

# NELAC Management Reviews

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**Assessor Forum**

**Winter 2008**

**Silky S. Labie**

# Quick Reference

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- **Why**
- **Who**
- **What**
- **When**
- **Documentation**

Why

The image features a blue gradient background. A dark blue horizontal bar is positioned in the upper right quadrant, and a light blue horizontal line is located in the lower left quadrant. The word "Why" is centered in the dark blue bar.

## 5.4.14 Management Reviews

5.4.14.1 In accordance with a predetermined schedule and procedure, the laboratory's executive management shall periodically and at least annually conduct a review of the laboratory's quality system and environmental testing activities to ensure their continuing suitability and effectiveness, and to introduce necessary changes or improvements.

## 5.4.14 Management Reviews

5.4.14.1 . . . The review shall take account of:

- a) the suitability of policies and procedures;
- b) reports from managerial and supervisory personnel;
- c) the outcome of recent internal audits;
- d) corrective and preventive actions;
- e) assessments by external bodies;
- f) the results of interlaboratory comparisons or proficiency tests;
- g) changes in the volume and type of the work;
- h) client feedback;
- i) complaints; and,
- j) other relevant factors, such as quality control activities, resources and staff training.

## 5.4.14 Management Reviews

5.4.14.2 Findings from management reviews and the actions that arise from them shall be recorded. The management shall ensure that those actions are carried out within an appropriate and agreed timescale. The laboratory shall have a procedure for review by management and maintain records of review findings and actions.

# Are operations suitable & effective? What must be changed or improved?

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- Profit?
- Product Satisfaction?
- Public Satisfaction?
- Cost Effectiveness?
- Product Quality?

Bottom Line

Who?

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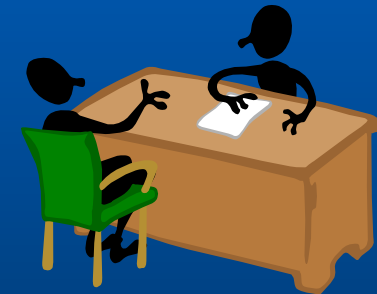
# Who is Management?

- **Top Management**
  - CEO
  - Board of Directors
  - Commissioners
- **Business Managers**
  - Operations
  - Project
  - Human Resources
  - Finance
  - Facility
- **Laboratory Management**
  - Laboratory Director(s)
  - Quality Assurance Manager(s)

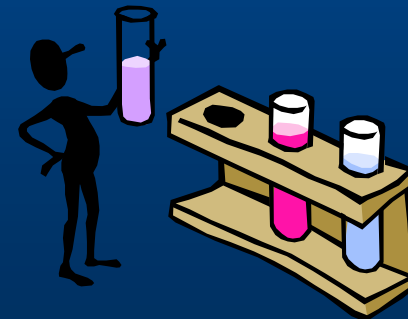
**Purse Strings**  
Fiscal Responsibility



**Administration**



**Technical**



What?

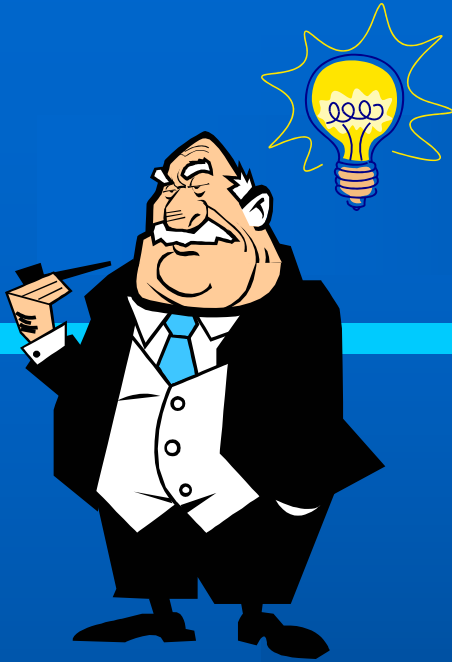
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# What is a Management Review?

