

**Introduction to Management System
Continual Support (MSCS) Model for
System Maintenance beyond Audit**

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Abstract

An axiom for an integrated management system based on process approach, systems approach to management, and other quality system principles, is certainly the high level organizational support provided by the top management, which is normally contingent on providing adequate resources, appropriate policies, and effective leadership among other management responsibilities.

However, the high level support by and in itself may certainly not be able to implement and maintain a management system apt for improvement and excellence. A second axiom is some form of internal professional support, often exemplified by a steering group or a function within the organization responsible for implementing, maintaining and improving the system. Mapping and improving the processes, looking into nonconformities or improvement opportunities and following up the necessary corrective or preventive actions, and monitoring the quality system by means of internal audit are the main professional support areas commonly available from within the organization.

There is a third axiom available and beneficial to organizations on the path to improving their management systems. This axiom stands on external advisory support to assist the organization improve and excel. External audits may be useful as one form of such external support. Second party technical audits may help the organization to be better tuned to the customer needs and expectations. Third party certification audits may ensure minimum requirements to be met if conducted correctly and seen as a helpful tool within the organization.

There are at least two other dimensions to the external support commonly exemplified by systems consultancy prior to implementation, and third party audits to maintain certification of the system. One of those dimensions is a concept which may generally be referred to as benchmarking support. More and more organizations embark on journeys towards excellence by training and identifying improvement projects and trying to rate their maturity level compared to other organizations. Although this is certainly true for committed organizations, it is an external support dimension all organizations need to survive in today's competitive business environment.

Another dimension to the third support axiom may be described as one of knowledge management mechanism, an advisory body responsible for application of tools and systems appropriate for the organization at any given time during its journey towards improvement or excellence.

This proposed third dimension of the third support axiom may be called Management System Continual Support (MSCS). Most organizations today will spend time and effort to find which tools and systems suit their needs. The present article focuses on benefits of MSCS. It is argued that such scheme is capable of taking any organization beyond audits to maintain and improve the management system with minimal cost and effort to the organization. A model is presented and its benefits are outlined.

Introduction

Organizations today are constantly exposed to new systems and management tools advocating helping them in their quest for improving effectiveness of their processes or assist them in their journey towards organizational excellence. ISO management system standards, ISO Technical Specs, HSE, EFQM¹, HACCP, 6σ², BSC³, QFD, BPR, Lean Manufacturing⁴, Benchmarking⁵, and several other similar tools and techniques⁶ are probably among those most widely accepted and used by many organizations.

Leaders of progressive firms have no other alternative but to constantly monitor advance of knowledge with a view to empowering the organization to advance and excel. Opportunities are lost if a certain tool or technique was essential for the competitive advantage of the company, but managers failed to deploy it. Conversely, management may spend considerable time and effort on inappropriate tools which prove to be waste of valuable resources without any potential for benefiting the organization. Thus, management needs to be able to make conscious learned decision on accepting or rejecting any new managerial technique proposed for deployment, and not just because it is being sold to the organization.

However, it is seldom possible for managers and leaders of processes related to products or services to keep abreast of all advances in management system theories and applied models. It takes an expert in systems, who is at the same time aware of the specific needs of the organization to monitor and advise the management on a continual basis.

It is the intent of this paper to show that all organizations large or small would indeed benefit from such expertise support. This scheme called the Management System Continual Support (MSCS) is over and above both consultancy and audit, while it does draw on experience in those disciplines to a great extent. What it takes, and the depth of expertise it needs are also discussed in the present article. A model is outlined to show the role such expertise may play in the overall management of the organization.

Top Management Leading the Organization

There are a number of very important functions the top management is expected to exercise. Some of those may be outlined as follows:

- Be informed on new development in management systems, how they can benefit or harm the organization, and what will take to deploy those proved beneficial to the objectives of the organization,
- Executive knowledge of any specific proposed model or system at the minimum to the extent needed for effective leadership of events thereof and sound decision making process,
- Ensuring about detail knowledge of the middle management and supervisory levels of the deployed model or system to facilitate advancement and effective monitoring of implementation and maintenance,
- Considering the need for external interests such as consultants, training firms, certification bodies, and other system-related partners to be evaluated and selected on the basis of their competency and expertise in relevant body of knowledge necessary for the specific scheme,

- Ensuring employee training and empowerment at all appropriate levels on all relevant functional elements for proper maintenance of the system once the consultants and auditors leave the company.

