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Valeriya Yesina, Nataliya Matveeva, Sergiy Gaydenko

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Administrative aspects of quality policy of utility enterprise

Valeriya Yesina, Nataliya Matveeva, Sergiy Gaydenko

Abstract

Issues of formation of the mechanism of the quality management system have become more urgent in any sector of Ukrainian economy in recent years. Changes in society and the economy force business leaders to pay more attention to market research, recruitment and other issues that make up a large enough range of managerial problems. In respect of housing and utilities sector, this situation is even more critical, because in addition to the internal organizational and management problems, there are external conditions of uncertainty of their activities. Currently, the management processes in the utilities enterprises are not developed and not used. The aim of the study is the analysis the quality management system at Utility Enterprise "Harkivvodokanal" and proposals of the implementation of the administrative aspects of quality policy.

Negli ultimi anni i problemi di formazione del meccanismo del sistema di gestione della qualità sono diventati più urgenti in qualsiasi settore dell'economia Ucraina. I cambiamenti nella società e nell'economia costringono i manager aziendali a prestare maggiore attenzione alle ricerche di mercato, al reclutamento e ad altri aspetti gestionali che rappresentano un'ampia gamma di problemi manageriali. Per quanto riguarda i settori dell'housing e delle utilities, questa situazione è ancora più critica, perché oltre ai problemi organizzativi e gestionali interni, ci sono le condizioni esterne di incertezza della loro attività. Attualmente, i processi di gestione efficiente nelle imprese di utilities non sono sviluppati né utilizzati. Lo scopo di questo studio è l'analisi il sistema di gestione della qualità presso Enterprise Utility "Harkivvodokanal" e la formulazione di proposte per l'implementazione degli "aspetti amministrativi" della politica per la qualità.

Keywords: quality management system, human resources, monopoly

1 – Introduction

The process of reforming housing and utilities sector in his time took place in all developed countries. Looking for exit from the difficult situation, the governments of these countries to guide policy that had to ensure state support for housing and utilities sector and also facilitate the widest possible involvement of the private sector to provide services.

But municipal Ukrainian enterprises at most re-

main as a monopoly that impedes essential changes in their functioning. Therefore, the only one rational solution of the utilities Ukraine in the current market conditions is the introduction and improvement of quality management.

It is the development and implementation of modern quality management systems and their certification in accordance with international quality standards ISO 9000 is necessary for utilities Ukraine. This is due, primarily low-quality housing services that directly affect the efficiency of the industry.

Valeriya Yesina
E-mail: vyesina@gmail.com

Nataliya Matveeva
E-mail: manana_79@inbox.ru

Sergiy Gaydenko
E-mail: alanserg@mail.ru

O.M. Beketov National University of Urban Economy in Kharkiv, Ukraine

2 - Literature review

Many scientists are exploring methods and technology management of utility companies, most of which are designed, tested and characterized by foreign scientists. The use of positive experience of business management with a view to the effective development of an important stage in the current economic conditions, but the conceptual principles of management techniques need refinement and adaptation to the functioning of the Ukrainian enterprises.

In the process of operation and development of leaders, experts on management consulting, top managers used a lot of methodological approaches and concepts of management. In business practice and literature on business administration among scientists is often used category management technologies, based on a quality management process (Platov, Pirogov, Verba).

Key requirements of international standards of quality based on the first of the eight quality management principles, namely "customer orientation", which imposes on the organization that effectively implemented quality management system, the obligation to constant improvement of business processes related to customer service.

Lipych and Yushchyshyna (2011) in their monograph argue that the business process is "interconnected system, related business processes (operations), which is usually cross-cutting between the functional nature (i.e. covering several functional areas that are separated in the traditional organizational structure)". Within this concept of business processes are considered as a stable set of interrelated activities (tasks, operations, functions) that using technology and transforms fixed term "inputs" (resources) into "output" (results), representing a value for internal and external customers and significantly influence the formation of competitive advantage.

Analysis of foreign (Garvins, 1988; Mawoli, 2011; Harrington, 2002; Esseling, 2002) and national experience in creating systems to ensure the quality of public services based on the process approach allows to note that this approach directs the organization to determine customer needs, consumer, rational use of resources, enables the creation of quality monitoring activities and lays the foundation for the implementation of benchmarking processes.

3 - Analysis of the problems

After analysing the international experience, the basic idea is confirmed that an important condition for improving the quality of services is the introduction of effective quality management systems. The implementation of a quality management system in accordance with the international standards in any enterpris-

es leads to greater efficiency and consistency of work, more rational use of resources, focusing attention on consumers and, consequently, to a higher level of customer satisfaction.

Implementation of a quality management system is a strategic decision of an organization. The model of a quality management system at UE "Harkivodokanal" consider it appropriate to put a process approach.

The subject of activity of UE "Harkivvodokanal" are:

- Extraction, production, sampling, purification, supply, transportation, distribution and sale of drinking water;

- Reproduction, between river basin and intra basin transfer and regulation of water resources;

- Distribution of drinking water and water for industrial needs, to the population etc.

