Module – 3
Case Study: **"QFD in a Services Industry"**

XYZ Health Care Services had faced a revenue loss of around 20% due to improper billing. The company had also been going through trouble with its billing service process. Due to that, the company is finding hard to find and retain customers. The overall results is the dissatisfaction of both the employees as well as customers with company and it's processes.

To solve the problems, the company's management suggested the implementation of QFD methods with an aim of developing processes in response to customers' needs. So, the company conducted a market research to identify the requirements and expectations of the customers. The company also created a cross-functional team to define the critical attributes of the processes, which can impact customer satisfaction. The company also set up the benchmark in the characteristics in line with the best practices of other topmost companies in same health care sector.

The success of QFD implementation was felt in the outcomes company had. Very soon, the company experienced a major reduction in the service time as well as reduction in % of improper billing. The loss of customer due to service dissatisfaction was also reduced to almost zero. The most important impact of QFD was seen in the positive attitude of the employees towards the processes and the achievement of customer satisfaction.

Can you explain the benefits achieved by using QFD in the preceding case? Compare QFD with other quality improvement tools.