

Quality

in the
public sector

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Hussey

Second
Edition

essential skills
for the public sector

Quality in the Public Sector

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Second Edition

Essential Skills for the Public Sector

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Chapter 1

Introduction

Quality is a major issue for all organisations striving towards continuous improvement. Quality issues have become extremely important in the public sector, as governments around the world place increasing emphasis on the quality of outputs and outcomes from public services. Public sector managers are tasked with the responsibility of delivering high quality services, often within tight financial constraints, with the aim of achieving the best possible value for money.

The key questions facing managers with respect to quality are:

- *How do we define it? (Particularly as some public sector services are intangible in nature.)*
- *How do we measure it?*
- *How do we monitor it? And*
- *How do we manage it?*

These questions are complicated by the need to become more customer focused, as views on quality are not the sole domain of those delivering the service, but also those receiving it.

Quality in the Public Sector seeks to demystify many of the issues surrounding quality in public sector environments. It provides techniques for setting quality standards, measuring and monitoring quality and identifying the costs and benefits of implementing quality management. It also addresses some of the difficulties in trying to maintain or improve quality standards in a climate of constrained or shrinking financial resources.

It is increasingly common for public sector organisations to seek recognition for having a quality service, and there are a number of quality kite marks that can be achieved, some of which are covered in this book.

The principles described in the text are often illustrated with practical examples and can be applied to most public sector, and not-for-profit services. Self-development questions are given at the end of each chapter to allow the reader to consider how the techniques discussed can be applied to specific service areas within their organisation.

This book is one of a series of “Essential Skills for the Public Sector” titles. The series aims to assist public sector managers become more efficient and effective in carrying out their important management responsibilities. We consider this book to be an important part of the tool kit for public sector management development.

Chapter 2

What is Quality?

Defining Quality

Quality is extremely important for the public sector and is a term that is used frequently with respect to public sector services. Quality is often used in the context of:

- *Establishing value for money*
- *Setting quality thresholds for service provision*
- *Creating an image*
- *Public perception*
- *Service specification*

Quality, by its very nature, is subjective and will mean different things to different people. It is also accepted that there are different levels of quality. Hence, defining quality in a general way is virtually impossible.

Despite the difficulties with definitions, there exist a number of standardised definitions of quality, some of which are given as follows:

“Quality is conformance to requirements”

Philip B Crosby - Quality is Free

“Quality is always relative to a set of requirements”

ISO 9000 principles

“Quality is the degree of excellence”

Concise Oxford English Dictionary

Many authors do not try to define quality, but treat quality as a concept which is interpreted by individuals and organisations with respect to different goods, services and objectives.

What is clear is that quality needs to be defined if it is to be understood in the same way by everybody. There are a variety of factors that influence the quality definition, and understanding these will help to ensure the most appropriate definition is developed for the organisation or service.

The types of factors which influence quality include:

- a) *The strategic objectives of the organisation with respect to service provision***
- b) *The organisational value systems***
- c) *Consumer attitudes and expectations***
- d) *Employees attitudes and expectations***
- e) *The market place***
- f) *The communication methods being applied***

These factors are explained further as follows:

Strategic objectives with respect to the provision of services

- *The key purpose of the service needs to be established:*
 - *Long lasting*
 - *Investment*
 - *Life enhancement*
 - *Re-cycling*
 - *Prevention*
 - *Cure*
 - *Protection*
 - *Value added*
 - *Enforcement*
 - *Customer satisfaction*

- *There may be one or a combination of different service objectives that need to be achieved*

Organisational value systems

- *Usually represented by policies on issues such as:*
 - *Equality*
 - *Customer care*
 - *Health and safety*
 - *Environment*
 - *Sustainability*
 - *Profitability*
 - *Accountability*
 - *Social/community responsibility*

- *The policies may in some cases conflict with one another leading to a confused value system*

Consumer attitudes and expectations

The consumers of products and services often make assumptions which may or may not be true, for example:



- *These assumptions may be influenced by a range of external factors such as:*
 - *Family/home environment*
 - *Friends/peers*
 - *Work environment*
 - *Public opinion*
 - *Past experience*
 - *Media*
 - *Image*