Leaders are expected to discharge those duties on an ad-hoc basis and beyond the normal management responsibilities including policy-making, setting framework for quality objectives, defining authorities and responsibilities, providing resources and appropriate means of communication, appointing competent representation, and conducting effective management reviews.

It is recognized that the leaders are often too busy with the day-to-day activities of the organization to become deeply involved in the above-mentioned expectations. This is especially true when they are asked to commit themselves to details and decisions without adequate support of dependable expert analyses and suggestions. Support is vital not only externally, but also from the within managerial levels. That is where the MSCS comes into picture.

What is MSCS?

The leadership role of the top management is presumed by all leadership theories and all management system models. Quality management system standards and various excellence models such as EFQM have recognized leadership as one of the principles or fundamental concepts necessary for policy-making, setting of quality objectives, and strategic management of the organization. The conduct of this role in line with the strategic mission and vision, the provision of resources and infrastructure, and the establishment of functions and means of communication are in fact the top level management responsibility. Nevertheless, the top management also needs to form some kind of high level support group to be able to discharge the expected duties effectively and efficiently. In fact the top management may need the services of a permanent structure with the specific function of routinely analyzing process data from all organizational level and assuring reliable information for the top management decision-making process.

The MSCS model is a tool to visualize and emphasize the need for a suitable structure to enable the organization to release its fullest leadership potentials, as illustrated in figure 1. The model is shown in a trilogy of high level management responsibilities, internal system maintenance function, and the external support for best performance in relation to effective leadership of the organization. The three dimensions in turn include a trilogy each. At the top management level, setting policies and strategies, providing adequate resources, and exercising effective leadership are of utmost importance. This is called the high level support component of the MSCS model. At the internal support level, the organizations generally benefit from some sort of steering group or maintenance function services. Periodical monitoring by means of internal audits, problem solving thru corrective and preventive actions, and continual improvement of the system by assuming the management representative function are the trilogy at this level. The third dimension, seldom completely deployed effectively, may be referred to as external support trilogy. This usually includes consultancy to set up a system initially, and external monitoring of the system by third party certification bodies subsequently, when the organization is registered. But, this has proved to be only a first step and a platform for embarking on a journey towards excellence. More

and more progressive organization have been benefiting from benchmarking and learning to further advance and prosper.