- Acceptance, collection, drainage, transportation and complete biological wastewater treatment, disinfection and disposal of biologically treated wastewater into water bodies;

- Operation and maintenance in proper condition of main and industrial pipelines and water mains, water supplying networks and sewerage and related water supply objects and drainage system;

- Maintenance service of internal water supplying networks and drainage system on a contractual basis and emergency control service of internal gutters under the relevant agreements.

UE "Harkivvodokanal" is a monopolist in Water supplying. So needs of the population is a priority enterprise that can not be done without the introduction of quality systems.

Activities in the quality area at the housing and communal enterprises carried out on the low level. The conducted analysis indicates that they should intensify activities on the implementation of a quality management system in accordance with the international standards ISO 9000, which will significantly improve quality of given housing and communal services and satisfaction of city residents with their services.

One of the most important prerequisites for implementation of quality systems for utilities and the development of the market environment, especially a competition is demonopolization of HCS, based on the distribution of functions performed by enterprises and organizations of HCS and above all the division of functions of the customer and contractor.

The main directions of creating market environment in HCS in condition of the restricted privatization should be as following: the formation by local municipal government an order for the operation and development of housing and communal facilities; as

contractors for providing housing and communal services should be involved enterprises and organizations of different ownership forms on an equal basis; organize a system of payments between producers and consumers of housing and communal services solely on the basis of contracts, which would provide a clear procedure for the application of economic sanctions for breach of contractual obligations.

For an effective quality management system UE "Harkivvodokanal" should be defined following processes which related to:

A) general process of the company - the provision of water services to residents of the territorial community;

B) management:

- Control over the activities of the enterprise;
- Assessment of a quality management system;
- Quality management system documentation;
- Quality management system protocols;
- The system of internal communication;

C) assets:

- Human resources management: selection, training, evaluation;
- Infrastructure of enterprise;

D) control:

- Monitoring of service delivery;
- Internal monitoring system;
- Research of customer satisfaction;

E) support and development:

- Identification and evaluation of service providers;
- Preventive and corrective actions;
- Improving the processes of housing and communal services.

4 - The proposals for solving the problems

According to the requirements of ISO 9001:2000 a quality management system for its effective functioning, should be properly documented. The relevant documents of the quality management system at UE "Harkivvodokanal" define the following:

We call the following relevant documents which regulate a quality management system of UE "Harkivvodokanal":

- External legislation (legislation of Ukraine, regulatory acts);
- Internal regulations (orders of the director);
- The Quality book;
- Quality policy of the enterprise;

- Documented processes;
- Detailing Instructions and procedures of the activities enterprise;
- Information cards about services for consumers;
- Records of the results.

The Quality book of UE "Harkivvodokanal" should be the Constitution of quality management system of the enterprise, while the quality policy - the Declaration of a quality strategy. To documents of the quality management system assign procedures - "quality laws" that are necessary for the proper functioning of the quality management system in the enterprise; instructions, information cards - documents that help in planning and monitoring the provision of services in the enterprise; a list of legislation that are the basis for the provision of services; quality protocols - confirmation of a quality management system.

Documentation of a quality management system involves management process. The process of a quality management system documentation includes:

- Development and approval documentation;
- Review and updating documentation;
- The identification of changes processed validity of documents;
- Preservation of documents in certain places;
- Ensure legibility and ease of identification documents;
- The identification documents of external revenues, control of their dissemination;
- To prevent unintended use of irrelevant documents.

The management process of documentation should be carried out according to the developed UE "Harkivvodokanal" procedures for processing and monitoring the quality management system documentation. For the effective functioning of the quality management system in UE "Harkivvodokanal" implemented documentation is a subject to regular checking for relevance. The quality management system documentation, which applies to planning, ensures the integrity functioning of the quality management system. Changes in the quality management system documentation must comply with Deming cycle. Along with the documents of the quality management system in UE "Harkivvodokanal" should apply centralized system of record keeping and management. Head of the utility enterprise is responsible for organizing record keeping.

Keeping records are required by state standards, instructions for keeping entrusted to the deputy director, secretary, heads of departments.

We consider that one of the main elements of a quality management system in activities of utility enterprise should be the Quality book. It must contains:

- Description of the quality management system

and grounded requirements for it.

- Defined for the quality management system documented procedures/

- Description of organizational processes occurring in the company and the relationship between them.

The main reason of development of quality book is to provide its users comprehensive information regarding management system of quality; confirmation of the ability of an enterprise to provide services at the highest quality level, according to the Law of Ukraine "About housing and communal services"; liability company to continuously investigation the level of satisfaction of its customers, analysis of the results of these investigations and planning criteria and methods for improving the organization work.

