

Achieving Quality Production

What quality means and why it is important for all businesses

- Quality means to produce a good or service which meets customer expectations

A business needs to try to ensure that all the products or services it sells are free from faults or defects.

This will ensure that the business:

- i. Establishes a brand image
- ii. Builds brand loyalty
- iii. Maintains a good reputation
- iv. Helps to increase sales
- v. Attracts new customers

But if quality is not maintained the business will:

- i. Lose customers to other brands
- ii. Have to replace faulty products or repeat poor service which raises costs
- iii. Have customers tell other people about their experiences and this may give the business a bad reputation leading to lower sales and profits

Quality control

- Quality control is the checking for the quality at the end of the production process, whether it is the production of a good or service

Advantages include:

- i. Tries to eliminate faults or errors before the customer receives the product or service
- ii. Less training required for workers

Disadvantages include:

- i. Expensive as employees need to be paid to check the product or service
- ii. Identifies the problem but doesn't find why the fault has occurred and therefore is difficult to remove the problem
- iii. Increases costs if products have to be scrapped or reworked or service repeated

Quality Assurance

- Quality assurance is the checking for the quality of standards throughout the production process, whether it be production of a product or service
- The purpose is to ensure that the customer is satisfied, with aims of increasing greater sales, increased added value and increased profits
- Attention must be paid to the design of the product, the components and the materials used, delivery schedules and after sales service and quality control procedures

Advantages include:

- i. Tries to eliminate faults or errors before the customer receives the product or service
- ii. Fewer customer complaints
- iii. Reduced costs if products do not have to be scrapped or reworked or service repeated

Disadvantages include:

- i. Expensive to train employees to check the product or service
- ii. Relies on employees following instructions of standard set

Total Quality Management (TQM)

- Total quality management is the continuous improvement of products and processes by focusing on quality at each stage of production
- It tries to get it right the first time without any defects
- Emphasis on ensuring the satisfaction of customers or counterparts in business whom tasks are being performed for
- Quality should be maintained throughout the business and no faults should occur
- TQM is linked with Kaizen through use of quality circles
- Quality circles are where groups of workers meet regularly to discuss problems and possible solutions. Workers are encouraged to suggest new ideas to reduce waste and ensure zero defects

Advantages:

- i. Quality is built into every part of production//becomes central to ethos of employees
- ii. Eliminates all errors before received by customer
- iii. No customer complaints and so brand image promoted leading to higher sales
- iv. Reduced costs as products don't have to be scrapped/reworked or service repeated
- v. Waste is removed and efficiency increases

Disadvantages:

- i. Expensive to train employees to check the product or service
- ii. Relies on employees following TQM ideology



How can a customer be assured of a quality product or service?

- Look for quality mark associated with the product or service
- Businesses who apply quality marks have to follow certain rules to keep this mark
- E.g. ISO (International Organisation for Standardisation) allows businesses to use ISO number to advertise and in its literature
- Internet sites e.g. Trip Advisor
- Useful for business to gain good reputation from positive reviews, negative reviews have the opposite effect