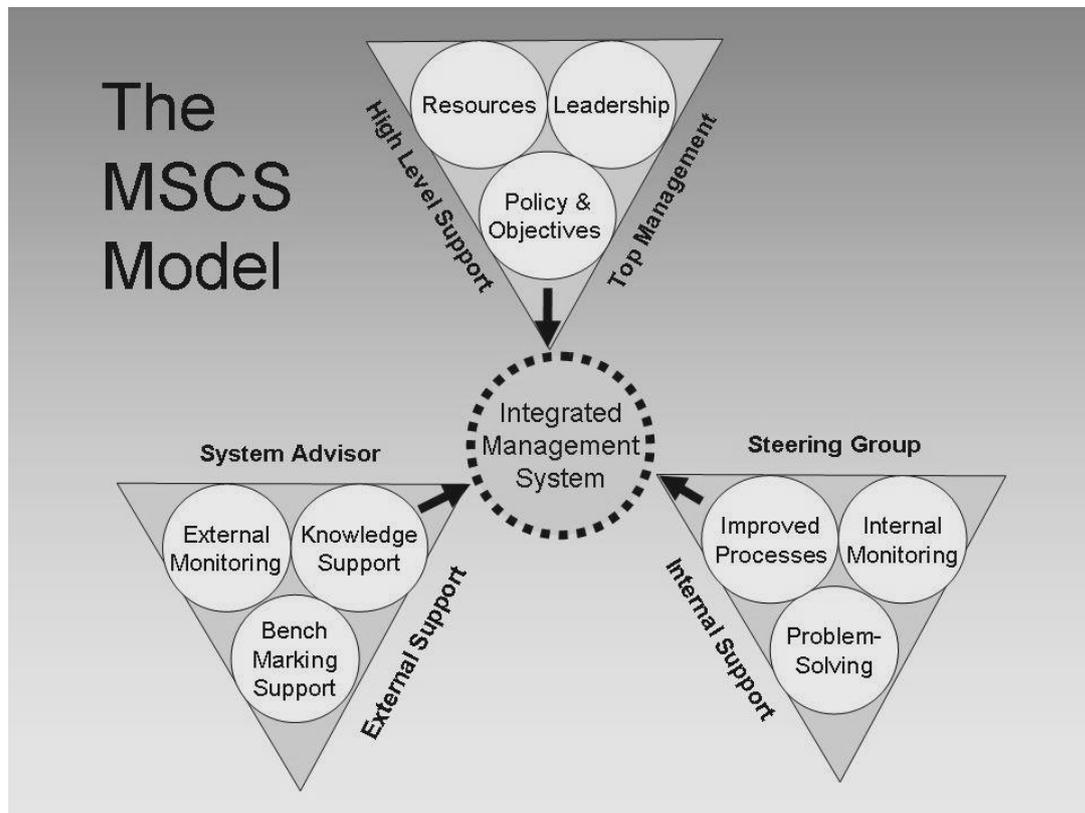


Figure 1 Management System Continual Support Model

How does it work?

The internal system support function within organization is normally focused on processes and the systems approach to management, if the group responsible for monitoring the system is adequately trained and able to discharge the duties expected of this function, and if the process ownership is involved in bringing about the necessary continual improvement to the organization. However, the very nature of this involvement necessitates practical confinement to the ideals and goals of the internal organization. The management also needs to monitor the developments taking place outside the organization and advances in technology which may affect and change the organization’s future. Most new systems and models need to be independently judged and advised by experts, and that is the main reason for seeking external assistance when it comes to new projects or feasibility studies.

Not all organizations have continual access to such expertise. When they do, it is usually either using services of internal experts also involved in routine activities, or thru projects defined for limited period of time. Having access to continual advice on such important issue for all organizations large or small is the subject of MSCS, which necessitates availability of expertise on a continual basis, but for the periodic durations based on the needs of the organization. The experts in this scheme are assigned to several organizations, and they serve the client firm on a continual basis. Obviously the MSCS expert needs not only knowledge of all management models and new advances in strategic management, but also acquaintance with the processes of

the organizations being served. Such expert is a high level advisor, who does replace neither the consultants nor the auditors, but serves to complement those services and other contractual needs of the organization.

What does it take?

Organizations need to have a structure in place to enable automatic identification, justification and monitoring of improvement projects. Figure 2 represents an example of such structure, which may be assisted and couched by the MSCS advisor.