- *The consumer's perception of quality will be affected by their own attitude and expectation.*
- *In formulating the quality definition, the consumer's most common attitudes and expectations need to be taken into account.*

Employee Attitudes and Expectations

- *The quality definition, particularly in the public sector, may be strongly affected by employee's attitudes and expectations. It is they who deliver the service and interpret how the organisation's values are put into practice.*
- *This interpretation and implementation process is often determined by the employee's own set of influences, which are typically the same as those listed for the consumer.*

The Market Place

- *The nature of the market place affects the quality definition, in particular with respect to what is considered high and low quality.*
- *The market place may be characterised in a number of ways, including the following:*
 - *Monopoly (a single supplier)*
 - *Oligopoly (a few influential suppliers)*
 - *Cartel operations (suppliers acting in unison)*
 - *High number of suppliers*
 - *Low number of suppliers*

- *High level of demand*
- *Low level of demand*
- *High cost of entry*
- *Low cost of entry*

For example, in the case of a market place where there are a high number of suppliers, the impact of strong competition will affect how quality is defined, i.e. suppliers will try to gain a competitive advantage by differentiating their products and services, often using quality criteria as the distinguishing feature.

Communication Methods Being Applied

- *Individuals have a variable understanding of quality depending on the messages that are communicated about the product or service, and the communication method used. These methods may be:*

- *Written*
- *Visual*
- *Verbal*

using a range of techniques such as the internet, publicity literature, video, television, radio, word of mouth and so on

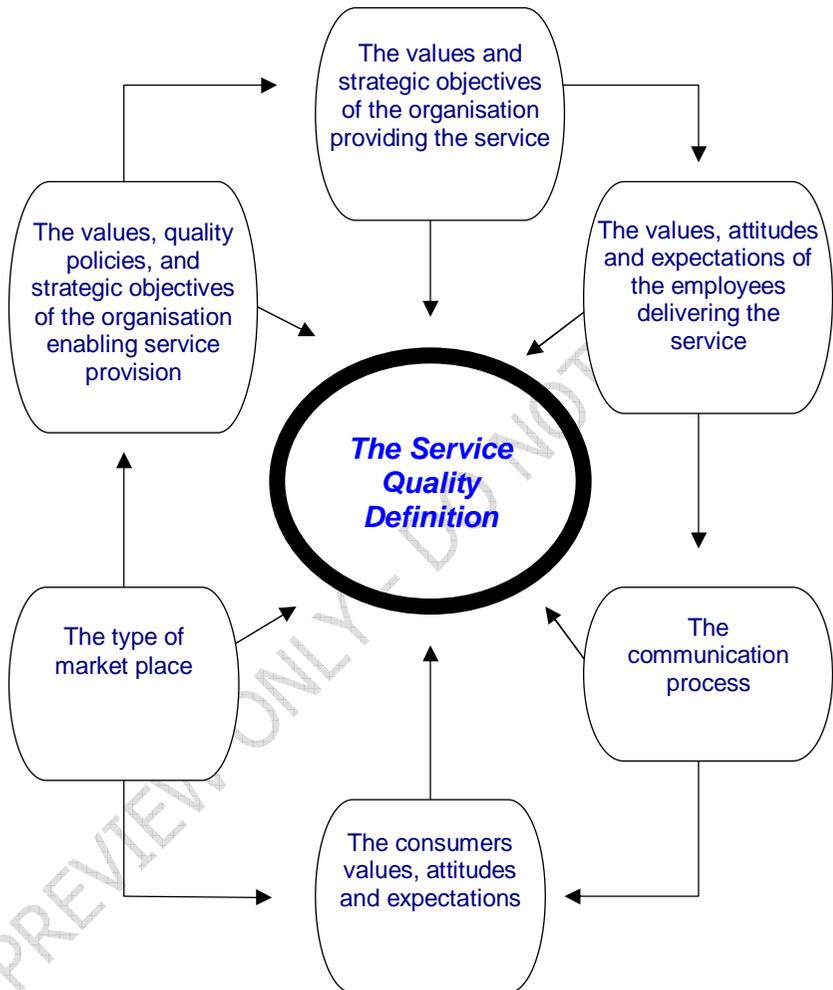
One of the key issues surrounding quality is whether or not it is understood by all the relevant parties concerned, such as:

- *The organisation enabling the service provision*

- *The organisation providing the service (may be the same as the above)*
- *The employees delivering the service*
- *The consumers of the service*

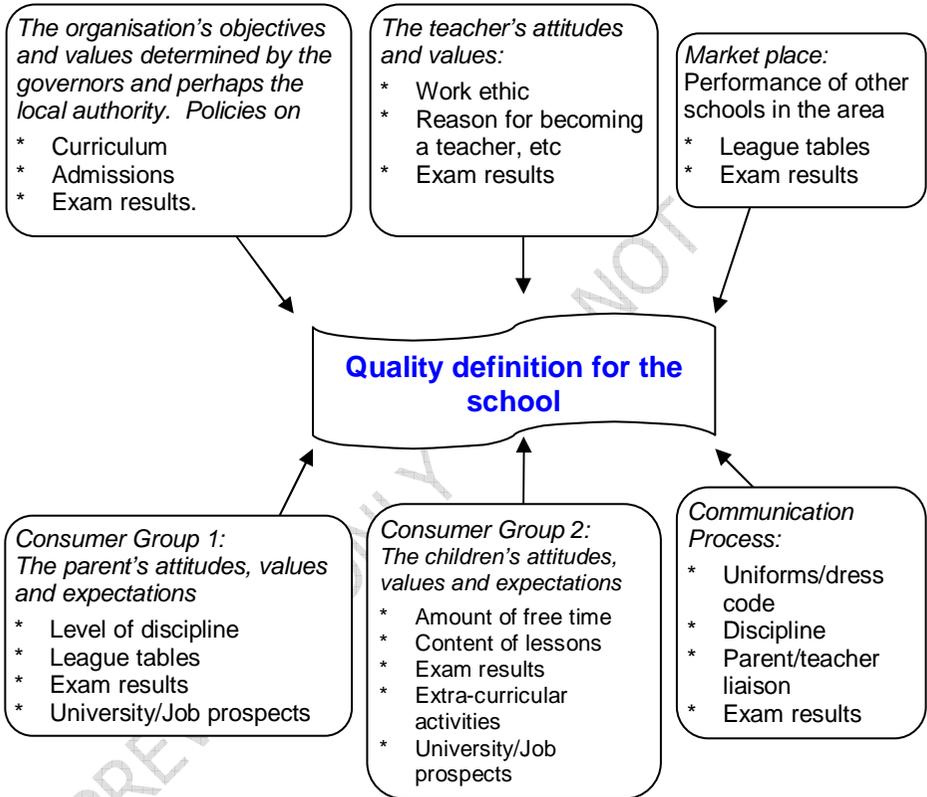
The understanding of the quality definition needs to be consistent amongst all the above parties to ensure “quality” means the same for everyone. Effective internal and external communication systems are important factors in achieving this.

The relationships and influences that help determine the quality definition are represented diagrammatically as follows:



An example of how all the parties should interact with respect to defining quality is shown as follows:

What is the quality definition for a school?



All perspectives in the above example show that exam results need to be an important part of the quality definition for this particular school.

Exercise 11

Calculating the Cost of Quality

You have been given the following information:

- **Average cost of an employee including on-costs and overheads** £25,000
- **Average direct service delivery days per employee per annum** 160
- **Average number of clients seen per month** 600
- **Average time spent with each client per visit (assume that staff can see 3 clients per productive day)** 2 hours
- **Average return number of visits required 50% (due to lack of information provided on the first visit)**
- **Waiting list, 2 months equivalent**

It is recommended that to enhance quality, the average visit times be increased by 10 minutes, resulting in the need for an extra 200 days staff time per annum with the following consequences:

- **Impact on staff time would be to increase staff numbers by 1.25 FTEs (Full Time Equivalents)**

- **Impact on return visits required would be to reduce them to 25%**
- **Impact on waiting list would be to reduce it down to the equivalent of 1 month**

Calculate the current cost of the service

£

Calculate the cost of the quality improvement

£

State two simple ways of reducing the above cost(s)

(i)

(ii)