

# Sample Management (or Quality) System Objectives

## Management System Objectives:

1. Improve profitability and company value
2. Reduce risk
3. Solidify our identity with our customers
4. Improve employee well being
5. Create an efficient formal management system.
6. Obtain and maintain ISO 9000:2000 registration.

## Management System Goals and Initiatives:

### *1. Improve profitability and company value*

- 1A. Increase revenue to \$3 Million per year
  - 1A.1 Analyze current lines of business for probable growth, profitability and risk.
  - 1A.2 Define corporate sales strategy to improve effectiveness
  - 1A.3 Improve customer awareness of our business activities
- 1B. Increase Gross Margin to 40% of revenue
  - 1B.1 Develop business plan with appropriate mix of work to support Gross Margin
  - 1B.2 Develop project management process driven by project budgeting
  - 1B.3 Institute overall hardware cost reduction
  - 1B.4 Review Burden costs for efficiency
  - 1B.5 Reduce scrap and rework
- 1C. Reduce Overhead to 22%of revenue
  - 1C.1 Develop overhead expense budgets
  - 1C.2 Review overhead functions/processes for efficiency
  - 1C.3 Reduce Warranty expenses to .35% of revenue
- 1D. Increase EBT to 12% of revenue
  - 1D.1 Develop annual financial forecast to support 12% EBT
  - 1D.2 Implement annual financial budget to support 12% EBT

### *2. Reduce risk*

- 2A. Reduce project financial risk
  - 2A.1 Implement contract review process as part of project management process
  - 2A.2 Review contract terms and conditions.
  - 2A.3 Implement formal design review process
- 2B. Reduce risk of employee injury
  - 2B.1 Review and update safety policy and roll out to employees
  - 2B.2 Employee safety training
- 2C. Reduce risk of catastrophic loss
  - 2C.1 Review insurance policies

**3. *Solidify our identity with our customers***

- 3A. Participate in Industry organizations
  - 3A.1 Seek industry committees
- 3B. Publish technical articles
  - 3B.1 Seek publishing opportunities in our industries
- 3C. Create Newsletter
  - 3C.1 Initiate newsletter for 1<sup>st</sup> Qtr. 2003

**4. *Improve employee well being***

- 4A. Improve employee ability to succeed
  - 4A.1 Identify training opportunities
  - 4A.2 Formally evaluate roles and responsibilities
  - 4A.3 Implement achievement metrics
- 4B. Reward good performance
  - 4B.1 Set achievable goals
  - 4B.2 Establish metrics
  - 4B.3 Review promotion policy
  - 4B.4 Promote public recognition
  - 4B.5 Establish reward program for tenure
- 4C. Provide competitive benefits package
  - 4C.1 Evaluate 401K performance
  - 4C.2 Review health care costs
  - 4C.3 Review employee manual

**5. Create an efficient formal management system.**

- 5A. Create an Efficient and Effective Corrective Action System
  - 5A.1 Eliminate Repeated Mistakes
  - 5A.2 Formally audit and verify every implemented corrective action
- 5B. Establish Rules of System Efficiency
  - 5B.1 Make the System Easy to Audit
  - 5B.2 Require an evaluation of efficiency for every documented procedure and task
- 5C. Create Robust Plans
  - 5C.1 Define content of documents in the management system
  - 5C.2. Require edit of documents prior to issue to ensure efficiency issues are addressed
  - 5C.3 Define content of associate training

**6. Obtain and maintain ISO 9000:2000 registration.**

- 6A. Attain ISO 9000:2000 registration in March 2003

## **Example Objectives (second set)**

1. Make our company profitable on a long-term basis.
2. Develop additional market opportunities.
3. Improve teamwork.
4. Increase customers' perception of our professionalism.
5. Define functions and responsibilities.
6. Clearly define projects and agreements.
7. Improve the quality of finished product.
8. Reduce rework.
9. Eliminate repeated mistakes.
10. Define a strategic marketing plan.
11. Meet schedule and budget performance goals.
12. Reduce unproductive activity.
13. Benchmark the competition.
14. Improve data support for decision making.
15. Provide logical, effective and efficient documentation for the Management System, processes and activities.
16. Reduce waste.
17. Obtain and maintain registration to ISO 9001.
18. Obtain and maintain registration to ISO 14000.
19. Comply with our Best Practice requirements in an auditable system.
20. Address health & safety requirements and activities in an auditable system.