Ritz-Carlton Case

Applying SPC in Services

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A Reasonable Approach

- I. Identify problem areas.
- 2. See if in control or not: construct p-chart for selected areas.
- 3. If out of control, identify possible causes.
 - If in control, redesign system to reduce common causes variability and improve process capability.

Pareto Chart of Defects



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Room Cleaning: Group Data by Days of the Week



Note: Adjusted by occupancy based on estimated occupancy by day of the week.

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Room Cleaning P-Chart, grouped by day of the week



•7 samples, one for each day of week: each sample includes all defects occurring that day of the week during Jan-Nov.

•Size of each sample is the total occupancy on that day of the week (different for each sample due to differences in occupancies).

•Sunday is statistically different.

Only Sundays, Room Cleaning



•Considers Sunday room cleaning as a different process.

•Not only is Sunday different from other days (previous graph)-- it is also out-of-control when considered as a separate process.

If Room Cleaning were the same process every day...



8 out of control days, not surprisingly 4 of which are Sundays

Importance of choosing sample groups



•Within-sample variation includes both common and special causes.

•Fail to detect problems due to poor grouping of sample.

Ritz-Carlton Takeaways

- Monitor the process to detect potential problems.
 - Data collection.
 - Use tools of process control to diagnose problems.
- Use problems as an opportunity for improvement.
- Keep in mind customer specifications.
- Tools of quality management can be used effectively in service companies.