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- It's not a performance audit
- It's not an internal systems audit
- It's not an external audit

Audits Verify Processes and Conformance to Written Procedures and Requirements



A drink everyone wants  
"Family Business"

*Pop's Fizzy*

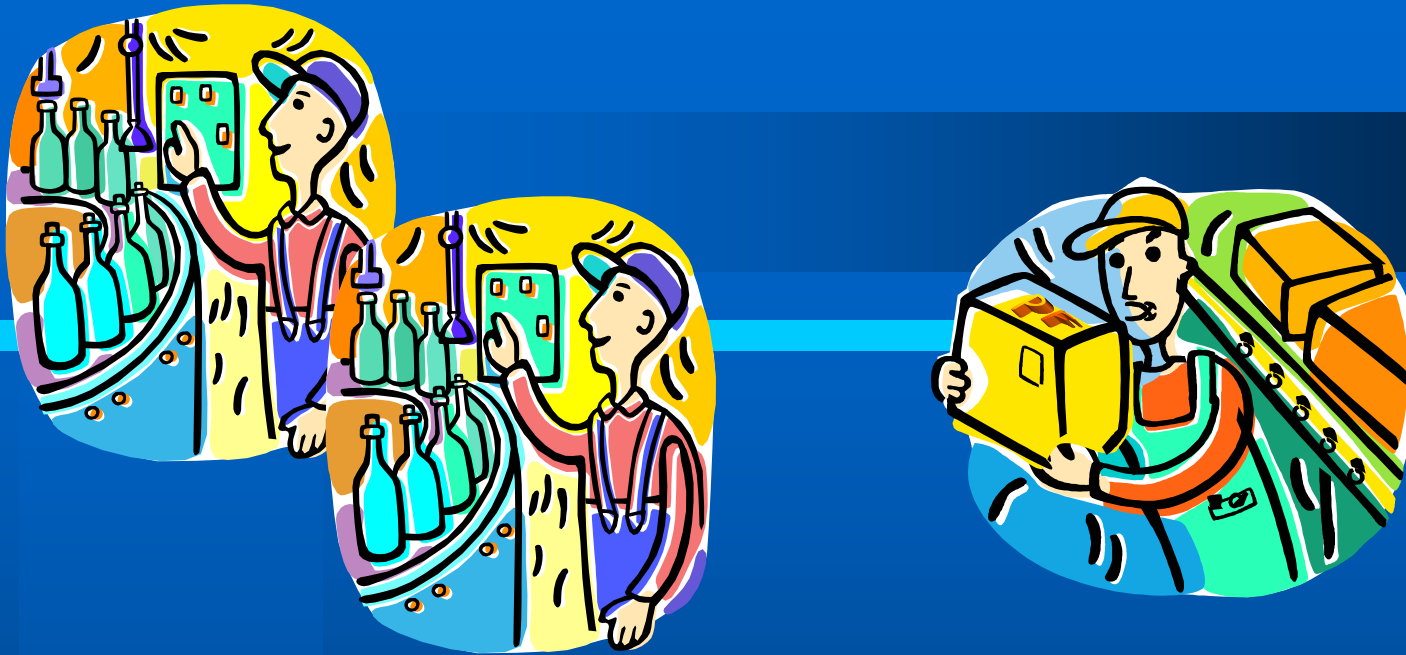


SOP Says:



Audit Verifies:





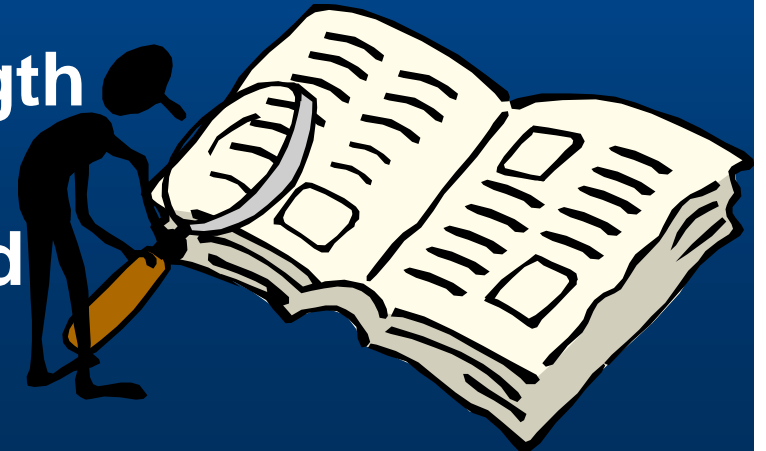
**Box twirlers are dropping the boxes.**

