



# Quality Management

A2 Business

What is quality?

- Quality product is one that meets customers' expectations. Something that is good value for money.

## How do business control quality of their products?

- 1. Quality Control:** is when after complete manufacturing of the product its quality is checked to verify if it is fit to be sold to customers.
- 2. Quality Assurance:** is when businesses use quality standards for each stage of production process and after every stage of

production process the company confirms if their products are meeting those quality standards or not.

**3. Total Quality Management:** is when a business sets quality standards for all different stages of production process but is also always on the lookout of ways through which the quality of the products can be improved even further.

## Lean Production

- Lean Production refers to the idea of continuously improving quality of products.
- Following strategies can be used to achieve Lean

- Production: 1. Just In Time
2. Quality Circles
  3. Simultaneous Engineering
  4. Cell production
  5. Benchmarking

## Cell Production

- Cell Production is when production process is divided in autonomous / independent teams which make complete units of the good.
- Pros:

- Employees are expected to develop more diverse skills which means that in case of absence of some employees others can cover up
- It helps kill employees' boredom
- It is seen to motivate employees since they take more ownership of their work.
- However this might prevent employees from specialization

## Simultaneous Engineering

- It states that a business should execute multiple tasks / activities at the same time to reduce wastage of resources etc.

- Though it helps business saves resources since multiple activities take place at the same time but this production technique requires more advance technology and multi skilled workers.

## Just In Time

- The idea says that businesses should not waste resources on maintaining warehouse but instead should get the supplies directly from the supplier to their production plant and similarly all the manufactured goods should be delivered to retailers as soon as these

are produced.

<p>The business gets rid of unnecessary fixed cost which can then be utilized towards other business expenses.</p>	<p>If on any given day the supplier of raw material is unable to meet demand then business operations can be affected and the business might not be able to meet customers' demand.</p>
<p>The business will eliminate the risk of products getting damaged / out dated.</p>	<p>The business which is using JIT should be able to accurately estimate the demand for its final products to be able to order the right quantities of raw material.</p>

# Quality Circles

- Quality Circles are voluntary groups of production workers which meet regularly to discuss product quality related issues.
- Pros:
  1. These workers are directly involved with the production process and therefore they are best judge of how the product quality can be improved.
  2. This is absolutely free for management.

## Cons

Sometimes the quality circles might not be able to solve the problem and so an expert might be needed to address the issue.



# Quality Standards

- Quality standards are criteria / benchmarks against which you evaluate the quality of your products.

## Benchmarking

- This is when a firm identifies best practices in the market and try to achieve these quality standards.

## Steps of Benchmarking

1. Identify best industry practices
2. Identify the areas of business that needs improvements
3. Continuously evaluate business performance on these dimensions
4. Take needed steps for improvement
5. Evaluate change and see if the implemented strategies were successful or not.

<p>Helps a business adopts best practices in the industry which will make your products more competitive.</p>	<p>However it can be difficult to identify the right type of quality standards</p>
	<p>And even harder to implement because of unique machinery and skill set of any business.</p>


Your products will become more competitive in relation to other competing products.	More resources might be spent by the business in achieving higher quality like hiring quality supervisors
Higher brand loyalty meaning that customers have preference for your brand.	Using more expensive raw material
More word of mouth promotion,	More training and better financial compensation for production workers.


# What is quality certifications?

- ISO stands for International Organization for Standardization which provides quality certificates to businesses. It can be an excellent way for businesses to earn the trust of their customers.