



Aims for today

- *What quality means; why it is important for all businesses*
- *Describe the concept of quality control and how businesses implement quality control*
- *Describe the concept of quality assurance*



Why is Quality a concern?



If quality control breaks down, the cost can be severe.

Benefits of quality

- Gives competitive advantage
- Repeat purchases
- Builds consumer confidence in the brand
- Reduces costs incurred in solving post sales problems
- Helps improve efficiency

Listen to the podcast and consider
the following questions



What is quality?

Quality is an essential and distinguishing feature of a product. Tangible or intangible?

Quality Control

- It is achieving a minimum standard for a product, service or production process which meets customer needs. The quality of a sample of products is checked by a Quality control inspector.



Quality Assurance

Quality is essential throughout all stages of production.

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Quality assurance:

Ensuring quality is delivered & maintained at each stage of the production process.

This creates a *'culture of quality'*.

E.g. Retail

Quality Assurance

The Kaizen method

(*Continuous improvement* in Japanese)



- A technique traditionally used in factories but now used worldwide.
- Based on the principle that achieving the highest possible standards, means continuously improving what you do

Quality Sandwiches!

10 minutes planning

Brief

- Your task is to make a sandwich
- Consider how your group can control the quality of the end product.
- What quality assurance strategies will you use in making the sandwich?

Winning team will be awarded the
'Golden Sandwich Award'

Quality standards

Most products will have to meet strict standards laid down by independent organisations.

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- English Tourist Board
- Electrical products
- Fairtrade
- BSI Kitemark for businesses
- Quality marks for eggs

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Quality Standards

BS5750 & ISO 9000

- The *British Standards Institute (BSI)*, and the International Equivalent, *ISO*) publishes standards for product and services, known as the 'Kitemark', which can be seen as a badge of quality.
- These accreditations requires that firms set out clear procedures for all business processes – (in manuals and through staff training).
- Regular audits are carried out to ensure that processes are being carried out consistently according to standards.



How is quality viewed?

Consumer

- Quantity provided for price paid
- Reliability or lifetime of product
- Extent to which product/service satisfies requirements e.g. appearance, technical

Producer

- Meeting exact specifications
- A highly skilled workforce
- No customer complaints

Factors that may affect the quality of a product or service

- Time, effort and technological input in design process
- Quality of supplies of materials and components
- Commitment and skill of the workforce
- System of monitoring and controlling operating process
- Ability to meet delivery deadlines
- After-sales service provided

Question

Quality is important to German car manufacturers like Mercedes.

Describe the factors that Mercedes would have to consider when assessing if they can provide quality in their operating systems.

(6 marks)

Solution

- They would have to consider the quality of the materials and components they received from suppliers.
- They would have to consider whether their current workforce had the necessary commitment and skill to fully implement the quality process.
- They would have to look at their current system of monitoring and controlling operating process and see if it was compatible with a new quality process or required changing.
- They would need to consider whether they would still be able to meet their delivery deadlines to customers.

Quality

Organisations use a variety of measures to ensure all products and services meet a high level of quality.

Include:

- Benchmarking
- Quality control
- Quality assurance
- Quality circles
- Quality management
- British Standards

Question

Distinguish between quality control and quality assurance.

(2 mark)

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Solution

Quality control is an historic & reactive method of managing quality **whereas** quality assurance is based on prevention.

Quality circles

- Originated in Japanese manufacturing industries – Toyota first to use them in 1950s
- Small groups of workers meet at regular intervals to discuss how improvements can be made to production process.

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Principles:

1. No one in production process knows more about problems that might arise than the shop floor workers
2. Workers will appreciate and be motivated by opportunity to use knowledge and talents alongside management in problem-solving environment.

Question

Describe the advantage of quality circles for

- The organisation
- The employee

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(6)

Total Quality Management (TQM)

- Also known as Quality Management (QM)
- System of doing things right the first time – no errors are tolerated!
- All staff involved in ensuring absolute quality of their work.
- Works on principle that the next person in line is your customer or client e.g. next person on factory line.
- Constant striving to improve efficiency of processes and reduction of waste.
- Although initially costly, can reduce wastage to around 3%.

TQM requires:

- Core corporate philosophy focusing on customer satisfaction
- Commitment by top management and provision of resources
- Every member of organisation consulted and involved
- Focus on teamwork and creative thinking to identify future improvements
- Viewed as a long-term concept
- Quality plan offering structured, disciplined approach to quality established
- Collection and analysis of information
- Investment in employee training
- Constant checking of quality standards by individuals
- Constant search for improvement
- Focus on total quality of output

Question

- 1 Quality is central to the production of desirable goods and services.

Explain how a manufacturing organisation can ensure quality in the production process.

(3 marks)

- 2 Describe the benefits of holding a trademark or quality symbol for

- an organization
- a consumer

(6

marks)

Solution

- They could employ **benchmarking**. By comparing and copying their own production process with the best in the market, they can ensure quality.
- They could also employ **quality control**. This would ensure quality in the production process by identifying unacceptable products, discarding them or sending them back and ensuring substandard products are not sold to customers.
- They could employ **quality circles**. By utilising the knowledge of the people on the shop floor, they could identify any problems in the production process and ensure the complete commitment to quality of the people producing the goods and services.

Question

Describe an advantage and a disadvantage of using an effective quality assurance system.

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Solution

- ✓ Quality standards will be recognised by suppliers and customers
- ✓ Waste will be reduced
- ✓ Customer complaints and returns will be reduced
- ✓ The reputation of the organisation will be improved
- ✓ Reduction in need for management intervention
- ✗ Organisation must invest in the quality assurance system
- ✗ Staff training must be a continuing process
- ✗ All employees must be committed to the process.

Plenary Questions

1. A company makes cars. Checks are not made on quality during the production process. Once a car is made, quality inspectors test the car to see whether it meets minimum standards. If there is a fault, it is fixed at the end of the production process. This system of ensuring quality is called:

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- A quality assurance
- B quality checking
- C quality control
- D quality inspection

•Answer C



Plenary Questions

2. The car manufacturing company changes to a different system of ensuring quality. Every worker is responsible for making sure that the work they do meets quality standards. So quality standards are met at every stage of the production process. This system of ensuring quality is called:

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- A quality assurance
- B quality checking
- C quality control
- D quality inspection

• **Answer A**



Plenary Questions

3. Gaining a quality standard such as ISO 9001 is most likely to help a business because it:

- A means the quality of its products is better than all its competitors
- B increases the prices paid to the suppliers of the business
- C helps the business gain new customers
- D reduces the need for quality assurance

Answer C



Quality Control

Achieving a minimum standard for a product, service or production process which meets customer needs

Quality assurance:

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Quality standards

Most products will have to meet strict standards laid down by independent organisations.