- **Human Resources is concerned with increased Workman Comp Claims**
- **Sales is concerned with the fact that the ratio of finished product to shipped product is decreasing**
- **Janitorial Service is complaining about all the broken glass**

**What to do?**

# Causes

- Rate of dropped boxes is increasing disproportionately
- Groups with dropping rates higher than the average:
  - Women
  - Original Employees
    - Older or less strength
  - Youngest Employees
    - Disenfranchised





# Solutions



## Actions

- Provide Incentives & Recognition
- Mentoring
- Remove Groups from Shipping
- Reduce Need for Strength
- Redesign shipping container

## Consequences

- Short-Term Band-Aid
- Fosters Belonging and Ownership
- EEOC Issues
- Effect on Product?
- \$\$\$

# Management Review

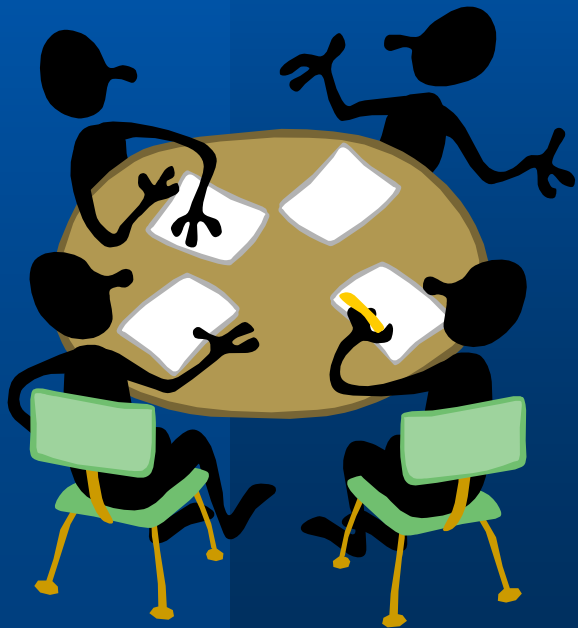
- Will the product still be acceptable to the consumer?
- Cost-benefits of redesigned box
- Will the “box twirlers” be happier with the changes?





# The Next Year . . . .

- Sales are up
- Dropping rate is down
- Employee morale is improved



- New technology to get the right “fizz”
  - Eliminate box twirling
- Expand Production

# What is a Management Review?

- Business Plan Review
  - Strategic Planning
  - Budget and Finance Discussions
  - Policy Reviews
  - HR Issues
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- Are Operations Meeting the Company Goals
  - What needs Improvement?
  - Priorities?
- Goal: Improving Business**
- 

Documenting normal business functions and decisions as they relate to laboratory operations

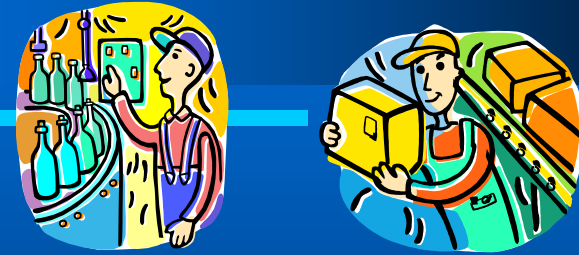
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- h) client feedback;
- i) complaints; and,
- j) other relevant factors, such as quality control activities, resources and staff training.

# Policies and Procedures

SOP Says:



- **Are Policies Up-to-date and Relevant to Operations?**
  - If not – what needs to be changed?
- **Are Procedures Up-to-date?**
  - Do written procedures accurately reflect what is being done?
  - Are changes needed to operate more efficiently?
- **Changes from the Previous Year**
  - Implementation Status
  - Effectiveness? If not, why not?

