

# Rose Electronics Distributing Co., Inc.

## Quality Manual

MAN-08-2

### MEASUREMENT ANALYSIS AND IMPROVEMENT

Section 8.2

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## Monitoring and Measurement

### GENERAL POLICY

Customer satisfaction is the principal objective of the quality system, and the level of customer satisfaction is the most important measure of the effectiveness of the system. Customer satisfaction is measured by collecting and analyzing direct customer feedback, and by measuring secondary indicators of customer satisfaction. Customer satisfaction data is used by the top management to identify opportunities and priorities for improvement.

All activities and areas relevant to the quality system are audited at least once a year. Audits are scheduled on the basis of the status and importance of the activity. Internal auditors are independent of those having direct responsibility for the audited activity. Identified nonconforming conditions are brought to the attention of the responsible managers and corrective actions are implemented in response to audit findings.

Quality system processes are monitored to ensure that they achieve planned results. Relevant product characteristics are measured through inspections, tests, and other product verification activities, as specified in control plans. Evidence of product conformity is recorded. Products are released for delivery only after all specified activities have been satisfactorily completed and verified.

### PROCEDURAL POLICIES

#### 1. CUSTOMER SATISFACTION

##### 1.1 General

1.1.1 Marketing is responsible for developing suitable indicators of customer satisfaction, and for defining methods for collecting and analyzing the pertinent information.

1.1.2 Information and data pertaining to customer satisfaction are collected from several sources. Specifically, these are:

- Customer feedback and complaints
- Customer surveys
- Product returns and warranty claims

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- Market Share

1.1.3 Operational Procedure QOP-82-01, Customer Satisfaction, defines the system for collecting and analyzing the pertinent information and data, and for reporting results to the top management.

### 1.2 Customer feedback and complaints

1.2.1 Customer complaints, spontaneous expressions of satisfaction, and other unsolicited customer feedback are collected and processed by the Customer Service department. These activities are defined in Operational Procedure QOP-72-03, Customer Feedback and Complaints. The resulting data is periodically analyzed by the Customer Service manager, and is presented and discussed at Management Review meetings.

### 1.3 Customer surveys

1.3.1 Marketing conducts random customer satisfaction surveys. Survey results are compiled and analyzed, and are combined with customer satisfaction data for compatible aspects of products and services. Conclusions are presented and discussed at Management Review meetings.

### 1.4 Product returns and warranty claims

1.4.1 Information about the rate of product returns and warranty claims is extracted from accounting, quality, and servicing records. Results and trends are reported and analyzed at Management Review meetings.

### 1.6 Market share

1.6.1 Marketing is responsible for collecting and analyzing data regarding competition, competitive products, and market share. This data is periodically analyzed and presented at management review meetings.

## 2. INTERNAL AUDIT

### 2.1 Planning and scheduling

2.1.1 Quality Manager establishes an internal audit plan and schedule in accordance with Procedure QOP-82-02, Internal Quality Audits. Every activity and area is audited at least once a year. Selected activities are audited more frequently, depending on their importance and quality performance history.

### 2.2 Audit team and preparation for audit

2.2.1 Only personnel independent of the audited activities are assigned to conduct internal audits.

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Normally, Quality Manager leads the audit team except when QA activities are being audited.

- 2.2.2 Auditors prepare for audits by reviewing applicable standards and procedures, analyzing quality records, and establishing questionnaires and checklists. Selection of auditors and preparation for the audit are explained in Procedure QOP-82-02, Internal Quality Audits.

### 2.3 Conducting the audit

- 2.3.1 Conducting the audit, auditors seek objective evidence indicating whether the audited activities comply with the requirements of the documented quality system and ISO 9001, and whether the quality system is effective. The evidence is collected by observing activities, interviewing personnel, and examining records.
- 2.3.2 Operational Procedure QOP-83-01, Control of Nonconforming Product describes the method of identifying Nonconforming conditions. Nonconforming products are documented and recorded using the FORM 83-01A, Product Nonconformity Report..
- 2.3.3 Audits are conducted in a way that minimizes disruption of the audited activities.

