## The significance of the quality management system in making management decisions

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## Abstract

The impact of quality management system on success in making important management decisions is the subject of this paper. Studies of this effect confirmed that the introduction and implementation of quality management system significantly improves the aims of management team in any organization. Quality management system be defined as a series of coordinated activities undertaken in an organization to improve efficiency and effectiveness of its performance. One organization that has implemented quality management system, manage with defined processes including written standard operating procedures, guidelines or procedures, resulting with quality products or services. Implementing the quality management system in an organization means complete establishment and acceptance of all the rules and principles that sets the system in order to align all business processes and activities, starting from the highest positioned manager to the employee set on the lowest place in organization. With the implementation of quality management system also are implemented a completely new concept in an organization that requires consistency and commitment of all employees. The term management refers to direct control of all activities that are conducted in an organization and are control by management and provides an opportunity to make the right decisions at the right time.

## The significance of the quality management system in making management decisions

Quality management system can be defined as the coordination of activities in an organization in order to control an organization and to improve the efficiency and effectiveness of its performance. The quality management system can be regarded as the cornerstone of quality in functioning of an organization that actually represents the concept of establishing the rule for real relationship between the needs of customers and employees in the organization. The main impact on functioning of an organization that has implemented the quality management system refers to exactly define processes, prepares standard operating procedures, guidelines or procedures, which in the end leads to the production of quality products or services. Complete implement quality management system will ensure that two important requirements are met:

- Customer requirements - clients increased confidence in organization and improvement of production in terms of quality of products and

- The organization's requirements - internal and external, achieve optimum cost with efficient utilization of available resources, material, human, technological and informational.

These two requirements can be truly fulfilled if available objective evidence in the form of data and information to support the activities of the system, ranging from suppliers and ending with customer satisfaction. Quality management system enables an organization to successfully achieve goals and objectives set by its own policy and strategy work, and thus to ensure consistency and satisfaction in terms of each transaction interface.

Implementing of quality management system in an organization means complete establishment and acceptance

of all rules and principles that sets the system in order to align all business processes and activities, starting from the highest positioned manager to the employee set on the lowest place in organization. With implementation of quality management system also is implementing a completely new concept in organization that requires completely continuously witch must be respected by all parties. The term management refers to the direct control of all activities that are conducted in an organization, and has the ability for fully control of the organization. In this context, management does not apply to people but coordination of all activities in organization starting from top- positioned manager. Decision making by top management need to be in direct correlation with the implemented system and its requirements, i.e. correlated with set quality policy.

To enable implementation of quality management system is necessary to set up logistics strategy which leads to more detailed decision making at the highest level<sup>1</sup>. For making a proper decisions and implementation of such strategy, most important questions are the following:

- How will the strategy affect of set local network activity?
- Are the estimated approach will impact on planning activities?
- Will be able to use all existing resources?
- How will the strategy affect on the existing, current, but also on a potential customer?
- Hot it will affect on the staff, facilities, organization, and technology?

As you can see this is not strategic issues, but they are engaged in activities related to tactful and operational decisions made by top management. Establishing a strategy for implementing quality management system means setting up a logistics strategy that is necessary to include multiple levels of decisions which will cover all processing activities in an organization. The most important point that must be shown is that the adoption of the strategy leads to a series of related activities at various levels. The strategy is effective only when it is implemented. This means that long-term goals are translated into decisions and overall job relates to achieving the ultimate goal.

The function of quality management system is to define the quality of products or services, and the responsibilities of all involved in the creation or consumption of the products or services offered by the organization. In other words, the quality management system uses the involvement and leadership of the working force, suppliers and even customers, in order to meet or even exceed customer expectations

Managing quality in organizations today is established as a part of successfully implemented quality system that emphasizes that all team members in the organization possess a thorough understanding of the processes, as well as knowledge of specific tools for assessment and improvement of processes, thereby and overall quality. Continuous improvement, as a particularly important part of the system of quality management system emphasizes opportunities for continued advancement through continuous effort in every aspect of organizational work. This includes the following set of management principles:

- Philosophy for constant and continuous demand for continuous improvement and increased value.
- Innovation: embracing the needs of customers on an entirely new way
- Quality in daily operations: integration of management principles in everyday work of all employees
- Strategic planning of quality: the impact of long-term and short-term planning

The goals and concepts by implementing the quality system include the introduction of a completely new concept for the quality of products or services and maintaining the continuity of it. Company managers must not only understand the differences between the quality management system and continuous quality improvement, but also must understand the differences between theory and theory of quality management system of a

<sup>&</sup>lt;sup>1</sup> Donald Waters – Logistics An Introduction to Supply Chain Management, Palgrave MacMillan 2003, pp 62 - 63

company. The quality management system has evolved from a narrow focus on common statistical process control to address the different techniques and methods for improving organizational performance.

## Quality management system

ISO 9000 provides a basis and vocabulary used in the ISO 9000 family of standards. This standards placing set the basis for understanding of fundamental elements of quality management system. The introduction of ISO 9000 standard, in fact, introduced eight principles of quality management system, as well as a systematic approach to achieve continuous improvement. ISO 9001 is used when it is necessary to establish a management system that provides superb confidence in institution documents for all processes conducted at the same meeting and providing products and services to customers in relation to their requirements and expectations. ISO 9000 family of standards , in fact , a set of criteria that can be applied to all institutions , regardless of type , size and product or service. When these standards are applied correctly, institutions develop the ability to create quality management ISO 9000 enables the implementation of standards and accreditation of institutions of foreign certification body.<sup>2</sup>

Successful quality management systems based on interactions between different stakeholders and investment in the organization. Organization, which has carefully implemented quality management system for managing quality can very easily set and reach goals and requirements of the quality control and quality assurance.

Despite everything the institution must provide quality products and services that will ensure its further progress. Consequently the question: Does each institution have to be, or may become, an established institution with respected quality management system that brings progress in every field? This is not simply a matter of who can give short and clear statement that the institution can certainly provide quality products or services in accordance with customer requirements. Nowadays, especially the U.S. and European markets, requires proof for this claim, or proof of implemented and properly implemented system of quality control and quality assurance.

The ISO 9000 family of standards in 2000 made certain changes in the guidelines, which changed the focus of the system for standardization of procedures in the process. This change is illustrated in the ISO 9001:2008 standard where there are clear positions of system management processes as a means of generating high-quality products and services in order to satisfy customers. ISO 9004:2009 (guidelines for continuous quality improvement) goes further and creates a cycle of sustained success, governed by the mission and vision that is inspired by the needs and expectations through an expanded system for managing the processes to produce results that meet all stakeholders.<sup>3</sup>

The standards are generic, which means that the same standards can be applied to any organization. ISO 9000 standards are based on the concept that ensures consistent quality of product or service, and is best achieved by simultaneous application of standardization of the manufacturing process and quality management system. The standards represent an international consensus on good management practices and production systems to improve quality and enhance the institution, with continuous delivery of quality products and/or services:<sup>4</sup>

- meet quality requirements of customers;
- meets applicable regulatory requirements;
- Satisfying customers, and
- achieve continual improvement of its performance in pursuit of these goals.

<sup>&</sup>lt;sup>2</sup> ISO Central Secretariat 1, chemin de la Voie-Creuse - Selection and use of the ISO 9000 family of standards pp 22

<sup>&</sup>lt;sup>3</sup> ISO 9000 Quality systems – Handbook Updated for the ISO 9001-2008 pp19.

<sup>&</sup>lt;sup>4</sup> Joseph M. Juran, Juran on Leadership for Quality: An Executive Handbook, pp 41

As previously mentioned , ISO 9000 represents a consensus that encompasses all aspects of quality management.

Quality control and reliability are perhaps the most important characteristics of the system of quality management

The quality system which is implemented by the international safety standard will enable managers in the company to make the right decisions at the right time. **Референци:** 

1. Donald Waters - Logistics An Introduction to Supply Chain Management, Palgrave MacMillan 2003

2. ISO Central Secretariat 1, chemin de la Voie-Creuse - Selection and use of the ISO 9000 family of standards , 2008

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4. Joseph M. Juran, Juran on Leadership for Quality: An Executive Handbook, 2008