**Management Review Elements**

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# Managerial and Rep

## Solutions



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## ntified?

## Work ent Activities

## d Quality Assessment



Box twirlers are dropping the boxes.

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What to do?

- Client Relations
- Finances including procurement and invoicing
- Staffing Issues
- Capital and building issues

- How can they be resolved? – What actions will be taken?
- Of actions taken in the previous business year, which were effective? If not, why not, and how to improve.

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# Audits – Current Business Year

- **Internal and External Audits**
  - What was found?
  - What are the recommended corrective actions?
  - Implementation Recommendations?
  - Available resources?
- **Proficiency Tests, Round Robins & Interlaboratory Comparisons**
  - How did we do?
  - Reasons for failures and recommended corrective actions
  - Implementation Recommendations
  - Available resources?

Audit Verifies:



**Management Review Elements**

# Audits – Previous Business Year

- **Internal and External Audits**
  - Were Corrective Actions Implemented?
  - If not, why not?
- **Proficiency Tests, Round Robins & Interlaboratory Comparisons**
  - Compared to Current year, did we do better or worse?
  - Were Corrective Actions Implemented?
  - If not, why not?

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# Client

- **Complaints**
  - Types
  - Resolutions?
  - Comparison with Previous Business Year – Did we improve?
- **Services**
  - Types
  - Need for more or less
- **Public Relations**
  - Newsletters
  - Marketing Plans
  - Sponsored Workshops for Clients



**Management Review Elements**

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# Employee

- Turnover rate?
- Work Environment
  - Suggestion Program
- Training
- Benefit Packages
- Salaries
- Employee Evaluations
  - Incentives/Recognition Programs
- Ethics
- EEOC Issues
- Health and Safety Plan

## Solutions



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# Preventive Measures

- How can we prevent recurrences of problems in audits, client relations or other areas?
- Preventive Measures from the Previous Business Year
  - Were they Implemented?
  - Was there improvement
  - If not, why not?

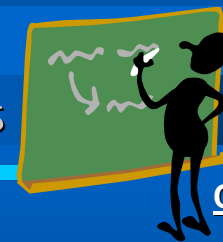
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# Changes

- What has changed over the Past Year?

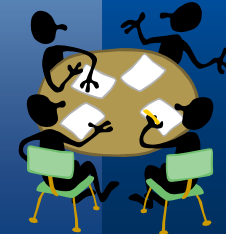
- Client Base
- Work Volume
- Requested Analyses
- Personnel
- Physical Facilities

- Impacts and Effects

- Is it affecting our bottom line?
- Do we need to change? If so what?
- Do we need additional resources?
  - Changes in Fee Schedules
  - Capital Expenditures
- Do we need to cut back on services?

## The Next Year . . . .

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**Management Review Elements**

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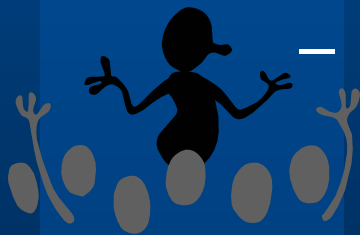
# Implementing Management Reviews

- **Formal**

- Strategic Planning Sessions
- Annual Reports to Various Management Levels
- “State of the Business” Reviews

- **Informal**

- Staff Meetings with Upper Management
- Staff Meetings within each Management Group