The Quality book as UE "Harkivvodokanal" shall refer to a number of rules that operated to the implementation of quality management system and fully applicable in the enterprise. And because they regulate the actions of the company in providing services, they are also an integral part of the quality management system. The Quality book is the main document of quality management system that describes:

- The quality management system;
- Procedures or references to them;
- Description of interaction processes of the QMS.

The manager of the company must approve the quality book to compulsory use in the company, while the authorized representative for quality management working out with the book, updating and is responsible for its distribution.

The Quality Policy approved by the company manager. This document defines the main strategic goals of the company and its employees. Employees perform their duties in accordance with the strategic objectives defined by the quality policy. Proof of this is daily work aimed at satisfaction of needs of residents. Records are a special type of documents confirming the compliance and effectiveness of quality management system UE "Harkivvodokanal". Management protocols is carried out according to procedures of conducting quality reports. The procedure determines the order of general office work, its position apply to all official documentation. Computer technologies of processing of documentary information must meet the requirements of state standards and the procedures. The rules and recommendations set out in the procedures regarding the order of implementation of business processes must be developed in accordance with the Constitution and laws of Ukraine, that establish the organization and activity of the enterprises for monitoring the implementation of documents, improve organizational structures.

The basic process UE "Harkivvodokanal" is the provision of water supply to the population. The list of services provided is determined based on the job descriptions of employees. The list of services approved by the manager should mandatory be in the company.

For proper providing services enterprise needs to develop information cards about services. Information card associated with the provision of services should be publicly available directly in the company and in the department, which provides this service. Requirements that apply to a specific service define input data on planning, i.e.:

- The way of actions, necessary documents, the persons responsible for making decisions;
- The necessary material or financial re-sources, if required;
- The necessary actions, monitoring and control of the proceedings;
- Criteria relating to the delivery of services under legislation;
- The need to implement records to provide confirmation that service is provided efficiently.

Planning quality in service delivery in the work is an adoption of internal documents of UE "Harkivvodokanal" relating to the integrity of services provided. Requirements for the provision of services implemented on the basis of the needs identified in the survey of customer satisfaction level of service, the analysis of appeals.

Determination of customer requirements can occur under established at UE "Harkivvodokanal" instructions of investigation of customer satisfaction, level of service, as well as through three sections cooperation. Terms of submission, receiving and consideration of complaints or suggestions regarding the company should be regulated by normative legal documents of external and internal character.

The consumer UE "Harkivvodokanal" (legal, physical person) for solving problems should be able to contact the company by means of a written declaration, written complaints, suggestions. The officials of the department verified the documents submitted in terms of complexity, legibility and uniqueness. In case of possible inconsistencies of document requirements, the company refers to the applicant about additions, changes and so on.

The enterprise must maintain contact for information about service they provide for consumers through information cards, booklets, brochures, information boards, Internet, media, direct reception of citizens. Feedback UE "Harkivvodokanal" gets on the basis of costumers remarks investigation the level of satisfaction, complaints and appeals, and appeals boxes. Monitoring of customer satisfaction requires objective evaluation of the information related to how

the company meets their needs.

Customer satisfaction is closely related with the trust to work of UE "Harkivvodokanal" and its employees. In our opinion, the company should be fully responsible for the quality of services. For this purpose it is necessary to introduce mechanisms of evaluation of customer satisfaction level of service, performance assessment of employees.

To assess the quality of services provided, UE "Harkivvodokanal" can perform investigation of customer satisfaction level of services received. Investigation conducted in the manner that offer to prescribe in manual about the research of customer satisfaction level of services provided.

The results of conducted researches should be:

- Solutions that are intended to improve performance of the enterprise;
- Changes aimed at improvement of processes of providing services;
- Changes aimed at improvement of organizational structure of the enterprise;
- In justified cases, the decision on the re-investigation.

5 - Conclusions

In our opinion, UE "Harkivvodokanal" should be made permanent and continuous monitoring of service delivery. General Responsibility for the quality of providing services assigned to the company manager. Control over the service delivery entrusted to the company's management in accordance with division of responsibilities, job descriptions. In the process of providing services, officials are required to monitor the process, based on the norms and standards used in the provision of specific services. All the processes of providing services provided, contained in the relevant normative acts (internal and external), planned and described in detail on how to proceed.

In case of inconsistencies services, error correction is carried out under the law of Ukraine and the procedure for elimination of inconsistencies. In case of errors while providing service it is monitored by correction of inappropriate services. A located discrepancy employee who is responsible for the provision of service during its implementation (during the preparation of the preliminary draft document), develops a revised version of information card of service.

As for enterprise management, the management of UE "Harkivvodokanal" consists of the manager, deputy manager and chief engineer. The company's management has direct control of subordinate units according to division of responsibilities, job instructions.

Commitments of management in the sphere of quality management system we assign:

- Informing all employees the importance of meeting customer requirements; regulated and legislative requirements of quality management system;
- Quality policy formation in the company;
- Ensure achievement the quality policy objectives;
- Analysing the efficiency of QMS;
- Providing resources for the operation of the enterprise.

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