### 2.4 Corrective action and follow up

- 2.4.1 When nonconforming conditions are identified, a Corrective Action Report or Preventative Report (CAR) is written up and entered in the QIS database. The manager responsible for the affected area or activity is requested to propose and implement a corrective action. Implementation and effectiveness of the action are verified by a follow-up audit. The FORM 85-02B, Corrective Action Request Log in the QIS database is used for monitoring and recording the implementation of the corrective actions.

### 2.5 Reporting

- 2.5.1 When the auditing cycle is completed, all nonconformity reports established during the cycle are compiled and analyzed, and are presented at the Management Review meeting.

## 3. MONITORING OF QUALITY SYSTEM PROCESSES

### 3.1 Process monitoring

- 3.1.1 Quality system processes are monitored by variety of approaches and techniques, as appropriate for a particular process and its importance. These include:
- Conducting internal audits of the quality system;
  - Monitoring trends in corrective and preventive action requests;
  - Analyzing product conformity and other quality performance data and trends;

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- Measuring and monitoring customer satisfaction;

### 3.2 Response actions

- 3.2.1 When a quality system process does not conform with requirements, Quality Assurance may request the manager responsible for the process to implement a corrective action, in accordance with Operational Procedure QOP-85-02, Corrective and Preventive Action.

## 4. MONITORING AND MEASUREMENT OF PRODUCT

### 4.1 Product verification

- 4.1.1 Inspection and testing program for a product is defined in various types of documents, such as product drawings and specifications, production work orders, purchasing documents, inspection and testing procedures, and so forth. Documents defining the inspection and testing program for a product are collectively referred to as control plans. Section 7.1 of this manual defines the process for establishing control plans.
- 4.1.2 **Verification of purchased product:** All purchased products are subjected to a visual inspection by the receiving clerk, and then some designated products are subjected to a more detailed and technical QC inspection. Operational Procedure QOP-74-03, Verification of Purchased Product, sets forward detailed rules for performing receiving and QC inspections.
- 4.1.3 **In-process inspections:** In-process inspections may be in the form of first article inspections, operator or QC inspections, continuous product verification by statistical sampling as per Operational Procedure QOP-42-08, Inspection and Testing. The focus is on defect prevention rather than detection. In-process inspection activities are regulated by Operational Procedure QOP-82-04, In-process Inspections.
- 4.1.4 **Final inspection:** Finished products are subjected to the final QC inspection. First, inspectors verify that all specified receiving and in-process inspections have been carried out satisfactorily. Then they perform the remaining inspections and tests necessary to complete the evidence of product conformity. Only products that pass the final inspection can be shipped. Procedure QOP-82-05, Final Inspection, regulates these activities.

### 4.2 Inspection, test and monitoring records

- 4.2.1 Results of inspections and tests are recorded. Instructions for establishing records for specific types of inspections are defined in Operational Procedures QOP-74-03, QOP-82-04, and QOP-82-05. Filing and maintenance of inspection records are regulated by Operational Procedure QOP-42-05, Control of Quality Records.

### 4.3 Product release

- 4.3.1 Products are released for delivery only after all specified activities have been satisfactorily

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completed and conformity of the product has been verified. Only personnel performing final product inspections and tests have the authority to release products. The identity of the person authorizing product release is recorded. Operational Procedure QOP-82-05, Final Inspection, defines specific methods for product release.

### ASSOCIATED DOCUMENTS

- Operational Procedure QOP-82-01: Customer Satisfaction
- Operational Procedure QOP-82-02: Internal Quality Audits
- Operational Procedure QOP-82-04: In-process Inspections
- Operational Procedure QOP-82-05: Final Inspection
- Operational Procedure QOP-74-03: Verification of Purchased Product