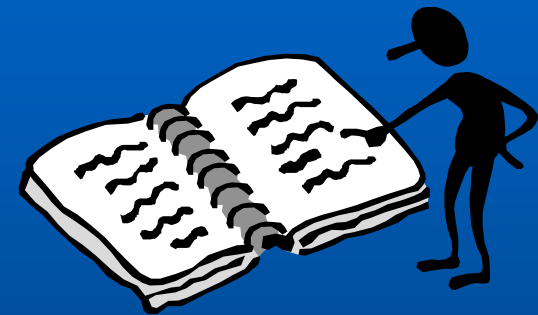


# Documentation

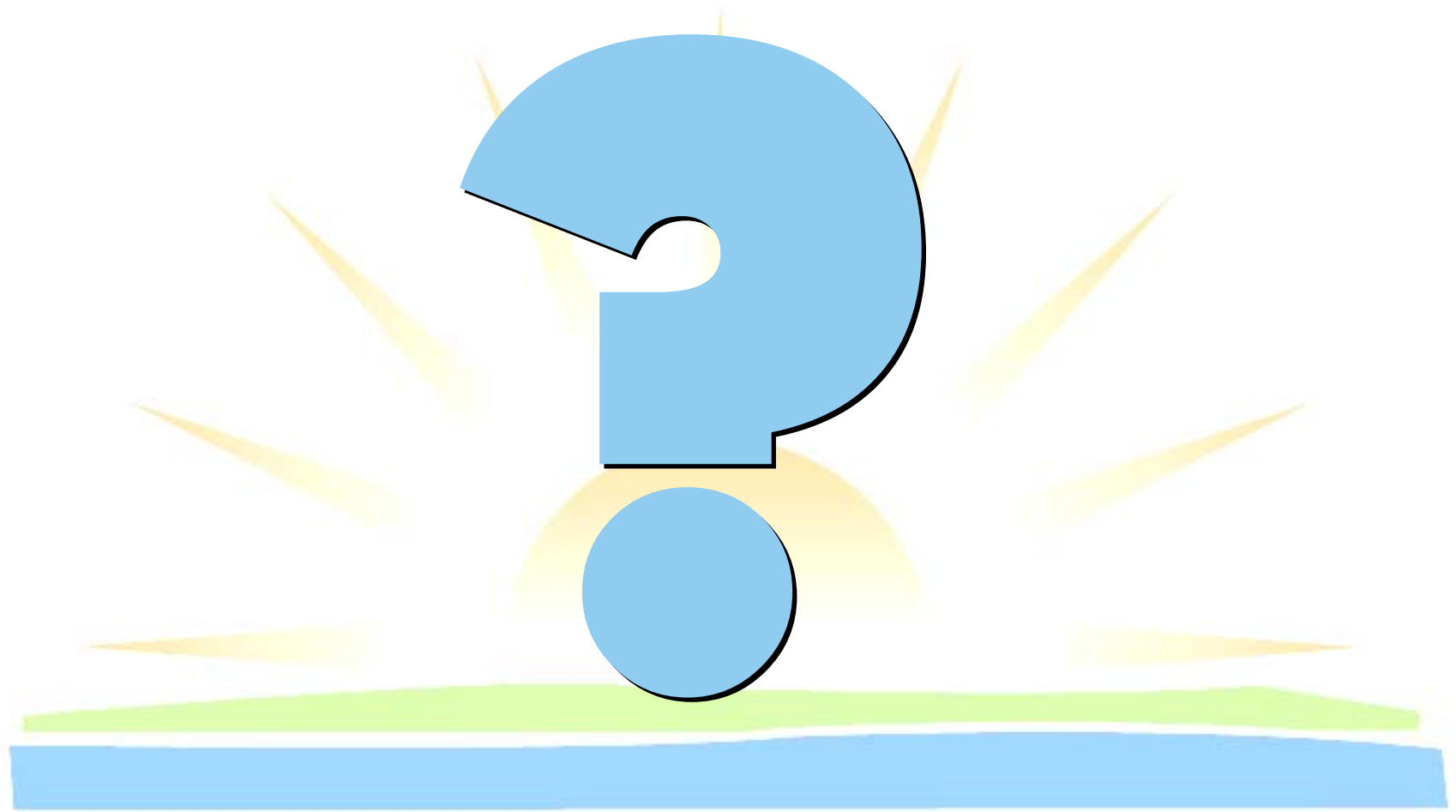
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# Documenting Management Reviews

- **Formal**
  - Annual Reports
  - Published Results of Strategic Planning Meetings
  - Document all Formal Reviews
- **Informal**
  - Meeting Minutes







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