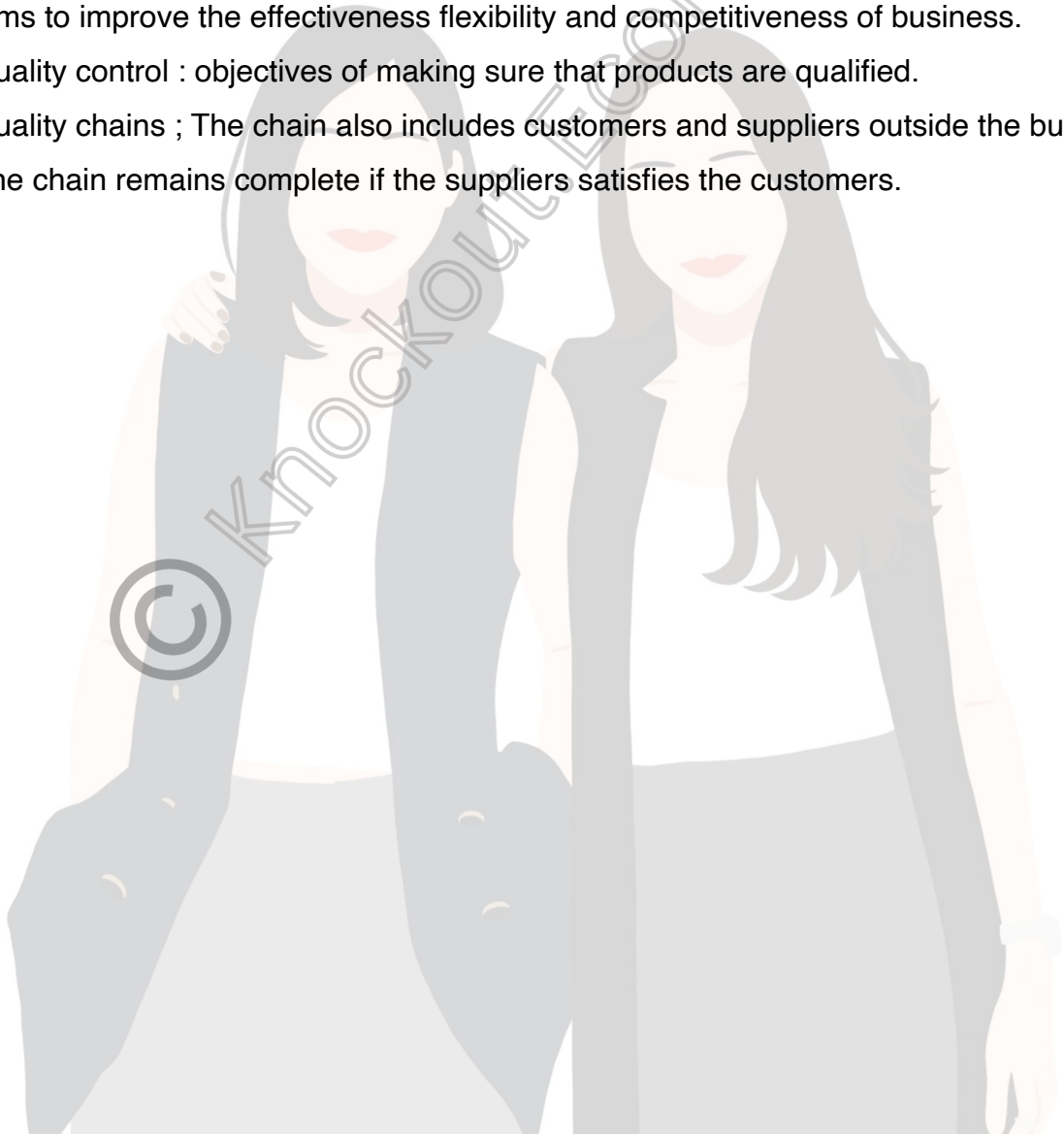


Chapter 40 Quality management

Key terms

1. Quality: features of a product or service that allows it to satisfy customers' needs.
2. Quality assurance : a method of working for business that takes into account customer's wants when standardizing quality. It often involves guaranteeing that quality standards are met.
3. commitment by a business to maintain quality throughout the organisation. The aim is to stop problems before they occur 'rather than finding Them after they occur.
4. Quality circles or quality control circles: groups of workers meet regularly to study and solve production problems.
5. Total quality management (TQM): a managerial approach that focus on quality and aims to improve the effectiveness flexibility and competitiveness of business.
6. Quality control : objectives of making sure that products are qualified.
7. Quality chains ; The chain also includes customers and suppliers outside the business. The chain remains complete if the suppliers satisfies the customers.



1. What is quality?

- **Quality:** could be described as those features of a product or service that allows it to satisfy customers' wants including.....
 - 1.) physical appearance ; style
 - 2.) reliability and durability
 - 3.) special features
 - 4.) suitability
 - 5.) parts ; spare parts.
 - 6.) repairs ; does the shop carry out maintenance,
 - 7.) after sale service.
 - 8.) image ; manufacturer's name widely recognised?
 - 9.) reputation; what do other customers think of the business or product?

2. Quality control

- **Quality control :** objectives of making sure that products are qualified.
 1. satisfied consumers' needs.
 2. operated in the way they should
 3. cost effectively
 4. repaired easily
 5. safety standard

3. Quality assurance

- **Quality assurance :** a commitment by a business to maintain quality throughout the organisation. The aim is to stop problems before they occur 'rather than finding them after they occur.

4. Quality circles or quality control circles

Quality circles or quality control circles : are small groups of workers (5-20) in the same area of production who meet regularly to study and solve production problems.

5. Total quality management (TQM)

- **TQM** is a method designed to prevent errors, such as the creation of poor quality products from happening. The business is organised so that the manufacturing process is investigated at every stage.
- **Quality chains** ; The chain also includes customers and suppliers outside the business. The chain remains complete if the suppliers satisfies the customers.
- **Company policy, accountability and empowerment:** Quality will be improved if there is company-wide quality policy.
- **Control**
- **Monitoring the process.**
- **Team work**
- **Consumer view** ; used the customer views to improve quality of products.
- **Zero defects**
- **Quality circles**
- **Using TQM :**
 1. focus on customer needs
 2. achieve quality in all aspects of business
 3. analyse all process to reduce waste and inefficiency
 4. improvements & development measures of performance.
 5. develop team approach to problem solving
 6. develop effective procedures for communication and acknowledgement of work.
 7. continue review the processes.

6. KAIZEN : means continuous improvement.

Features of KAIZEN

1. continuous improvement
2. eliminating waste
3. implementing continuous improvement.
 - 3.1) Plan; identify where improvement is needed
 - 3.2) Do
 - 3.3) check; the circle quality is to check
 - 3.4) Action; If the plan is successful, it must be introduced in all parts of the business.

17. Competitive advantage from quality management

1. Increasing sales
2. Reducing waste
3. Increasing market share

