent suppliers</p>
<p><i>Customer Service Delivery</i></p> <p>Quality service delivery.</p>	<p>Quality service delivery to customers.</p>	<p>On time service delivery to customers.</p>	<p>Inspection of service prior to customer delivery. Customers' evaluation of the service.</p>	<p>Number of customers' complaints regarding the quality of service and the waiting time.</p>
<p><i>Customer Satisfaction</i></p> <p>Front-line employees' attitude. Survey about customer's satisfaction. Customers' complaints.</p>	<p>Corrective and preventive actions. Resolutions of customers' complaints. Satisfied customers.</p>	<p>Put in writing customers' complaints. Work out customers' complaints to avoid recurrence.</p>	<p>Receiving customers' feedback. Evaluation of customers' opinion and feeling by top management.</p>	<p>Percentage of delighted customers and unsatisfied customers after the survey evaluation.</p>

Input	Outputs	Acceptance norms	Monitoring and process control	Performance
<p><i>Management responsibility</i></p> <p>Process performance and service conformance. Results of internal audit. Results prior to the reviews of management. Corrective and preventive action results. Customers' feedback.</p>	<p>Decision in implementing the QMS. Put in writing quality policy and the quality objectives. Available resources. Corrective and preventive actions.</p>	<p>Solving customers' complaints. Accomplishment of quality objectives. Establishment of continual improvement of the QMS.</p>	<p>Review of the QMS every four months. Control of review Accomplishment . through proceedings. Control of senior manager, quality assurance manager, and supervisor meetings via proceedings.</p>	<p>Sustainability and improvement of QMS.</p>
<p><i>Resource Management</i></p> <p>Trained employees. Needs of additional labor force. Maintenance needs on premises and equipment.</p>	<p>Decisions for the planning and development of training programs. Maintenance of equipment.</p>	<p>Training of personnel. Use of well functioning equipment.</p>	<p>Monitored and controlled training programs. Monitored and controlled equipment maintenance and the due dates of equipment maintenance.</p>	<p>Record and review personnel training attendance. On-going premises sanitary and safety review.</p>

### Customer Service Evaluation

Customer service was a main reason why consumers continued or discontinued to buy products or services. For HCCCC, the rate of customer loss was slightly high during the two precious years before the QMS implementation. Therefore, a customer service evaluation was conducted through the "mystery shoppers" with the aim to evaluate a diversity of customer experiences,

generating critical information necessary to rapidly and effectively mark areas of higher performance and areas that needed special attention. The results reported by mystery shoppers were:

- Lack proper training for employees.
- Long hour of customer waiting time prior to food and drink service.
- Room cleanliness not as good as expected.
- Lack of variety of meals.
- Employees were not friendly.
- Customer needs and wants were not met.

Based on these results, the project team came to agreement with the commitment of top management to design an ongoing customer service evaluation program. This program enabled the hotel to sustain higher customer satisfaction. Remarkable improvements in customer satisfaction happened over short periods of time and without significant costs or major re-engineering of operations. Clear service conduct standards were introduced; a regime of steady feedback on service performance was established; and management, assertively and with the single-minded focus, redirected the feedback to support and enhance consistent quality service.

#### Voice of the Customer System

Top management focused on customer satisfaction because there was an understanding of the impact of customer service and customer satisfaction. Before the implementation of the QMS, HCCCC never paid attention to the

requirements and complaints of customers; consequently, the hotel saw its business under competitive pressure and with a loss in profit. An effective implementation of the VOC was introduced into the process because listening and understanding the VOC across all channels enabled businesses to reinforce customer loyalty and overall lifetime value (Goodman & Collier, 2007).

Furthermore, the VOC helped this organization translate customers' needs and wants into the service delivery operation.

Customers' experiences affect the bottom line of the business; it influences customers' motivation to buy. When customers are satisfied, they tend to recommend those quality services to friends and family. The introduction of the VOC system represented for HCCCC a substantial opportunity for profit growth, customer retention, and gaining new customers. The VOC was a critical factor in this hotel's business strategy because it gave the chance to listen, learn, and, more importantly, to take action. Understanding the customer's experience at every touch point was difficult; however, listening to what customers were saying and understanding their diverse feelings was an essential component in the strategy for improving customers' experiences. In addition, asking customers for their feedback was vital because it gave the opportunity for the organization to determine its relationship with the customers and to help them make changes about its operations' process or during the new service development.

### Leadership and Employee Commitment

The QMS without leadership and employee buy-in is a waste of time and money. The QMS starts from top management all the way to the front-line employee.

The top management of this organization was committed and collaborative during the project; however, it was also important to gain the commitment of the employees in order to succeed in this project. The top management had the responsibility to inform its workforce about QMS and the benefits of QMS for the company and employees. Employees had to buy in and accept QMS to integrate the change into their daily work practice. Managers had to make use of their leadership skills in order to make employees marry into the QMS culture. The employees' full commitment could not be effective without breaking any barriers existing between leaders and employees. In fact, the breaking of communication barriers established trust, communication and mutual respect, and high performance that benefitted business success and profit growth (Covey, 2008).

