

## COST OF QUALITY TRAINING

**Target Audience**  
**Course Description**

Geared towards all management that wants to improve their earnings. Provides an in depth review of the Cost of Quality (COQ) and Cost of Poor Quality (COPQ). It takes a look at all COQ categories, along at “controllable cost drivers” that effect both COQ and COPQ.

**Prerequisites**  
**Course Objectives**

No prior knowledge of corrective action COQ is needed.

- What is COQ?
- What is COPQ?
- Four COQ Categories
  - External Failure Cost
  - Internal Failure Cost
  - Auditing Cost
  - Preventive Costs
- Tracking COQ
  - As a Percent of Sales
  - Actual \$\$ Cost
  - By Category
  - COPQ Tracking Requirements per TS 16949 & ISO 9001
- Activity Based Costing (ABC) vs. COQ Estimations
- Estimating COQ in Your Firm
- Implementing COQ
- Key COQ Controllable Cost Drivers
  - Containment
  - Scrap
  - Rework
  - Expedited Freight
  - Turnover
  - Late Programs
  - Mismanaged Programs
  - Post Launch Engineering Changes
  - Warranty
  - Yard Holds
  - Field Audits
- How to Get COQ Started in Your Organization!

**Course Length**

4 Hours

**Hardware/Software Needs**

None

**Instructional Techniques**

- Lecture
- Hand-outs
- Class Discussion