

WMC Consulting LLC

Solving the Offshore Quality Management Puzzle

Managing the product quality of offshore suppliers is challenging. Domestic supplier management is simplified by common business hours and additionally by shared language, culture, and general business sophistication levels. Internationally, differences in language, culture, time zones, and process maturity complicate success.

Offshore quality issues often come from four common mistakes made by Western buyers. The good news is there are solutions to each:

1. **Incomplete or Ambiguous Specifications**: Consistent quality requires complete physical, performance, and compliance specifications. If the product is your design, you have control. If the product is the supplier's design, results are dependent on the supplier's engineering discipline.
2. **Unclear Quality Definition**: What is quality? Managing quality is about identifying "*acceptable imperfections*." It requires detailed "*accept/reject*" limits during product testing. The most widely used approach to production lot acceptability is the ISO 2859-1 standard. Simplified, defining quality requires three steps:
 - Step #1: From specifications, select measurable attributes critical to desired quality – Critical Quality Attributes ("CQA").
 - Step #2: Categorize each CQA as "*Critical, Major or Minor*" – all are not created equal.
 - Step #3: Define measurable "*accept/reject*" thresholds for each CQA during production, pre-shipment lot inspection and at product receipt.
3. **Faulty or Unclear Testing Requirements**: Specify how the supplier must test, including sampling protocols (e.g., ISO 2959-1) and documentation.
4. **Failure to Require Pre-shipment Quality Confirmation**: "*Trust but verify*" before the containers ship by supplier-provided test certifications or 3rd party pre-shipment QA testing.

World-class suppliers exist globally, but there are many whose basic quality practices fall far short of Western expectations. Effective supplier qualification requires formal on-site assessment of the production, technical, and QA capabilities/processes. Once a supplier is selected, define all commercial, financial, and operating "*rules of engagement*". There is no substitute to synchronizing expectations between supplier and buyer to establish mutual alignment of interests to ensure sustained success.

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