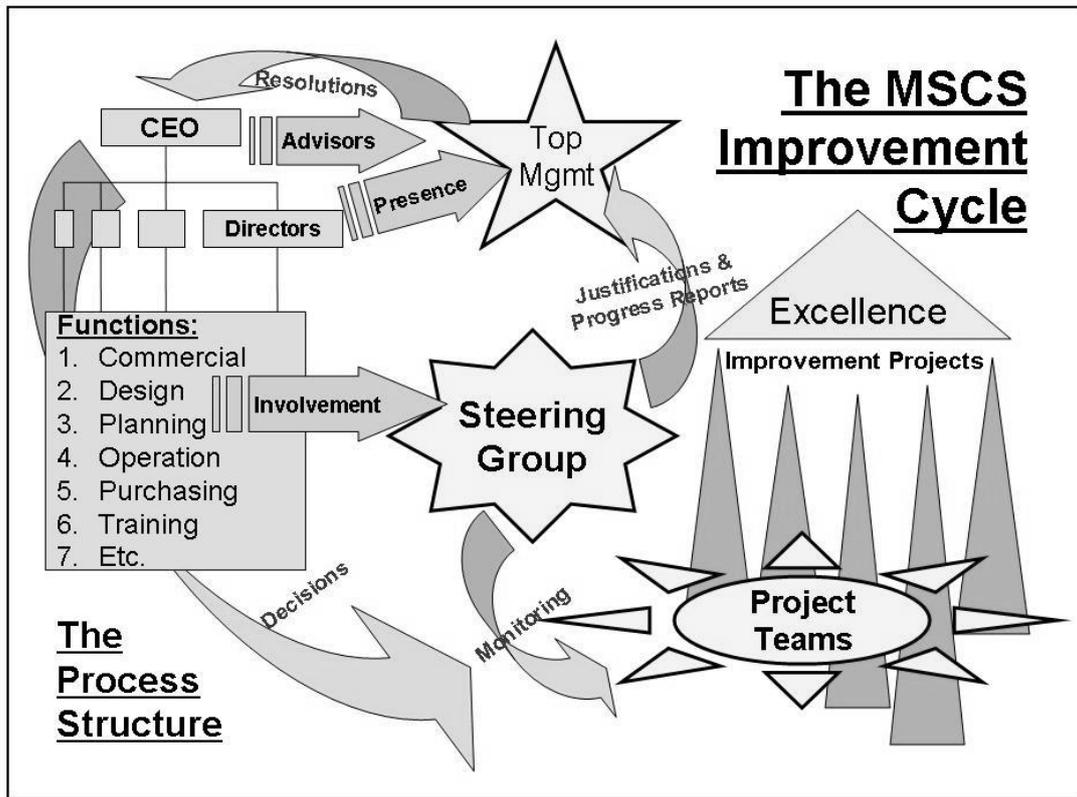


Figure 2 Example of a Structure to Serve MSCS

Various functions within the organization need to be represented in the MSCS process at three levels – the top management decision-making, the expertise steering group, and as part of improvement project teams.

At the top management level, the decisions on strategic system issues need to be made based on justification and reporting of the steering group upon careful examination of the new developments, their pros and cons, their benefits to the organization, and the available capabilities and resources to achieve the desired outcome.

Those in charge of routine functions are commonly inclined to bypass any cross-functional structure and define projects affecting other units counting on their help and support when needed. Most often than not, such assumptions prove not correct. Directors or other members with access to top management should refrain from such independent decision-making on multi-disciplinary improvement projects. Instead, they must refer the items to the steering group for multi-dimensional justification and advice. Thus, the main commitment expected of the top management in this regard is to respect the structure and prevent anybody from bypassing it for any reason.

The steering group composed of experts from all units and functions should meet regularly to study and make recommendations to the top management on the one hand, and to monitor execution and progress of the approved projects on the other. Those involved in the group have the important responsibility of coordination within their respective units in order to facilitate implementation. They must foresee any needs for resources and training, while facilitating contribution needed from their functions to advance the approved improvement projects.

The MSCS advisor should attend the top management meetings in order to oversee and monitor the whole strategic decision-making process. However, it is equally important and expected of this advisor to also participate in all steering group meetings and perform the coaching function to advance the work in line with state-of-the-art technology which can help the organization to improve and excel.

Conclusion

MSCS is a scheme to take organizations of any size or complexity beyond audit and certification on their journey towards excellence through benchmarking, learning and a directed continual improvement process. Seeking and benefiting from the continual periodic services of a high-level external expert, along with the proposed model for improvement cycle structure, is the key to success in this process.

Basically, MSCS works by adopting a policy of benchmarking for best-in-class status, and by setting in place a structure of multifunctional strategic decision-making based on justification and recommendation received from an expert steering group. The external advisor is expected to take role in both, monitoring the top management decisions, and coaching the steering group deliberations.

Obviously, the MSCS model is highly dependent on competencies of the external advisor, and his/her expertise of the specific process of the organizations being served. The advisor competencies include highest theoretical background in management and systems approach, extensive managerial and quality experience including in advance degrees of both consultancy and audits, extensive knowledge of management system standards and technology, and communication skills needed for training of people and deploying the management tools.

MSCS is seen as an advanced tool for supporting large and medium size organizations having advantage of using all kinds of internal and external supports to improve and excel, while it is also an affordable way for small size firms to benefit from the services of high-level advice to the extent needed.

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