

PROFILE OF USE OF INFORMATION ABOUT QUALITY RELATED COSTS

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Abstract

This work focuses on the broad topic of quality related costs (QRC), which has been largely discussed in the literature. Nevertheless, one of the least studied issues relates to the way companies use information about QRC. In this research the profile of use of information on QRC is analyzed considering the model proposed by Simons (1991), from which it is possible to distinguish between an interactive and a diagnostic profile. The analysis of the data collected through a questionnaire survey to a sample of Portuguese certified companies (PCCs) involved the application of factor analysis, cluster analysis, one-way ANOVA and discriminant analysis. The results show that a substantial part of PCCs use the information on QRC according to an interactive and diagnostic profile. Managers of these companies use information about QRC to set goals, monitor their implementation and motivate participants (according to a diagnostic profile), but also to foster organizational learning, the emergence of new ideas and strategies (according to an interactive profile). About 30% of companies favor a diagnostic profile of use of the information. However, about 32% of companies report negative values for both profiles, indicating that these companies undertake initiatives to prepare the information on QRC but their leaders do not use it in the management process.

KEYWORDS: Quality related costs; Interactive and diagnostic systems; Information to management.