### Employee Training

The QMS training awareness programs were developed with the aim to communicate to employees the necessity of the QMS and how their roles fit within the system. The training was focused on the five in-services of quality dimensions, called Tangibles, Reliability, Empathy, Assurance, and Timeliness (TREAT).

- Tangibles.

Employees should give a good impression at the first contact with the customer by the way they shake a customer's hand and their physical appearance. They should look clean and professionally dressed.

- Reliability

- Employees at the hotel should provide services on time.
- Employees at the hotel must show that they are understanding of guests' problems.
- Employees at the hotel should provide scheduled services as initially planned.

- Empathy

- The hotel employees should give individual attention to each guest.
- The hotel employees should treat guests earnestly and compassionately.
- Employees at the hotel should understand the specific needs of their customers.

- Assurance

- Employees at the hotel should always be polite with guests.
- Employees at the hotel should be knowledgeable and skilled at meeting the demands of the Customers.
- Customers should feel safe in the hotel.

- Timeliness
  - Employees at the hotel must always be ready to help guests.
  - Employees at the hotel should always be available and willing to answer guests' questions.
  - Employees should respond fast and without delay to guests' demands.

Training initiatives were designed and planned properly to meet organizational goals because they could have great impact on the company's performance. In addition, these trainings were to be coordinated effectively to guarantee employees' satisfaction with their training experience. Training administration was to ensure that employees had all the time, supplies, and comfort necessary to understand and assimilate the information that they were given. The QA manager needed to make sure the training conducted was evaluated and accurately assessed in order to determine if employees received the information desired. The assessment and evaluation aimed at correcting any deviations from the desired results and preventing an extended deviation from company's goals.

#### Employees Satisfaction Measurements

In today's global competition, every successful organization depends on their customers and employee satisfaction; satisfying or delighting employees is a prerequisite to satisfying or delighting a customer. Many organizations nowadays have understood how significantly employee satisfaction can affect business productivity, competitiveness, and profit growth. Employee satisfaction

has always been considered a primordial motivation for efforts and achievements. Employers are happy to retain their skilled and experienced employees in order to achieve their organization's objectives.

HCCCC had a hard time retaining their employees, and it was determined to conduct the employee satisfaction survey via email. The survey was conducted by the outside quality expert with the agreement not to involve an inside party. The survey was strictly confidential in order to allow employees to express their perceptions freely without any fear. The employees' satisfaction feedback was evaluated, and the results were sent to top management. Management was responsive; they took into account employee's perceptions and put in place employee satisfaction metrics as follows:

- Leadership behavior
- Working environment
- Employee training and development
- Employee motivation
- Employee empowerment

Top management was confident that their workforce would be satisfied with their jobs anytime their employee's workplace requirements were met and, more particularly, when employees' emotional wants and needs were met or exceeded; consequently, there would be a reduction in employee turnover.



### Refund Policy

The refund policy is one thing that is not addressed in many poor countries' business systems. QMS cannot be fully implemented if a refund or return policy does not exist.

The project team determined clauses that were included in the refund policy such as booking cancellation with and without penalties and reordering food or beverage without charges in case of wrong orders. The refund policy was communicated to all customers so that customers could be aware of their rights and responsibility in case anything went wrong during the service delivery.

### Check Phase

The QMS was implemented, and it was important to compare the current system with the expected performance to verify if the QMS was effective and successful. Prior to conducting the internal audit, the outside quality expert provided an audit training class for people responsible for carrying out the internal audit. Since HCCCC was a small hotel, the audit was performed throughout the hotel. The internal audit was performed according to quality policy, quality objectives, and quality requirements. The focus was put on monitoring and measuring processes, documentation, premise cleanliness, and customer satisfaction measurements. The data were gathered, and the results were analyzed by the QA manager and the outside quality expert. The audit results were satisfactory with minimal imperfections in filing documentation.

### Act Phase

The audit report was redirected to top management for review leading to suggestions for corrective action and preventive action (CAPA). Management held a couple of meetings with the outsider consultant to discuss, clarify, and approve CAPA plans prior to implementation (Evans & Lindsay, 2008). After a common agreement among top management, the corrective and preventive action plans were implemented. The main focus was put on mandatory training that would be monitored by the human resources, retraining employees, and communicating company quality objectives. These action plans were put in place to continuously improve performance.

**ATTACHMENT 3**

**GANTT TABLE AND GANTT CHART**

## Gantt Table

Task Name	Start date	Duration (days)	End date
Implementation of QMS in Hotel Comme Ci Comme Ca	9/26/2011	100	1/08/2012
1. Meeting with top management	9/26/2011	2	9/27/2011
1.1 Review of the current system	9/28/2011	7	10/5/2011
1.2 Gap Analysis based on ISO 9001	10/6/2011	19	10/28/2011
1.3 Top Management Training	10/27/2011	1	10/27/2011
1.4 Draft of Quality Manual	10/28/2011	14	11/10/2011
1.5 Draft of the Supplier Quality Plan	11/11/2011	11	11/21/2011
1.6 QMS implementation	11/22/2011	31	12/22/2011
1.7 Internal Audit	11/23/2011	2	12/24/2011
1.8 Management Review of internal Audit Findings	12/26/2011	1	12/26/2011
1.9 Corrective and preventive action Plans	12/27/2011	12	1/08/2012

## Gantt Chart

